

# Audited annual report as at 31st December 2013

## **Rhenman & Partners Fund**

Investment Fund (F.C.P.), Luxembourg



#### Notice

The sole legally binding basis for the purchase of units of the Fund described in this report is the latest valid sales prospectus with its terms of contract.

**Rhenman & Partners Fund**

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# Rhenman & Partners Fund

## Organisation

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**Management Company and  
Central Administrator**

SEB Fund Services S.A.  
4, rue Peternelchen  
L-2370 Howald

**Board of Directors of  
the Management Company**

**Chairman**  
Ralf FERNER  
Managing Director  
SEB Asset Management S.A., Luxembourg

**Vice-Chairman**  
Peter KUBICKI  
Managing Director  
Skandinaviska Enskilda Banken S.A.,  
Luxembourg

**Directors**  
Göran FORS  
Head of Asset Servicing  
Transaction Banking  
Skandinaviska Enskilda Banken AB (publ), Sweden

Ann-Charlotte LAWYER  
Managing Director and Head of  
SEB Fund Services S.A., Luxembourg

Jonas LINDGREN  
Head of Prime Brokerage  
SEB Enskilda, Securities Finance, Sweden

**Custodian Bank and Paying Agent**

Skandinaviska Enskilda Banken S.A.  
4, rue Peternelchen  
L-2370 Howald

**Sub-Administrator, Registrar  
and Transfer Agent**

European Fund Administration S.A.  
2, rue d'Alsace  
L-1122 Luxembourg

**Investment Manager**

Rhenman & Partners Asset Management AB  
Strandvägen 5a  
SE-114 51 Stockholm

**Placement and Distribution Agent**

Rhenman & Partners Asset Management AB  
Strandvägen 5a  
SE-114 51 Stockholm

## Rhenman & Partners Fund

### Organisation (continued)

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**Prime Broker**

Skandinaviska Enskilda Banken AB (publ)  
Kungsträdgårdsgatan 8  
SE-106 40 Stockholm

**Paying Agent in Sweden**

Skandinaviska Enskilda Banken AB (publ)  
Kungsträdgårdsgatan 8  
SE-106 40 Stockholm

**Auditor**

PricewaterhouseCoopers, Société coopérative  
400, route d'Esch  
L-1471 Luxembourg

## Rhenman & Partners Fund

### General information

Rhenman & Partners Fund (the "Fund") is an open-ended mutual investment fund set up under the laws of the Grand Duchy of Luxembourg as a "*Fonds Commun de Placement*" ("FCP") registered pursuant to Part II of the amended Law of 17th December 2010 relating to Undertakings for Collective Investment.

The Fund is set up in accordance with Management Regulations signed in Luxembourg on 5th June 2009 and which have been deposited with the Luxembourg *Registre de Commerce et des Sociétés*. A notice of such deposit was published in the *Mémorial C, Recueil des Sociétés et Associations* (the "*Mémorial*") on 18th June 2009.

The registered office of the Management Company is established at 4, rue Peternelchen, L-2370 Howald.

The Fund is an umbrella fund and as such provides investors with the choice of investment in a range of several separate Sub-Funds each of which relates to a separate portfolio of liquid assets and other securities and assets permitted by Law with specific investment objectives, as described in Part B of the current prospectus.

At present, one Sub-Fund is at the unitholder's disposal:

- Rhenman & Partners Fund - Rhenman Healthcare Equity L/ S in EUR.

For the time being, only the Classes IC1 (EUR), IC2 (EUR), IC2 (SEK), IC3 (EUR), IC4 (EUR), ID1 (SEK), RC1 (SEK), RC1 (EUR) and RC2 (SEK) have been launched.

Class I Units, reserved to institutional investors as defined by Article 174 of the Law, are issued as capitalization ("C") and distributing ("D") Units.

The financial year of the Fund ends on 31st December.

The Net Asset Value per unit of each class, subscription and redemption prices in the Sub-Fund are available at the registered office of the Management Company.

The Fund's currency is euro (EUR).

The Net Asset Value per unit of the Sub-Fund is calculated monthly as of the last Business Day of each month in Luxembourg ("Valuation Day"), under the overall responsibility of the Management Company.

Financial reports of the Fund are published annually and semi-annually. These reports, as well as the sales prospectus and all information concerning the Fund are available at the registered office of the Management Company, the Custodian Bank and Paying Agent.

## Rhenman & Partners Fund

### Report from the Investment Manager

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To the Unit holders,

The Fund's main unit class "IC1 (EUR)" rose by 55.3% in 2013. The stated strategy of the Fund is to hold roughly a third of small, medium and large cap healthcare companies respectively, over time. This strategy renders the portfolio diversified and more balanced than otherwise. Another way in which the portfolio benefits from diversification is through its exposure to several different sub-sectors of healthcare, namely pharmaceuticals, biotechnology, medical technology and services.

In 2013, all four sub-sectors did well compare to the overall market, while biotech had an outstanding year. Just over half of the Fund's performance in 2013 can be attributed to the biotech sub-sector which benefited from factors such as maturing pipelines, multiple expansion, earnings momentum and M&A activity. The pharmaceutical sector's performance was the weakest among the healthcare sub-sectors, but it still outperformed a general index. The headwinds caused by patent expiries are mostly behind us, and instead we see that the emerging markets are becoming increasingly more meaningful to both the top and bottom line for the pharmaceutical companies. The medical technology sector benefited from reduced pricing pressure and M&A activity, while the medical device tax news flow had already been discounted by the market. Finally, the services sector also had a good year as the market became more comfortable with the implications of Obamacare for that sub-sector.

2013 was a very exciting year for the cancer field both from a scientific perspective and also for financial markets, with the emergence of immuno-oncology, i.e. PD-1/ PD-L1. After many years of research, this approach is now reaching the final phases of clinical trials and it appears that it might have the ability to revolutionize the treatment of cancer, possibly making it a chronic disease in some cases instead of a deadly one. The treatment can be described in simple terms as aiding the immune system to "see" the cancer where previously it was camouflaged, after which it can be attacked with renewed zeal.

The dollar was strong during the first half of the year but then came back during the second half to the level where it started the year, compared to a basket of currencies. A comparable trend was seen for the dollar versus the Fund's base currency, the Euro. The net effect at the Fund level was therefore small.

