



## PICTET ALTERNATIVE FUNDS

Investment Company with Variable Capital, Luxembourg

Unaudited semi-annual report as at June 30, 2016





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# Pictet Alternative Funds

## TABLE OF CONTENTS

ORGANISATION OF THE SICAV	4
GENERAL INFORMATION	6
FINANCIAL STATEMENTS	
STATEMENT OF NET ASSETS	8
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS	12
NUMBER OF SHARES OUTSTANDING AND NET ASSET VALUE PER SHARE	15
Sub-fund : Pictet Alternative Funds - World Equity Hedge	
- Statement of investments and other net assets	17
- Geographical and industrial classification of investments	19
Sub-fund : Pictet Alternative Funds - Pleiad Credit Opportunities	
- Statement of investments and other net assets	20
- Geographical and industrial classification of investments	23
Sub-fund : Pictet Alternative Funds - Mosaic Euro	
- Statement of investments and other net assets	24
- Geographical and industrial classification of investments	27
Sub-fund : Pictet Alternative Funds - Global	
- Statement of investments and other net assets	28
- Geographical and industrial classification of investments	30
Sub-fund : Pictet Alternative Funds - Commo	
- Statement of investments and other net assets	31
- Geographical and industrial classification of investments	32
Sub-fund : Pictet Alternative Funds - Distressed	
- Statement of investments and other net assets	33
- Geographical and industrial classification of investments	34
Sub-fund : Pictet Alternative Funds - Emerging Managers	
- Statement of investments and other net assets	35
- Geographical and industrial classification of investments	36
Sub-fund : Pictet Alternative Funds - Equity Diversifier (note 1)	
- Statement of investments and other net assets	37
- Geographical and industrial classification of investments	38
NOTES TO THE FINANCIAL STATEMENTS	39

# Pictet Alternative Funds

## ORGANISATION OF THE SICAV

<b>Registered Office</b>	15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
<b>Board of Directors of the SICAV</b>	
<b>Chairman</b>	Mr Nicolas TSCHOPP, Senior Vice President, Pictet Asset Management S.A., Geneva, Switzerland
<b>Directors</b>	Mr Francesco ILARDI, Executive Vice President, Pictet Alternative Advisors SA, Geneva, Switzerland  Mr Justin EGAN, Independent Director, Carne Global Financial Services Limited, Ireland  Mr Thomas NUMMER, Independent Director, Carne Global Fund Managers (Luxembourg) S.A., Senningerberg, Grand Duchy of Luxembourg  Mr Anil KUMAR SINGH, Independent Director, Carne Global Fund Managers (Luxembourg) S.A., Senningerberg, Grand Duchy of Luxembourg
<b>Management Company and Alternative Investment Fund Manager</b>	Pictet Asset Management (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
<b>Board of Directors of the Management Company</b>	
<b>Chairman</b>	Mr Cédric VERMESSE, CFO, Pictet Asset Management S.A., Geneva, Switzerland
<b>Directors</b>	Mr Rolf BANZ, Independent Director  Mr Xavier BARDE, Executive Vice President, Banque Pictet & Cie SA, Geneva, Switzerland
<b>Conducting officers of the Management Company</b>	Mr David MARTIN, Head of Business Risk & Public Policy, Pictet Asset Management S.A., Geneva, Switzerland  Mr Laurent MOSER, Head of Compliance, Pictet Asset Management (Europe) S.A., Luxembourg, Grand Duchy of Luxembourg  Mr Benoît BEISBARDT, Head of Fund Administration, Pictet Asset Management (Europe) S.A., Luxembourg, Grand Duchy of Luxembourg

# Pictet Alternative Funds

## ORGANISATION OF THE SICAV (continued)

<b>Investment Manager</b>	Pictet Alternative Advisors SA, 60, route des Acacias, CH-1211 Geneva 73, Switzerland
<b>Depository Bank</b>	Pictet & Cie (Europe) S.A., 15A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
<b>Transfer Agent, Administrative Agent and Paying Agent</b>	FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
<b>Cabinet de révision agréé/Auditor</b>	Deloitte Audit, <i>Société à responsabilité limitée</i> , 560, rue de Neudorf, L-2220 Luxembourg, Grand Duchy of Luxembourg
<b>Legal Adviser</b>	Elvinger, Hoss & Prussen, 2, place Winston Churchill, L-1340 Luxembourg, Grand Duchy of Luxembourg

# Pictet Alternative Funds

## GENERAL INFORMATION

Pictet Alternative Funds (the "SICAV") publishes an annual report, including audited financial statements, within six months after the end of the financial year and an unaudited semi-annual report within three months after the end of the period to which it refers.

