



## **LSP Advisory B.V.**

Report on the first half of 2012

**LSP Advisory B.V.**

Financial statements  
for the period January until June  
2012

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## Balance sheet as at 30 June 2012

(before proposed appropriation of result)

Assets	30 June 2012	31 December 2011
(in EUR)		
<b>Fixed Assets</b>		
Tangible fixed assets	96,901	-
	96,901	-
<b>Current assets</b>		
Receivables from group companies	1,621,163	1,837,125
Other receivables	45,245	172,463
Cash and cash equivalents	190,412	749,644
	1,856,820	2,759,232
	1,953,721	2,759,232

Liabilities	30 June 2012	31 December 2011
(in EUR)		
<b>Equity</b>		
Issued capital	18,000	18,000
Share premium	82,000	82,000
General reserve	1,584,808	1,793,565
Result for the year	94,355	441,243
	1,779,163	2,334,808
<b>Current liabilities</b>		
Payable to group companies	20,832	20,832
Taxes and social security premiums	16,106	27,585
Other liabilities	137,620	376,007
	174,558	424,424
	1,953,721	2,759,232

## Income statement for the period January until June 2012

	01-06/2012	01-06/2011
(in EUR)		
Advisory fee	<u>275,932</u>	<u>416,900</u>
<b>Operating income</b>	275,932	416,900
Other operating expenses	41,491	92,403
Depreciation tangible fixed assets	96,901	-
Cost sharing LSP Operations B.V.	<u>43,906</u>	<u>121,869</u>
<b>Operating expenses</b>	182,298	214,272
<b>Operating income (loss)</b>	<u>93,634</u>	<u>202,628</u>
Interest income and similar proceeds	<u>721</u>	<u>379</u>
<b>Financial result</b>	721	379
<b>Income before tax</b>	<u>94,355</u>	<u>203,007</u>
<b>Corporate income tax</b>	-	-
<b>Net income (loss) for the year</b>	<u>94,355</u>	<u>203,007</u>

## Notes

### General

LSP Advisory B.V. was founded on 3 March 2008 and is registered in Amsterdam, the Netherlands.

### Principles of accounting

The accompanying financial statements have been prepared in accordance with Generally Accepted Accounting Principles in the Netherlands.

Receivables are stated at face value less any provisions deemed necessary.

Other assets and liabilities in foreign currencies have been translated into Euros at the exchange rate on balance sheet date. Any results from this are recognised in the income statement.

Other assets and liabilities are stated at face value.

Income and expenses are allocated to the financial year to which they relate, except dividend and supervisory board remuneration from investments, which are allocated to the year they are made payable.

All amounts are in Euro (EUR), unless otherwise stated.

### Taxes

LSP Advisory B.V. is part of a fiscal unity with LSP Management Group B.V. being the ultimate holding company. The income tax for the group is payable at group level and only recorded in the financial statements of the mother.

### Balance sheet as at 30 June 2012

#### *Tangible fixed assets*

	01-06/2012	01-12/2011
Purchase price as per beginning of period	-	-
Accumulated depreciation as per beginning of period	-	-
Book value as per beginning of period	-	-
Investments	193,802	-
Depreciation	(96,901)	-
Changes in book value	96,901	-
Purchase price as per end of period	193,802	-
Accumulated depreciation as per end of period	(96,901)	-
Book value as per end of period	96,901	-

***Current Assets***

*Receivables from group companies*

The receivables from group companies mainly exist of a receivable from LSP Operations B.V. and LSP Management Group B.V.

*Other receivables*

Other receivables consist of costs paid in advance of EUR 2K as well as management fee from LSP Life Sciences Fund N.V. of EUR 43K.

*Cash and cash equivalents*

The cash at banks consists of the balance in the EUR bank account at the ING Bank in Amsterdam. All cash and cash equivalents are available on demand.

***Equity***

(in EUR)	Issued capital	Share premium	General reserve	Unappropriated result	Total
Balance as at 31 December 2010	18,000	82,000	250,215	4,293,350	4,643,565
Changes during the year					
Transfer of result to reserve			4,293,350	(4,293,350)	-
Interim Dividend			(2,750,000)		(2,750,000)
Result for the year				441,243	441,243
Balance as at 31 December 2011	18,000	82,000	1,793,565	441,243	2,334,808
Changes during the year					
Transfer of result to reserve			441,243	(441,243)	-
Interim Dividend			(650,000)		(650,000)
Result for 01-06/ 2012				94,355	94,355
Balance as at 30 June 2012	18,000	82,000	1,584,808	94,355	1,779,163

***Issued capital***

The authorised capital of the company amounts to EUR 90,000, divided in 90,000 common shares, with a par value of EUR 1.00, of which 18,000 shares have been issued and fully paid.

***Current liabilities***

*Payables to group companies*

The payables to group companies mainly consist of a payable to LSP Bioventures Inc.

*Taxes and social security premiums*

Taxes and social security premiums consist of VAT payable for the second quarter of 2012.

*Other liabilities*

Other liabilities consist of various expenses made in the first half year of 2012, which will be paid before year end 2012.



## Income Statement for the period January until June 2012

### *Advisory fee*

LSP Advisory BV has concluded an investment advisory agreement with LSP Life Sciences Fund N.V. pursuant to which the Manager will be entitled to a fixed advisory fee per year as a percentage of the average Net Asset Value of the Portfolio during that year.

### *Personnel*

The company has no employees.

### *Other operating expenses*

	01-06/2012	01-06/2011
Advisory costs	20,177	36,055
Travel, meeting and representation expenses	21,256	24,738
Other costs	58	31,610
Total other operating expenses	41,491	92,403

### *Cost sharing LSP Operations B.V.*

	01-06/2012	01-06/2011
Cost sharing LSP Operations B.V.	43,906	121,869

### *Cost sharing agreement*

On 1<sup>st</sup> of January 2008 a cost sharing agreement between LSP Operations B.V., Life Sciences Partners Management B.V., LSP II Management B.V., LSP III Management B.V., LSP IV Management B.V., LSP Bioventures Management B.V. and LSP Advisory B.V. became in effect.

In this agreement it is stipulated that LSP Advisory B.V. shares cost in the amount of 0.25% of the yearly Net Asset Value of the portfolios managed by LSP Advisory B.V. with a minimum of EUR 25K. For the first half year of 2012 this cost sharing amounted to EUR 44K.

***Contingent liabilities***

At the end of June 2012 there were no contingent liabilities.

Amsterdam, August 29, 2012

**As Statutory Directors**

M. A. Wegter

J.P.P. Muijers

## Other information

### **Statutory regulations as to appropriation of profit**

According to Article 21 of the Articles of Association, profit as evidenced by the adopted financial statements shall be at the disposal of the General Meeting of Shareholders.

The Company may only make payments from the distributable profit to the shareholders and other parties having a profit entitlement in so far as its shareholders' equity exceeds the value of the paid-in portion of the capital augmented by such reserves as required to be maintained, either by law or, in so far as applicable, pursuant to these Articles of Association.