On the macro front, the year started out with an overhang of concerns regarding the global economy. The European economies' struggles dragged on and in the US the disagreements regarding "The Sequester" and the ensuing political deadlock, resulted in occasional weaknesses in confidence for the market. During the summer there were discussions about the ECB's ability to carry out OMT operations and whether or not they were unconstitutional in Germany. Shortly after the summer the Republicans and Democrats continued their "chicken-race" with respect to the raising of the debt ceiling. Eventually the Republicans gave in and continued to fund the federal budget. Tapering was a major topic for debate. When the Fed finally announced that tapering would start in December, it was well anticipated by the market, which had already discounted it prior to the meeting. A very encouraging sight is that the market now appears to react positively to strong macro data points, instead of negatively, as was the case earlier in the year (since it was perceived as a threat to continued QE). Elsewhere in the world, the Japanese stock market had a remarkable year thanks to "Abeonomics", i.e. the BOJ started quantitative easing with the aim of raising inflation and inflation expectations.

Looking ahead to 2014, we remain optimistic that the healthcare sector will continue to do well as there are many underlying drivers that remain intact. The pipelines for new drug development in areas with high unmet need look exciting. This bodes well for the biotech sector. The importance of emerging markets, with both demographic factors and rising wealth, is becoming all the more palpable, especially for pharmaceutical companies, which can benefit greatly from this rapidly growing source of demand. The Fund's geographical split (investing on a global basis, including exposure to emerging markets) also adds diversification benefits to the Fund.

## **Rhenman & Partners Fund**

### **Report from the Investment Manager (continued)**

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Another factor that could add meaningful growth is Obamacare, which is now being implemented. While there most certainly will be some teething problems at the outset, the Affordable Care Act is generally expected to bring additional demand to the US market.

Luxembourg, 23rd January 2014

The Investment Manager

Note: The information in this report represents historical data and is not an indication of future results.





## Audit Report

To the Unitholders of  
**Rhenman & Partners Fund**

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We have audited the accompanying financial statements of Rhenman & Partners Fund, which comprise the statement of net assets and the statement of investments and other net assets as at 31st December 2013 and the statement of operations and other changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory notes to the financial statements.

### *Responsibility of the Board of Directors of the Management Company for the financial statements*

The Board of Directors of the Management Company is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements and for such internal control as the Board of Directors of the Management Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Responsibility of the "Réviseur d'entreprises agréé"*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier". Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the judgment of the "Réviseur d'entreprises agréé", including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the "Réviseur d'entreprises agréé" considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the Management Company, as well as evaluating the overall presentation of the financial statements.



**Audit Report (continued)**

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, the financial statements give a true and fair view of the financial position of Rhenman & Partners Fund as of 31st December 2013, and of the results of its operations and changes in its net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements.

*Other matters*

Supplementary information included in the annual report has been reviewed in the context of our mandate but has not been subject to specific audit procedures carried out in accordance with the standards described above. Consequently, we express no opinion on such information. However, we have no observation to make concerning such information in the context of the financial statements taken as a whole.

PricewaterhouseCoopers, Société coopérative  
Represented by

A large, dense, handwritten signature in black ink, appearing to be 'Jean-Robert Lentz', is written over the text 'Represented by'.

Jean-Robert Lentz

Luxembourg, 10th April 2014

## Rhenman & Partners Fund

### Consolidated statement of net assets (in EUR)

as at 31st December 2013

#### Assets

Securities portfolio at market value	248,666,679.69
Option contracts at market value	1,127,173.90
Cash at banks	4,243,739.36
Other liquid assets	959.22
Formation expenses, net	3,123.83
Receivable on sales of securities	28,741,457.44
Income receivable on portfolio	87,772.00
Total assets	282,870,905.44

#### Liabilities

Bank overdrafts	56,280,203.49
Short sales of securities at market value	30,488,763.07
Income payable on short position on portfolio	190.55
Interest payable on bank overdrafts	55,252.47
Expenses payable	4,044,940.12
Prepaid subscriptions	6,382,484.05
Total liabilities	97,251,833.75
Net assets at the end of the year	185,619,071.69

The accompanying notes are an integral part of these financial statements.

## Rhenman & Partners Fund

### Consolidated statement of operations and other changes in net assets (in EUR)

from 1st January 2013 to 31st December 2013

#### **Income**

Dividends, net	1,322,452.02
Interest on bank accounts	1,024.20
Commissions received	11,131.48
Total income	1,334,607.70

#### **Expenses**

Management fees	2,026,897.09
Performance fees	12,131,983.99
Banking charges and other fees	334,271.80
Transaction fees	2,450,146.03
Central administration costs	206,263.27
Professional fees	24,381.76
Other administration costs	19,171.03
Subscription duty ("taxe d'abonnement")	36,595.48
Interest paid on bank overdrafts	132,123.26
Interest paid on swaps contracts	74,951.52
Dividends paid on short sales of securities	353,519.66
Interest paid on collateralized debt at banks	335,152.51
Other expenses	22,152.02
Total expenses	18,147,609.42

Net investment loss	-16,813,001.72
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#### **Net realised gain/(loss)**

- on securities portfolio	58,375,671.58
- on swaps contracts	-4,100,093.55
- on foreign exchange	2,527,072.80

Realised result	39,989,649.11
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#### **Net variation of the unrealised gain/(loss)**

- on securities portfolio	16,787,683.73
- on option contracts	73,859.70

Result of operations	56,851,192.54
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Dividends paid	-223,131.62
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Subscriptions	61,529,733.46
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Redemptions	-7,979,962.19
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Total changes in net assets	110,177,832.19
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Total net assets at the beginning of the year	75,441,239.50
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Total net assets at the end of the year	185,619,071.69
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The accompanying notes are an integral part of these financial statements.

## Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

### Statement of net assets (in EUR)

as at 31st December 2013

#### Assets

Securities portfolio at market value	248,666,679.69
Option contracts at market value	1,127,173.90
Cash at banks	4,243,739.36
Other liquid assets	959.22
Formation expenses, net	3,123.83
Receivable on sales of securities	28,741,457.44
Income receivable on portfolio	87,772.00
Total assets	282,870,905.44

#### Liabilities

Bank overdrafts	56,280,203.49
Short sales of securities at market value	30,488,763.07
Income payable on short position on portfolio	190.55
Interest payable on bank overdrafts	55,252.47
Expenses payable	4,044,940.12
Prepaid subscriptions	6,382,484.05
Total liabilities	97,251,833.75

Net assets at the end of the year 185,619,071.69

"IC1 (EUR)" units outstanding	95,130.894
Net asset value per "IC1 (EUR)" unit	246.79
"IC2 (EUR)" units outstanding	36,214.140
Net asset value per "IC2 (EUR)" unit	192.85
"IC2 (SEK)" units outstanding	926,949.021
Net asset value per "IC2 (SEK)" unit	SEK 158.77
"IC3 (EUR)" units outstanding	72,052.910
Net asset value per "IC3 (EUR)" unit	260.40
"IC4 (EUR)" units outstanding	200,000.000
Net asset value per "IC4 (EUR)" unit	163.28
"ID1 (SEK)" units outstanding	679,006.752
Net asset value per "ID1 (SEK)" unit	SEK 157.19
"RC1 (SEK)" units outstanding	1,492,162.582
Net asset value per "RC1 (SEK)" unit	SEK 202.38
"RC1 (EUR)" units outstanding	2,204.419
Net asset value per "RC1 (EUR)" unit	224.79
"RC2 (SEK)" units outstanding	1,741,219.978
Net asset value per "RC2 (SEK)" unit	SEK 206.39

The accompanying notes are an integral part of these financial statements.

## Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

### Statement of operations and other changes in net assets (in EUR)

from 1st January 2013 to 31st December 2013

#### **Income**

Dividends, net	1,322,452.02
Interest on bank accounts	1,024.20
Commissions received	11,131.48
Total income	1,334,607.70

#### **Expenses**

Management fees	2,026,897.09
Performance fees	12,131,983.99
Banking charges and other fees	334,271.80
Transaction fees	2,450,146.03
Central administration costs	206,263.27
Professional fees	24,381.76
Other administration costs	19,171.03
Subscription duty ("taxe d'abonnement")	36,595.48
Interest paid on bank overdrafts	132,123.26
Interest paid on swaps contracts	74,951.52
Dividends paid on short sales of securities	353,519.66
Interest paid on collateralized debt at banks	335,152.51
Other expenses	22,152.02
Total expenses	18,147,609.42

Net investment loss	-16,813,001.72
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#### **Net realised gain/(loss)**

- on securities portfolio	58,375,671.58
- on swaps contracts	-4,100,093.55
- on foreign exchange	2,527,072.80

Realised result	39,989,649.11
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#### **Net variation of the unrealised gain/(loss)**

- on securities portfolio	16,787,683.73
- on option contracts	73,859.70

Result of operations	56,851,192.54
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Dividends paid	-223,131.62
----------------	-------------

Subscriptions	61,529,733.46
---------------	---------------

Redemptions	-7,979,962.19
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Total changes in net assets	110,177,832.19
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Total net assets at the beginning of the year	75,441,239.50
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Total net assets at the end of the year	185,619,071.69
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The accompanying notes are an integral part of these financial statements.

## Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

### Statistical information (in EUR)

as at 31st December 2013

<b>Total net assets</b>	
- as at 31.12.2013	185,619,071.69
- as at 31.12.2012	75,441,239.50
- as at 31.12.2011	32,441,331.10
<b>Number of "IC1 (EUR)" units</b>	
- outstanding at the beginning of the year	58,067.609
- issued	48,372.317
- redeemed	-11,309.032
- outstanding at the end of the year	95,130.894
<b>Net asset value per "IC1 (EUR)" unit</b>	
- as at 31.12.2013	246.79
- as at 31.12.2012	158.92
- as at 31.12.2011	134.58
<b>Number of "IC2 (EUR)" units</b>	
- outstanding at the beginning of the year	50,000.000
- issued	0.000
- redeemed	-13,785.860
- outstanding at the end of the year	36,214.140
<b>Net asset value per "IC2 (EUR)" unit</b>	
- as at 31.12.2013	192.85
- as at 31.12.2012	123.64
- as at 31.12.2011	104.30
<b>Number of "IC2 (SEK)" units</b>	
- outstanding at the beginning of the year	0.000
- issued	926,949.021
- redeemed	0.000
- outstanding at the end of the year	926,949.021
<b>Net asset value per "IC2 (SEK)" unit</b>	
- as at 31.12.2013	SEK 158.77
- as at 31.12.2012	-
- as at 31.12.2011	-
<b>Number of "IC3 (EUR)" units</b>	
- outstanding at the beginning of the year	59,645.315
- issued	12,454.231
- redeemed	-46.636
- outstanding at the end of the year	72,052.910
<b>Net asset value per "IC3 (EUR)" unit</b>	
- as at 31.12.2013	260.40
- as at 31.12.2012	159.79
- as at 31.12.2011	132.02
<b>Number of "IC4 (EUR)" units</b>	
- outstanding at the beginning of the year	200,000.000
- issued	0.000
- redeemed	0.000
- outstanding at the end of the year	200,000.000
<b>Net asset value per "IC4 (EUR)" unit</b>	
- as at 31.12.2013	163.28
- as at 31.12.2012	99.82
- as at 31.12.2011	-

The accompanying notes are an integral part of these financial statements.

## Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

### Statistical information (in EUR) (continued)

as at 31st December 2013

<b>Number of "ID1 (SEK)" units</b>	
- outstanding at the beginning of the year	432,034.342
- issued	246,972.410
- redeemed	0.000
<hr/>	<hr/>
- outstanding at the end of the year	679,006.752
<b>Net asset value per "ID1 (SEK)" unit</b>	
- as at 31.12.2013	SEK 157.19
- as at 31.12.2012	SEK 103.07
- as at 31.12.2011	-
<b>Dividend paid</b>	
Ex-dividend date	28.02.2013
Dividend per share	SEK 4.12
Units outstanding at dividend date	456,289.702
<b>Number of "RC1 (SEK)" units</b>	
- outstanding at the beginning of the year	811,567.500
- issued	809,370.158
- redeemed	-128,775.076
<hr/>	<hr/>
- outstanding at the end of the year	1,492,162.582
<b>Net asset value per "RC1 (SEK)" unit</b>	
- as at 31.12.2013	SEK 202.38
- as at 31.12.2012	SEK 128.55
- as at 31.12.2011	SEK 111.04
<b>Number of "RC1 (EUR)" units</b>	
- outstanding at the beginning of the year	656.778
- issued	1,687.134
- redeemed	-139.493
<hr/>	<hr/>
- outstanding at the end of the year	2,204.419
<b>Net asset value per "RC1 (EUR)" unit</b>	
- as at 31.12.2013	224.79
- as at 31.12.2012	146.92
- as at 31.12.2011	124.91
<b>Number of "RC2 (SEK)" units</b>	
- outstanding at the beginning of the year	860,729.745
- issued	917,546.219
- redeemed	-37,055.986
<hr/>	<hr/>
- outstanding at the end of the year	1,741,219.978
<b>Net asset value per "RC2 (SEK)" unit</b>	
- as at 31.12.2013	SEK 206.39
- as at 31.12.2012	SEK 130.80
- as at 31.12.2011	SEK 112.63

The accompanying notes are an integral part of these financial statements.



## Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

### Statement of investments and other net assets (in EUR)

as at 31st December 2013

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<b><u>Securities: investments and short positions</u></b>					
<b><u>Transferable securities admitted to an official stock exchange listing</u></b>					
<b>Shares</b>					
CHF	50,000	Actelion Ltd	2,371,217.30	3,074,050.12	1.65
CHF	35,000	Novartis AG Reg	1,900,475.74	2,033,319.94	1.09
CHF	31,342	Roche Holding AG B de jours Pref	6,095,760.80	6,372,831.37	3.43
			10,367,453.84	11,480,201.43	6.17
DKK	37,422	Alk-Abello A/ S B	2,689,534.16	3,080,248.84	1.66
DKK	150,000	Bavarian Nordic A/ S	1,339,589.44	1,789,664.82	0.96
DKK	80,000	Genmab A/ S	1,779,077.26	2,273,611.64	1.23
DKK	120,000	H Lundbeck A/ S	1,789,766.10	2,203,901.85	1.19
DKK	22,500	Novo Nordisk A/ S B	2,874,263.19	2,998,191.30	1.62
			10,472,230.15	12,345,618.45	6.66
EUR	230,000	Ablynx NV	1,426,855.33	1,610,000.00	0.87
EUR	60,000	Bayer AG Reg	5,317,827.30	6,117,000.00	3.30
EUR	30,000	Fresenius SE & Co KGaA	2,836,879.98	3,348,000.00	1.80
EUR	95,000	Galapagos Genomics NV	1,334,917.07	1,453,500.00	0.78
EUR	27,000	Gerresheimer AG	930,881.21	1,372,410.00	0.74
EUR	70,000	Medica	959,381.78	1,328,600.00	0.72
EUR	23,000	MorphoSys AG	675,973.83	1,284,550.00	0.69
EUR	60,000	Sanofi SA	4,510,329.06	4,627,200.00	2.49
EUR	320,000	Sorin SpA	563,961.14	663,680.00	0.36
EUR	120,000	ThromboGenics NV	2,736,057.78	2,418,000.00	1.30
EUR	520,000	Zeltia SA	1,003,356.70	1,201,200.00	0.65
			22,296,421.18	25,424,140.00	13.70
GBP	70,000	Shire Plc	1,868,057.87	2,399,056.61	1.29
HKD	700,000	Sinopharm Group Co Ltd H	1,620,350.30	1,458,100.73	0.79
JPY	60,000	Astellas Pharma Inc	2,224,522.35	2,582,359.96	1.39
JPY	100,000	Chugai Pharmaceutical Co Ltd	1,523,101.12	1,606,203.03	0.87
JPY	150,000	Daiichi Sankyo Co Ltd	1,969,281.35	1,992,728.01	1.07
JPY	30,000	Takeda Pharmaceutical Co Ltd	1,115,489.14	999,990.92	0.54
			6,832,393.96	7,181,281.92	3.87
SEK	188,000	Active Biotech AB	1,374,435.33	1,473,910.01	0.79
SEK	304,428	Episurf Medical AB B	1,528,992.01	2,249,335.35	1.21
SEK	180,000	Meda ABA	1,771,254.62	1,656,879.70	0.89
SEK	357,000	Neurovive Pharmaceutical AB	552,971.98	740,993.42	0.40
			5,227,653.94	6,121,118.48	3.29
USD	65,000	Abiomed Inc	1,154,141.67	1,261,686.99	0.68
USD	85,000	Acadia Pharmaceuticals Inc	870,090.84	1,541,920.73	0.83
USD	10,000	Actavis Plc	781,437.33	1,219,512.19	0.66
USD	75,000	Aegerion Pharmaceuticals Inc	4,149,582.01	3,863,240.42	2.08
USD	40,000	Aetna Inc	1,993,386.20	1,991,579.56	1.08
USD	40,000	Agilent Technologies Inc	1,544,931.77	1,660,569.11	0.89
USD	50,000	Alexion Pharmaceuticals Inc	3,867,379.48	4,829,413.47	2.60
USD	145,000	Alkermes Plc	3,039,525.35	4,279,689.31	2.31
USD	25,000	Allergan Inc	1,609,104.45	2,015,824.63	1.08
USD	55,000	Allscripts Healthcare So Inc	572,104.05	617,232.87	0.33
USD	40,000	AmerisourceBergen Corp	1,821,238.20	2,041,521.48	1.10
USD	119,297	Anthera Pharmaceuticals Inc	572,271.39	265,854.96	0.14
USD	700,000	Ariad Pharmaceuticals Inc	2,712,885.47	3,465,447.15	1.87
USD	360,000	Array BioPharma Inc	1,379,182.93	1,309,233.45	0.71
USD	85,000	Auxilium Pharmaceuticals Inc	1,352,900.90	1,279,689.32	0.69
USD	37,000	Baxter Intl Inc	1,819,471.52	1,867,995.06	1.00

The accompanying notes are an integral part of these financial statements.

## Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

### Statement of investments and other net assets (in EUR) (continued)

as at 31st December 2013

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
USD	25,000	Becton Dickinson & Co	1,904,949.63	2,005,117.59	1.08
USD	27,000	Biogen IDEC Inc	4,579,487.96	5,482,905.05	2.95
USD	100,000	BioMarin Pharmaceutical Inc	4,854,551.06	5,100,900.11	2.75
USD	275,000	Boston Scientific Corp	2,242,384.02	2,399,462.83	1.29
USD	72,000	Bristol Myers Squibb Co	2,551,018.61	2,777,874.57	1.50
USD	49,000	Celgene Corp	5,064,518.98	6,009,756.10	3.24
USD	90,000	Celldex Therapeutics Inc	1,787,773.45	1,581,663.76	0.85
USD	35,000	Centene Corp	1,503,327.03	1,497,713.41	0.81
USD	30,000	Cepheid Inc	822,228.15	1,017,421.60	0.55
USD	27,000	Cigna Corp	1,571,429.23	1,714,547.04	0.92
USD	45,000	Community Health Syst Inc	1,290,458.78	1,282,774.39	0.69
USD	45,000	Covidien Plc	2,070,983.56	2,224,520.91	1.20
USD	13,000	CR Bard Inc	1,091,849.90	1,263,951.80	0.68
USD	107,000	CVS Caremark Corp	4,750,973.26	5,558,935.83	2.99
USD	40,000	Cyberonics Inc	1,570,547.03	1,902,148.66	1.03
USD	77,000	Dexcom Inc	1,680,193.02	1,979,217.48	1.07
USD	1,400,000	Dynavax Technologies Corp	1,809,910.73	1,991,869.92	1.08
USD	35,000	Eli Lilly & Co	1,350,780.99	1,295,731.70	0.70
USD	25,000	Endocyte Inc	253,985.71	193,996.81	0.10
USD	81,027	Endologix Inc	768,111.39	1,025,777.35	0.56
USD	350,000	Exelixis Inc	1,361,686.39	1,557,418.70	0.83
USD	65,000	Express Scripts Hg Co	3,031,940.81	3,314,169.57	1.78
USD	55,000	Forest Laboratories Inc	1,868,349.56	2,396,668.12	1.29
USD	109,000	Gilead Sciences Inc	5,711,491.14	5,946,101.92	3.20
USD	30,000	Haemonetics Corp	886,870.70	917,465.15	0.49
USD	55,000	HCA Holdings Inc	1,884,889.78	1,904,798.20	1.03
USD	72,000	Hologic Inc	1,154,211.01	1,168,118.46	0.63
USD	110,000	Hyperion Therapeutics Inc	1,864,764.02	1,614,547.04	0.87
USD	100,000	ImmunoGen Inc	1,162,567.71	1,064,895.47	0.57
USD	85,000	Incyte Corp Ltd	2,464,402.34	3,123,947.45	1.68
USD	210,000	Infinity Pharm Inc	2,722,203.91	2,105,182.93	1.13
USD	75,000	Insulet Corp	2,031,065.25	2,019,817.07	1.09
USD	45,000	Integra Lifesciences Hgs Corp	1,372,711.84	1,558,471.26	0.84
USD	8,000	Intuitive Surgical Inc	2,195,575.86	2,230,429.73	1.20
USD	30,000	Johnson & Johnson	2,004,140.23	1,994,555.75	1.07
USD	400,000	Keryx Biopharmaceuticals Inc	3,236,793.64	3,760,162.60	2.03
USD	300,000	Lexicon Pharmaceuticals Inc	472,811.48	391,986.06	0.21
USD	38,000	Ligand Pharmaceuticals Inc B	855,886.52	1,450,929.16	0.78
USD	13,000	McKesson Corp	1,195,700.20	1,523,083.62	0.82
USD	75,000	Medtronic Inc	3,029,334.74	3,124,455.58	1.68
USD	85,000	Merck Co Inc	2,876,307.23	3,088,160.57	1.66
USD	80,759	Myriad Genetics Inc	1,576,489.58	1,229,909.86	0.66
USD	190,000	Nektar Therapeutics	1,398,994.61	1,565,403.60	0.84
USD	40,000	NewLink Genetics Corp	631,656.21	639,082.46	0.34
USD	25,000	Novadaq Technologies Inc	303,842.15	299,252.32	0.16
USD	240,000	NPS Pharmaceuticals Inc	4,317,824.64	5,289,198.61	2.85
USD	37,000	Omnicare Inc	1,321,771.86	1,621,167.25	0.87
USD	250,000	Orexigen Therapeutics Inc	1,111,668.40	1,021,704.41	0.55
USD	58,000	Parexel Intl Corp	1,755,019.88	1,902,177.70	1.03
USD	45,000	Perkin Elmer Inc	1,261,062.22	1,346,798.78	0.73
USD	60,000	Pharmacyclis Inc	4,761,287.05	4,607,142.86	2.49
USD	37,000	Regeneron Pharmaceuticals Inc	7,620,242.57	7,392,479.68	3.99
USD	55,000	Salix Pharmaceutical Ltd	2,966,836.46	3,590,810.10	1.94
USD	40,000	St Jude Medical Inc	1,475,888.42	1,798,780.49	0.97
USD	225,000	Supernus Pharmaceuticals Inc	1,136,955.53	1,231,489.55	0.66
USD	100,000	Synta Pharmaceuticals Corp	514,287.16	380,371.66	0.21
USD	65,000	Teva Pharma Ind Ltd ADR repr 1 Share	1,865,850.58	1,891,114.98	1.02
USD	132,000	Theravance Inc	3,507,755.26	3,415,940.76	1.85
USD	25,000	Thermo Fisher Scientific Inc	1,694,394.61	2,020,724.45	1.09
USD	75,000	Thoratec Corp	2,009,320.13	1,992,595.82	1.07
USD	250,000	Threshold Pharmaceuticals	854,552.06	847,488.39	0.46

The accompanying notes are an integral part of these financial statements.

## Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

### Statement of investments and other net assets (in EUR) (continued) as at 31st December 2013

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
USD	200,000	TrovaGene Inc	1,069,317.09	833,333.33	0.45
USD	44,000	United Health Group Inc	2,337,167.18	2,405,052.26	1.30
USD	35,000	Varian Medical Systems Inc	1,844,213.67	1,973,831.30	1.06
USD	45,000	Volcano Corp	989,891.14	713,741.29	0.39
USD	32,000	WellPoint Inc	2,016,875.67	2,146,109.18	1.16
USD	30,000	Zimmer Holdings Inc	1,935,381.28	2,029,398.96	1.09
			<u>168,421,345.82</u>	<u>182,257,162.07</u>	<u>98.20</u>
<b>Total shares</b>			<b>227,105,907.06</b>	<b>248,666,679.69</b>	<b>133.97</b>
<b><u>Short positions in transferable securities admitted to an official stock exchange listing</u></b>					
<b>Shares</b>					
EUR	-10,000	Merck KGaA	-1,165,562.27	-1,302,500.00	-0.70
GBP	-50,000	AstraZeneca Plc	-1,954,082.40	-2,147,722.86	-1.16
SEK	-50,000	AstraZeneca Plc	-1,952,050.39	-2,160,215.57	-1.16
USD	-25,000	Amgen Inc	-2,086,748.98	-2,071,718.93	-1.12
USD	-60,000	Cerner Corp	-2,244,148.49	-2,427,700.35	-1.31
USD	-6,000	Dentsply Intl Inc	-185,991.46	-211,149.83	-0.11
USD	-5,000	Edwards Lifesciences Corp	-237,412.50	-238,675.96	-0.13
USD	-30,000	Endo Health Solutions Inc	-680,842.22	-1,469,076.66	-0.79
USD	-410,000	Pfizer Inc	-9,067,329.73	-9,116,071.43	-4.91
USD	-20,000	Universal Health Services Inc B	-827,570.95	-1,179,732.87	-0.64
			<u>-15,330,044.33</u>	<u>-16,714,126.03</u>	<u>-9.01</u>
<b>Total shares</b>			<b>-20,401,739.39</b>	<b>-22,324,564.46</b>	<b>-12.03</b>
<b><u>Short positions in open-ended investment funds</u></b>					
<b>Tracker funds (UCI)</b>					
USD	-80,000	Health Care Select Sector SPDR Fd (The)	-1,810,043.73	-3,219,512.20	-1.74
USD	-30,000	iShares Trust Nasdaq Biotech ETF Dist	-1,892,964.12	-4,944,686.41	-2.66
			<u>-3,703,007.85</u>	<u>-8,164,198.61</u>	<u>-4.40</u>
<b>Total tracker funds (UCI)</b>			<b>-3,703,007.85</b>	<b>-8,164,198.61</b>	<b>-4.40</b>
Total securities: investments and short positions			<b>203,001,159.82</b>	<b>218,177,916.62</b>	<b>117.54</b>
<b><u>Options</u></b>					
<b><u>Listed financial instruments</u></b>					
<b>Options on transferable securities</b>					
CHF	600	Novartis AG Reg CALL 03/ 14 EUX 68	137,965.16	185,054.96	0.10
CHF	300	Novartis AG Reg CALL 03/ 14 EUX 72	24,057.98	33,045.53	0.02
CHF	250	Roche Holding AG B de jouis Pref CALL 03/ 14 EUX 240	245,127.63	251,921.16	0.13
CHF	100	Roche Holding AG B de jouis Pref CALL 03/ 14 EUX 250	52,689.37	51,322.56	0.03
			<u>459,840.14</u>	<u>521,344.21</u>	<u>0.28</u>
DKK	400	Novo Nordisk A/ S B CALL 06/ 14 CSE 940	356,534.15	422,885.33	0.23
DKK	170	Novo Nordisk A/ S B CALL 06/ 14 CSE 980	109,942.53	128,175.19	0.07
			<u>466,476.68</u>	<u>551,060.52</u>	<u>0.30</u>