All these reports are made available to the Shareholders free of charge at the registered office of the SICAV and from the Depositary Bank and foreign agents involved in marketing the SICAV abroad.

Any other financial information to be published concerning the SICAV, including the monthly issue, redemption and conversion price of the shares, is available to the public at the registered office of the SICAV.

The net asset value per share, the issue price and the redemption price are available, in Luxembourg, at the registered office of the SICAV, the Depositary Bank and foreign agents involved in marketing the SICAV abroad.

Any amendments to the articles of incorporation will be published in the Mémorial of the Grand Duchy of Luxembourg.

A detailed schedule of changes in the investments for the reporting period is available free of charge upon request at the registered office of the SICAV.



# Pictet Alternative Funds

# Pictet Alternative Funds

## STATEMENT OF NET ASSETS AS AT JUNE 30, 2016

	Combined	World Equity Hedge	Pleiad Credit Opportunities
	USD	USD	USD
<b>ASSETS</b>			
Investments in securities at acquisition cost	1,364,561,064.58	384,963,973.78	614,790,227.15
Net unrealised gain/loss on investments	34,507,762.69	-14,724,580.57	1,823,895.79
Investments in securities at market value (note 2.d)	1,399,068,827.27	370,239,393.21	616,614,122.94
Cash at banks (note 2.d)	20,577,558.66	0.00	5,761,862.16
Net unrealised gain on forward foreign exchange contracts (notes 2.j, 11)	3,266,309.80	1,566,652.67	1,573,637.23
	1,422,912,695.73	371,806,045.88	623,949,622.33
<b>LIABILITIES</b>			
Bank overdraft (note 2.d)	1,191,162.91	1,183,463.44	0.00
Management fee payable (note 3)	3,203,273.91	1,099,440.78	1,195,961.95
"Taxe d'abonnement" payable (note 6)	89,251.78	38,926.80	19,658.37
Net unrealised loss on forward foreign exchange contracts (notes 2.j, 11)	1,759.73	0.00	0.00
Other fees payable (note 4)	576,425.19	142,731.82	251,157.46
Loans (note 12)	25,221,898.00	15,000,000.00	8,000,000.00
	30,283,771.52	17,464,562.84	9,466,777.78
<b>TOTAL NET ASSETS AS AT JUNE 30, 2016</b>	<b>1,392,628,924.21</b>	<b>354,341,483.04</b>	<b>614,482,844.55</b>
<b>TOTAL NET ASSETS AS AT DECEMBER 31, 2015</b>	<b>1,477,369,694.31</b>	<b>396,446,043.35</b>	<b>674,376,058.09</b>
<b>TOTAL NET ASSETS AS AT DECEMBER 31, 2014</b>	<b>1,564,798,324.55</b>	<b>420,777,273.33</b>	<b>693,813,362.32</b>