The accompanying notes are an integral part of these financial statements.

## Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

### Statement of investments and other net assets (in EUR) (continued) as at 31st December 2013

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
USD	350	Johnson & Johnson CALL 04/ 14 OPRA 92.5	108,040.38	48,780.49	0.03
USD	150	Johnson & Johnson CALL 04/ 14 OPRA 97.5	18,957.00	5,988.68	0.00
			<u>126,997.38</u>	<u>54,769.17</u>	<u>0.03</u>
Total options			1,053,314.20	1,127,173.90	0.61
Cash at banks				4,243,739.36	2.29
Bank overdrafts				-56,280,203.49	-30.32
Other net assets/ (liabilities)				18,350,445.30	9.88
Total				<u>185,619,071.69</u>	<u>100.00</u>

The accompanying notes are an integral part of these financial statements.

## Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

### Industrial and geographical classification of investments

as at 31st December 2013

#### Industrial classification

(in percentage of net assets)

Pharmaceuticals and biotechnology	81.03 %
Health care equipment and services	26.62 %
Materials	4.04 %
Food retailing, drugstores and pharmacies	2.99 %
Insurance	2.70 %
Commercial services and supplies	1.85 %
Technology hardware and equipment	1.62 %
Investment funds	-3.31 %
Total	<u>117.54 %</u>

#### Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

United States of America	79.44 %
Denmark	6.66 %
Switzerland	6.17 %
Germany	5.83 %
Ireland	4.17 %
Japan	3.87 %
Sweden	3.29 %
France	3.21 %
Belgium	2.95 %
Jersey	1.29 %
Israel	1.02 %
China	0.79 %
Spain	0.65 %
Italy	0.36 %
Canada	0.16 %
United Kingdom	-2.32 %
Total	<u>117.54 %</u>

The accompanying notes are an integral part of these financial statements.

## Rhenman & Partners Fund

### Notes to the financial statements

as at 31st December 2013

#### Note 1 - Significant accounting policies

##### a) Presentation of the financial statements

The financial statements of Fund are established in accordance with the Luxembourg legal and regulatory requirements concerning undertakings for collective investment.

##### b) Valuation

- 1) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof.
- 2) The value of assets, which are listed or dealt in on any stock exchange, is based on the last available price of the preceding business day on the stock exchange, which is normally the principal market for such assets.
- 3) The value of assets dealt in on any other regulated market which is recognised, operating regularly and open to the public (a "Regulated Market") is based on the last available price.
- 4) In the event that any assets are not listed or dealt in on any stock exchange or on any other Regulated Market, or if, with respect to assets listed or dealt in on any stock exchange, or other Regulated Market as aforesaid, the price as determined pursuant to sub-paragraph (2) or (3) is not representative of the fair market value of the relevant assets, the value of such assets will be based on the reasonably foreseeable sales price determined prudently and in good faith.
- 5) The liquidating value of options contracts not traded on exchanges or on other Regulated Markets is their net liquidating value determined, pursuant to the policies established by the Board of Directors, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward or options contracts traded on exchanges or on other Regulated Markets are based upon the settlement or closing prices of these contracts on the preceding business day on exchanges and Regulated Markets on which the particular futures, forward or options contracts are traded by the Fund; provided that if a futures, forward or options contract could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Board of Directors of the Management Company may deem fair and reasonable.
- 6) Swaps contracts are posted off-balance sheet and valued on the basis of the recalculated market prices by using the traditional elements of pricing such as the value, the volatility of the underlying, the interest rates and the residual value of the swap. Realised and unrealised gains and losses are recorded in the statement of net assets. Net variation of the unrealised gain/ (loss) and the net realised gain/ (loss) are recorded in the statement of operations and other changes in net assets.

## Rhenman & Partners Fund

### Notes to the financial statements (continued)

as at 31st December 2013

- 7) Units or shares of open-ended underlying funds are valued at their last determined and available Net Asset Value or, if such price is not representative of the fair market value of such assets, then the price shall be determined by the Board of Directors of the Management Company on a fair and equitable basis and in good faith.
- 8) All other securities and other assets are valued at fair market value as determined in good faith pursuant to the procedures established by the Management Company.

c) Net realised gain/ (loss) on sales of securities

The net realised gain/ (loss) on sales of securities is determined on the basis of the average cost of securities sold.

d) Cost of securities

The acquisition cost of a security denominated in a currency other than that of the Sub-Fund is converted to the Sub-Fund's currency at the exchange rate prevailing on the date of purchase.

e) Exchange translation

Bank balances, other assets and liabilities and the value of securities held that are denominated in other currencies than the Sub-Fund's currency are converted at the prevailing exchange rate of the closing day. Income and expenses incurred in currencies other than the Sub-Fund's currency are converted at the prevailing exchange rate of the day of each transaction. Exchange gains and losses are recorded in the statement of operations and other changes in net assets.

At the date of the report, the prevailing exchange rates on the closing day were as follows:

1	EUR	=	1.2255818	CHF	Swiss Franc
			7.4594973	DKK	Danish Krona
			0.8321604	GBP	Pound Sterling
			10.6817038	HKD	Hong Kong Dollar
			144.7513148	JPY	Japanese Yen
			8.3631341	NOK	Norwegian Krona
			8.8648560	SEK	Swedish Krona
			1.3776000	USD	US Dollar

f) Consolidation

The financial statements of the Fund are expressed in EUR and are equal to the sum of the corresponding captions in the financial statements of the only open Sub-fund.

g) Formation expenses

Expenses incurred in connection with the establishment of the Fund and the creation of the Sub-Funds are amortised over a period of five years.

Formation expenses are included in the caption "Other expenses" in the statement of operations and other changes in net assets.

## Rhenman & Partners Fund

### Notes to the financial statements (continued)

as at 31st December 2013

#### h) Investment income

Dividend income is recognised on an ex-dividend basis and is recorded net of withholding tax.

#### i) Options contracts

Premiums received on the sale of options are recorded as liabilities, and premiums paid on the purchase of options are carried separately as assets. Unrealised gain/(loss) is recorded in the statement of net assets. Net realised gain/(loss) and net variation of the unrealised gain/(loss) on options are recorded in the statement of operations and other changes in net assets.

#### j) Other liquid assets

The caption "Other liquid assets" is mainly composed of cash accounts held at brokers.

#### k) Short sales

When the Fund engages in a short sale, an amount equal to the proceeds received by the Fund is reflected as an asset and equivalent liability. The amount of the liability is subsequently marked to market to reflect the market value of the short sale. The Fund is exposed to the risk of depreciation to the extent that the market value of the security sold short exceeds the proceeds of the short sales.

Securities sold short are borrowed from the prime broker.

#### l) Transaction fees

Transaction costs disclosed under the caption "Transaction fees" in the expenses of the statement of operations and other changes in net assets are mainly composed of broker fees incurred by the Fund relating to purchases or sales of securities, of fees relating to liquidation of transactions paid to the custodian bank and of transaction fees on financial instruments.

### **Note 2 - Subscription, Redemption and Conversion fees**

The Offer price per unit as well as the Redemption price per unit is equivalent to the Net Asset Value per unit of the relevant class (or Gross Net Asset Value with respect to the subscription of Class IC2 Units) increased by the subscription fee of the respective unit class for subscriptions and decreased by the redemption fee of the respective unit class for redemptions as indicated hereafter:

	Subscription fee	Redemption fee	Conversion fee
Unit class R	max 3%	max 3%	max 3%
Unit class I	max 3%	max 3%	max 3%

The subscription, redemption and conversion fee will revert to the Placement and Distribution Agent, i.e. Rhenman Partners Asset Management AB.



**Notes to the financial statements (continued)**

as at 31st December 2013

**Note 3 - Management fees**

The Management Company is entitled to receive out of the Sub-Fund's assets a management fee payable monthly in arrears based on the Sub-Fund's net assets calculated monthly, of:

- maximum 2.075% p.a. for the classes RC1 (SEK) and RC1 (EUR),
- maximum 1.575% p.a. for the classes RC2 (SEK), IC1 (EUR), ID1 (SEK) and IC3 (EUR),
- maximum 1.075% p.a. for the classes IC2 (EUR) and IC2 (SEK),
- maximum 0.825% p.a. for the class IC4 (EUR).

These rates include the fees payable to the Investment Manager for its services.

At the date of the report, the applicable annual fees are as follows:

- 2.075% p.a. for the classes RC1 (SEK) and RC1 (EUR),
- 1.575% p.a. for the classes RC2 (SEK), IC1 (EUR), ID1 (SEK) and IC3 (EUR),
- 1.075% p.a. for the classes IC2 (EUR) and IC2 (SEK),
- 0.825% p.a. for the class IC4 (EUR).

**Note 4 - Performance fee**

The Investment Manager is also entitled to receive a performance fee, payable out of the Sub-Fund's assets.

**Calculation of the performance fee for all classes except for Class IC4 (EUR)**

The performance fee is calculated and accrued monthly in the respective unit classes as described below and is paid out quarterly in arrears. The first period ended on 30th June 2009 and being followed by each successive quarter thereafter (the "Calculation Period").

For each Calculation Period, the performance fee in respect of each unit is equal to 20% (10% for the Class IC3 (EUR) Unit) of the appreciation in the Gross Asset Value per each unit of that class during the Calculation Period above the Base Net Asset Value per each unit of that class. For Class D Units the Gross Net Asset Value (GNAV) used for the calculation of the Performance Fee will be adjusted by any dividend distributions made during the relevant Calculation Period.

The Gross Net Asset Value is calculated after the accrual of all fees but prior to the accrual of any Performance Fee on the relevant Valuation Day.

The Base Net Asset Value per each unit is the greater of the Net Asset Value of that unit at the time of issue of that Unit multiplied by the 3 months EURO Interbank Offered Rate on the last bank business day of the previous calculation period adjusted for monthly return and the highest NAV of that Unit achieved as of the end of any previous Calculation Period (if any) during which such unit was in issue multiplied by the 3 months EURO Interbank Offered Rate for the relevant calculation period adjusted for monthly return.

For the Class IC2 (EUR), certain adjustments will be made to reduce inequities that would occur for investors subscribing for Units at a time when the Net Asset Value per Unit is other than the Base Net Asset Value per Unit (Equalisation).

## **Rhenman & Partners Fund**

### **Notes to the financial statements (continued)**

as at 31st December 2013

#### For Class IC4 (EUR)

For Class IC4 (EUR) Unit, the performance fee is calculated and accrued monthly and is paid out annually in arrears. The Calculation Period will start on 1st January and end on 31st December each year. For each Calculation Period, the performance fee in respect of each unit is equal to 10%.

The Investment Manager shall be entitled to a Performance Fee if the Sub-Fund produces an excess performance, defined as any positive difference between the performance of the current Gross Net Asset Value (GNAV) per Unit and the Base Net Asset Value per Unit for the same calculation period. If the difference is negative, excess performance is defined to be zero, and in such case the Investment Manager is not entitled to a Performance Fee and the negative performance at the end of any Calculation Period will not be carried forward to the next Calculation Periods. A Performance Fee will only be paid if the excess performance is above a 5% annual hurdle rate and if that is the case the Performance Fee will be calculated on the entire difference between the GNAV and the Base Net Asset Value.

The GNAV is calculated after the accrual of all fees but prior to the accrual of any Performance Fee on the relevant Valuation Day.

The Base Net Asset Value per each Unit is equal to the Net Asset Value of that Unit at the end of the previous Calculation Period.

In the case of Units redeemed during a Calculation Period, the accrued Performance Fee in respect of those Units shall be crystallized and subsequently paid to the Investment Manager at the end of the Calculation Period.

#### **Note 5 - Central administration costs**

Out of the Sub-Fund's assets an administration fee of maximum 0.135% p.a. is payable to the Management Company monthly in arrears based on the Sub-Fund's average net assets calculated monthly. This fee includes the fee due to the Custodian. However the Management Company is entitled to a minimum monthly administration fee of EUR 3,333 payable monthly in arrears to the Management Company.

#### **Note 6 - Subscription duty ("*taxe d'abonnement*")**

The Fund Company is governed by Luxembourg law.

Pursuant to the legislation and regulations in force, the Fund is subject to an annual subscription duty ("*taxe d'abonnement*") of 0.05% which is payable quarterly and calculated on the basis of the net assets of each sub-fund on the last day of each quarter.