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

# Pictet Alternative Funds

## STATEMENT OF NET ASSETS AS AT JUNE 30, 2016

Mosaic Euro	Global	Commo	Distressed	Emerging Managers
EUR	USD	USD	USD	USD
235,318,775.00	15,622,710.82	17,791,666.12	37,977,442.05	18,088,038.07
39,220,695.70	2,421,629.56	864,129.28	1,327,840.02	-734,856.30
274,539,470.70	18,044,340.38	18,655,795.40	39,305,282.07	17,353,181.77
868,708.62	0.00	0.00	0.00	0.00
110,184.59	0.00	0.00	24.45	0.00
275,518,363.91	18,044,340.38	18,655,795.40	39,305,306.52	17,353,181.77
0.00	1,181.48	5,435.83	876.56	205.60
751,814.11	34,194.28	20,768.35	560.63	0.00
23,308.57	2,001.97	1,105.33	995.21	434.22
0.00	1,759.73	0.00	0.00	0.00
103,048.48	10,940.25	13,229.65	27,391.44	10,682.60
2,000,000.00	0.00	0.00	0.00	0.00
2,878,171.16	50,077.71	40,539.16	29,823.84	11,322.42
<b>272,640,192.75</b>	<b>17,994,262.67</b>	<b>18,615,256.24</b>	<b>39,275,482.68</b>	<b>17,341,859.35</b>
<b>285,957,977.76</b>	<b>19,516,530.77</b>	<b>18,899,544.37</b>	<b>40,309,113.34</b>	<b>17,186,253.15</b>
<b>292,967,978.07</b>	<b>23,862,605.33</b>	<b>28,692,368.26</b>	<b>43,146,813.44</b>	-

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

# Pictet Alternative Funds

## STATEMENT OF NET ASSETS AS AT JUNE 30, 2016

Equity Diversifier (note 1)

EUR

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### ASSETS

Investments in securities at acquisition cost	12,511,689.40
Net unrealised gain/loss on investments	-38,244.56
Investments in securities at market value (note 2.d)	<hr/> 12,473,444.84
Cash at banks (note 2.d)	12,467,363.96
Net unrealised gain on forward foreign exchange contracts (notes 2.j, 11)	3,227.86
	<hr/> 24,944,036.66

### LIABILITIES

Bank overdraft (note 2.d)	0.00
Management fee payable (note 3)	15,410.96
"Taxe d'abonnement" payable (note 6)	211.75
Net unrealised loss on forward foreign exchange contracts (notes 2.j, 11)	0.00
Other fees payable (note 4)	5,230.09
Loans (note 12)	0.00
	<hr/> 20,852.80

**TOTAL NET ASSETS AS AT JUNE 30, 2016**

**24,923,183.86**

**TOTAL NET ASSETS AS AT DECEMBER 31, 2015**

-

**TOTAL NET ASSETS AS AT DECEMBER 31, 2014**

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

## Pictet Alternative Funds

# Pictet Alternative Funds

## STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS FOR THE PERIOD ENDED JUNE 30, 2016

	Combined	World Equity Hedge	Pleiad Credit Opportunities
	USD	USD	USD
<b>NET ASSETS AT THE BEGINNING OF THE PERIOD</b>	<b>1,477,369,694.31</b>	<b>396,446,043.35</b>	<b>674,376,058.09</b>
<b>INCOME</b>			
Dividends, net (note 2.i)	4.42	0.00	0.00
Bank interest (note 2.i)	197.73	24.58	138.41
Other income	14,587.01	0.00	0.00
	14,789.16	24.58	138.41
<b>EXPENSES</b>			
Management fee (note 3)	6,506,752.12	2,244,222.38	2,442,445.54
Depository fee and bank interest (note 3)	737,831.85	184,347.62	401,705.67
Other expenses	423,881.40	98,420.00	165,101.11
Service fee (note 3)	533,651.24	138,386.23	252,524.85
"Taxe d'abonnement" (note 6)	167,777.13	71,533.48	37,402.82
Transaction fees (note 2.I)	30,938.37	6,069.71	6,310.31
Interest paid on loan (note 12)	289,689.89	0.00	225,700.53
	8,690,522.00	2,742,979.42	3,531,190.83
<b>NET INVESTMENT LOSS</b>	<b>-8,675,732.84</b>	<b>-2,742,954.84</b>	<b>-3,531,052.42</b>
Net realised gain/loss on sales of investments (note 9)	-13,669,977.70	-7,664,693.02	-13,361,628.64
Net realised gain/loss on foreign exchange	-1,371,199.45	-35,929.90	-1,474,562.65
Net realised gain/loss on forward exchange contracts	4,415,737.40	-431,435.82	3,019,829.21
<b>NET REALISED GAIN/LOSS</b>	<b>-19,301,172.59</b>	<b>-10,875,013.58</b>	<b>-15,347,414.50</b>
<b>Change in net unrealised appreciation/depreciation:</b>			
- on investments (note 10)	-22,527,167.57	-21,760,907.57	11,203,012.36
- on forward exchange contracts	2,755,214.58	1,336,020.41	1,444,464.02
<b>INCREASE/DECREASE IN NET ASSETS AS A RESULT OF OPERATIONS</b>	<b>-39,073,125.58</b>	<b>-31,299,900.74</b>	<b>-2,699,938.12</b>
Proceeds from subscriptions of shares	72,863,204.63	16,662,571.08	19,329,153.76
Cost of shares redeemed	-139,660,430.85	-32,342,935.89	-85,634,456.86
Revaluation difference*	14,081,003.51	4,875,705.24	9,112,027.68
Revaluation difference on the net assets at the beginning of the period**	7,048,578.19		
<b>NET ASSETS AT THE END OF THE PERIOD</b>	<b>1,392,628,924.21</b>	<b>354,341,483.04</b>	<b>614,482,844.55</b>