Pursuant to Article 175 (a) of the amended law of 17th December 2010 the net assets invested in undertakings for collective investment already subject to the "*taxe d'abonnement*" are exempt from this tax.

The rate of this tax may be reduced to 0.01% of the value of the net assets for Sub-Funds or classes of units reserved to institutional investors.

## Rhenman & Partners Fund

### Notes to the financial statements (continued)

as at 31st December 2013

#### Note 7 - Pledged assets

At the date of the report, the following securities serve as pledged assets in relation to collateralized debt at banks, short sales and security borrowing operations. The counterpart of the following positions is Skandinaviska Enskilda Banken AB (publ), Stockholm.

Description	Currency	Quantity	Market value (in EUR)
Cepheid Inc	USD	25,500.00	864,808.36
NPS Pharmaceuticals Inc	USD	249,800.00	5,505,174.22
Abiomed Inc	USD	59,500.00	1,154,928.86
Haemonetics Corp	USD	25,500.00	779,845.38
Array BioPharma Inc	USD	340,000.00	1,236,498.26
Endologix Inc	USD	71,422.00	904,180.95
Auxilium Pharmaceuticals Inc	USD	90,000.00	1,354,965.16
Theravance Inc	USD	90,000.00	2,329,050.52
Dexcom Inc	USD	80,000.00	2,056,329.85
Medica	EUR	70,000.00	1,328,600
Infinity Pharm Inc	USD	210,000.00	2,105,182.93
Gerresheimer AG	EUR	27,000.00	1,372,410
Celldex Therapeutics Inc	USD	90,000.00	1,581,663.76
Actelion Ltd	CHF	55,000.00	3,381,455.13
Exelixis Inc	USD	331,500.00	1,475,098
Lexicon Pharmaceuticals Inc	USD	300,000.00	391,986.06
Bayer AG Reg	EUR	40,000.00	4,078,000
Keryx Biopharmaceuticals Inc	USD	400,000.00	3,760,162.6
HCA Holdings Inc	USD	60,000.00	2,077,961.67
Ligand Pharmaceuticals Inc B	USD	29,750.00	1,135,924.8
Covidien Plc	USD	40,000.00	1,977,351.92
Alkermes Plc	USD	145,000.00	4,279,689.31
Aetna Inc	USD	31,875.00	1,587,039.96
Dynavax Technologies Corp	USD	543,500.00	773,272.36
Allscripts Healthcare So Inc	USD	55,000.00	617,232.87
Express Scripts Hg Co	USD	55,000.00	2,804,297.33
Supernus Pharmaceuticals Inc	USD	119,500.00	654,057.78
Acadia Pharmaceuticals Inc	USD	90,000.00	1,632,621.95
TrovaGene Inc	USD	170,000.00	708,333.33
AmerisourceBergen Corp	USD	24,000.00	1,224,912.89
Actavis Plc	USD	15,000.00	1,829,268.29
Zimmer Holdings Inc	USD	20,000.00	1,352,932.64
Centene Corp	USD	40,000.00	1,711,672.47
Incyte Corp Ltd	USD	90,000.00	3,307,709.06
Salix Pharmaceutical Ltd	USD	30,000.00	1,958,623.69
Intuitive Surgical Inc	USD	8,000.00	2,230,429.73

## Rhenman & Partners Fund

### Notes to the financial statements (continued)

as at 31st December 2013

Description	Currency	Quantity	Market value (in EUR)
Biogen IDEC Inc	USD	30,000.00	6,092,116.72
WellPoint Inc	USD	32,000.00	2,146,109.18
Roche Holding AG B de jouis Pref	CHF	35,000.00	7,116,619.8
Nektar Therapeutics	USD	135,500.00	1,116,379.94
Ariad Pharmaceuticals Inc	USD	675,000.00	3,341,681.18
Volcano Corp	USD	38,250.00	606,680.1
Fresenius SE & Co KGaA	EUR	29,101.00	3,247,671.6
Myriad Genetics Inc	USD	64,607.00	983,924.84
Meda AB A	SEK	200,000.00	1,840,977.44
Cyberonics Inc	USD	37,850.00	1,799,908.17
Alexion Pharmaceuticals Inc	USD	55,000.00	5,312,354.82
Novartis AG Reg	CHF	40,000.00	2,323,794.22
Thoratec Corp	USD	47,600.00	1,264,634.15
CVS Caremark Corp	USD	117,000.00	6,078,462.54
Pharmacyclics Inc	USD	33,500.00	2,572,321.43
Active Biotech AB	SEK	90,000.00	705,595.22
Sanofi SA	EUR	38,000.00	2,930,560
BioMarin Pharmaceutical Inc	USD	105,000.00	5,355,945.12
Agilent Technologies Inc	USD	34,000.00	1,411,483.74
Allergan Inc	USD	30,000.00	2,418,989.55
CR Bard Inc	USD	18,000.00	1,750,087.10
Baxter Intl Inc	USD	42,000.00	2,120,426.83
Becton Dickinson & Co	USD	30,000.00	2,406,141.11
Integra Lifesciences Hgs Corp	USD	34,595.00	1,198,118.07
Boston Scientific Corp	USD	275,000.00	2,399,462.83
Bristol Myers Squibb Co	USD	50,000.00	1,929,079.56
Celgene Corp	USD	54,000.00	6,622,996.52
Cigna Corp	USD	28,050.00	1,781,223.87
Forest Laboratories Inc	USD	47,000.00	2,048,061.85
Gilead Sciences Inc	USD	112,000.00	6,109,756.1
Hologic Inc	USD	77,000.00	1,249,237.8
ImmunoGen Inc	USD	72,250.00	769,386.98
Johnson & Johnson	USD	35,000.00	2,326,981.71
Eli Lilly & Co	USD	36,000.00	1,332,752.61
Medtronic Inc	USD	70,000.00	2,916,158.54
Regeneron Pharmaceuticals Inc	USD	40,000.00	7,991,869.92
St Jude Medical Inc	USD	40,000.00	1,798,780.49
United Health Group Inc	USD	38,000.00	2,077,090.59
McKesson Corp	USD	13,000.00	1,523,083.62
Varian Medical Systems Inc	USD	35,000.00	1,973,831.3
			<u>178,514,409.27</u>

## **Rhenman & Partners Fund**

**Notes to the financial statements (continued)**  
as at 31st December 2013

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### **Note 8 - Swaps Contracts**

As at 31st December 2013, the Sub-Fund is not committed in any Swaps Contracts.

### **Note 9 - Changes in the investment portfolio**

The statement of changes in the investment portfolio for the period covered by the report is available free of charge upon request from the registered office of the Management Company.

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