\* The difference mentioned above is the result of fluctuations in the exchange rates used to convert the different items related to share classes denominated in a currency other than the currency of the sub-funds into the currency of the related sub-funds between December 31, 2015, and June 30, 2016.

\*\* The difference mentioned above results from the conversion of the net assets at the beginning of the period (for the sub-funds denominated in currencies other than USD) at exchange rates applicable on December 31, 2015 and exchange rates applicable on June 30, 2016.

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

# Pictet Alternative Funds

## STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS FOR THE PERIOD ENDED JUNE 30, 2016

Mosaic Euro	Global	Commo	Distressed	Emerging Managers
EUR	USD	USD	USD	USD
<b>285,957,977.76</b>	<b>19,516,530.77</b>	<b>18,899,544.37</b>	<b>40,309,113.34</b>	<b>17,186,253.15</b>
0.00	4.42	0.00	0.00	0.00
21.45	0.00	10.91	0.00	0.00
0.00	14,587.01	0.00	0.00	0.00
21.45	14,591.43	10.91	0.00	0.00
1,521,233.57	69,175.52	42,656.50	1,118.48	0.00
94,506.13	8,736.66	8,794.92	17,248.70	8,424.17
73,470.73	14,810.78	17,871.67	26,960.09	13,336.48
93,610.18	4,627.24	9,206.47	19,469.43	4,299.50
45,006.08	3,727.50	2,045.83	1,976.41	856.39
9,270.15	3,287.49	250.42	3,250.02	973.03
54,988.65	0.00	0.00	2,899.77	0.00
1,892,085.49	104,365.19	80,825.81	72,922.90	27,889.57
<b>-1,892,064.04</b>	<b>-89,773.76</b>	<b>-80,814.90</b>	<b>-72,922.90</b>	<b>-27,889.57</b>
7,138,092.56	969,583.93	-257,553.36	-1,299,260.21	15,481.26
125,659.00	-20,458.88	23,174.91	273.77	0.00
1,642,074.99	12,365.10	3,091.07	463.62	0.00
<b>7,013,762.51</b>	<b>871,716.39</b>	<b>-312,102.28</b>	<b>-1,371,445.72</b>	<b>-12,408.31</b>
-9,633,423.10	-2,075,219.93	486,314.74	1,296,347.84	-931,985.49
-13,648.15	-28,054.34	14,273.21	87.69	0.00
<b>-2,633,308.74</b>	<b>-1,231,557.88</b>	<b>188,485.67</b>	<b>-75,010.19</b>	<b>-944,393.80</b>
7,199,029.65	0.00	0.00	0.00	1,100,000.00
-17,935,605.89	-290,710.22	-507,138.45	-959,646.00	0.00
52,099.97	0.00	34,364.65	1,025.53	0.00
<b>272,640,192.75</b>	<b>17,994,262.67</b>	<b>18,615,256.24</b>	<b>39,275,482.68</b>	<b>17,341,859.35</b>

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

# Pictet Alternative Funds

## STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS FOR THE PERIOD ENDED JUNE 30, 2016

Equity Diversifier (note 1)

	EUR
<b>NET ASSETS AT THE BEGINNING OF THE PERIOD</b>	-
<b>INCOME</b>	
Dividends, net (note 2.i)	0.00
Bank interest (note 2.i)	0.00
Other income	0.00
	0.00
<b>EXPENSES</b>	
Management fee (note 3)	15,410.96
Depository fee and bank interest (note 3)	3,224.83
Other expenses	5,183.89
Service fee (note 3)	1,027.40
"Taxe d'abonnement" (note 6)	211.75
Transaction fees (note 2.I)	448.92
Interest paid on loan (note 12)	0.00
	25,507.75
<b>NET INVESTMENT LOSS</b>	<b>-25,507.75</b>
Net realised gain/loss on sales of investments (note 9)	-1,768.26
Net realised gain/loss on foreign exchange	-2,968.13
Net realised gain/loss on forward exchange contracts	-11,555.30
<b>NET REALISED GAIN/LOSS</b>	<b>-41,799.44</b>
<b>Change in net unrealised appreciation/depreciation:</b>	
- on investments (note 10)	-38,244.56
- on forward exchange contracts	3,227.86
<b>INCREASE/DECREASE IN NET ASSETS AS A RESULT OF OPERATIONS</b>	<b>-76,816.14</b>
Proceeds from subscriptions of shares	25,000,000.00
Cost of shares redeemed	0.00
Revaluation difference*	0.00
<b>NET ASSETS AT THE END OF THE PERIOD</b>	<b>24,923,183.86</b>

\* The difference mentioned above is the result of fluctuations in the exchange rates used to convert the different items related to share classes denominated in a currency other than the currency of the sub-funds into the currency of the related sub-funds between December 31, 2015, and June 30, 2016.

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



# Pictet Alternative Funds

## NUMBER OF SHARES OUTSTANDING AND NET ASSET VALUE PER SHARE

Sub-fund	Class	Currency	Number of shares	Net asset value	Net asset value	Net asset value
			outstanding	per share	per share	per share
			30.06.2016	30.06.2016	31.12.2015	31.12.2014
World Equity Hedge	I USD	USD	1,007,890.88	141.21	152.89	147.03
	J USD	USD	129,548.58	145.98	157.82	151.34
	P USD	USD	101,564.29	140.76	152.52	146.89
	R USD	USD	100.00	132.60	144.04	139.42
	Z USD	USD	5,989.26	126.13	135.67	128.82
	HI CHF	CHF	525,120.77	132.38	144.57	141.06
	HI EUR	EUR	535,144.73	95.97	104.47	100.59
	HJ CHF	CHF	185,594.28	136.93	149.32	145.28
	HJ EUR	EUR	150,336.88	99.18	107.82	103.51
	HP CHF	CHF	13,641.95	131.96	144.22	140.93
	HP EUR	EUR	40,487.68	95.66	104.21	100.49
	HR CHF	CHF	85.47	124.23	136.11	133.67
	HR EUR	EUR	7,860.84	90.08	98.38	95.34
	HZ CHF	CHF	100.00	138.91	150.72	145.19
	HZ EUR	EUR	100.00	89.94	97.27	92.47
Pleiad Credit Opportunities	D USD	USD	2,388,015.08	104.44	104.36	109.22
	I USD	USD	91,988.14	131.35	131.63	138.58
	J USD	USD	15,648.56	135.42	135.52	142.27
	P USD	USD	54,305.33	130.91	131.29	138.44
	R USD	USD	2,186.12	124.23	124.91	132.36
	Z USD	USD	100.00	121.81	121.29	126.06
	HD CHF	CHF	1,388,048.83	101.29	102.07	108.46
	HD EUR	EUR	1,457,134.14	102.93	103.43	108.88
	HI CHF	CHF	76,179.88	145.21	146.76	156.86
	HI EUR	EUR	63,220.38	102.44	103.25	109.32
	HJ CHF	CHF	12,531.40	149.68	151.07	161.00
	HJ EUR	EUR	67,025.17	105.57	106.25	112.18
	HP CHF	CHF	12,829.12	144.73	146.39	156.70
	HP EUR	EUR	15,181.60	102.11	102.99	109.21
	HR CHF	CHF	807.25	137.21	139.18	149.74
	HR EUR	EUR	4,289.81	96.82	97.90	104.35
	HZ CHF	CHF	86.28	135.31	135.88	143.37
HZ EUR	EUR	100.00	86.69	86.81	90.74	
Mosaic Euro	I EUR	EUR	1,200,317.18	76.02	76.72	78.35
	J EUR	EUR	853,276.77	78.03	78.64	80.07
	P EUR	EUR	19,357.37	75.78	76.54	78.27
	R EUR	EUR	170,099.80	72.39	73.30	75.34
	Z EUR	EUR	100.00	86.26	86.50	87.19
	HI CHF	CHF	473,176.11	116.98	118.44	122.46
	HI GBP	GBP	11,694.06	104.87	105.42	107.10
	HI USD	USD	71,986.33	104.60	105.04	107.06
	HJ CHF	CHF	176,372.72	120.07	121.40	125.16
	HJ GBP	GBP	89.67	107.30	107.70	109.12
	HJ USD	USD	2,142.08	107.36	107.67	109.41
	HP CHF	CHF	18,694.35	116.59	118.14	122.34
	HP USD	USD	4,039.68	104.25	104.78	106.95
	HR CHF	CHF	-	-	113.25	117.85
	HR GBP	GBP	427.63	100.40	101.25	103.55
	HR USD	USD	1,918.66	99.77	100.53	103.12
	HZ CHF	CHF	155,320.98	133.77	134.58	137.36
	HZ GBP	GBP	100.00	118.07	117.92	118.27
	HZ USD	USD	100.00	119.61	119.35	120.08

# Pictet Alternative Funds

## NUMBER OF SHARES OUTSTANDING AND NET ASSET VALUE PER SHARE

Sub-fund	Class	Currency	Number of shares outstanding	Net asset value per share	Net asset value per share	Net asset value per share
			30.06.2016	30.06.2016	31.12.2015	31.12.2014
Global	I USD	USD	119,542.59	126.65	135.25	127.35
	J USD	USD	22,175.29	128.69	137.61	129.91
Commo	I USD	USD	34,726.76	103.76	103.04	112.20
	J USD	USD	100.00	87.82	87.09	94.55
	P USD	USD	18,036.95	103.42	102.78	112.09
	Z USD	USD	133,793.24	90.48	89.27	95.96
	HI EUR	EUR	6,777.09	101.53	101.36	108.42
	HP EUR	EUR	2,293.50	101.20	101.11	108.30
	HZ EUR	EUR	100.00	91.37	90.64	95.70
Distressed	I USD	USD	263.45	99.48	100.23	111.18
	P USD	USD	1,005.80	99.17	99.99	111.07
	Z USD	USD	371,193.62	105.36	105.47	115.47
	HI CHF	CHF	100.00	96.49	98.00	110.26
	HI EUR	EUR	100.00	97.77	99.02	110.50
	HP CHF	CHF	100.00	96.18	97.76	110.15
	HP EUR	EUR	100.00	97.46	98.77	110.38
Emerging Managers	Z USD	USD	181,309.89	95.65	101.10	-
Equity Diversifier (note 1)	A EUR	EUR	250,000.00	99.69	-	-

# Pictet Alternative Funds - World Equity Hedge

## STATEMENT OF INVESTMENTS AND OTHER NET ASSETS AS AT JUNE 30, 2016 (EXPRESSED IN USD)

Description	Quantity	Market value (note 2)	% of net assets
<b>UNITS OF INVESTMENT FUNDS</b>			
<i>BERMUDA</i>			
ANTARES EUROPEAN FUND EUR	30,974.00	19,450,898.63	5.49
		19,450,898.63	5.49
<i>BRITISH VIRGIN ISLANDS</i>			
EGERTON LONG/SHORT C EUR 1	180,558.50	16,510,674.47	4.66
EGERTON LONG/SHORT FUND C1	29,803.00	4,978,920.47	1.41
MIURA GLOBAL FUND AA SUB. I 03/09	16,137.72	20,191,533.24	5.69
		41,681,128.18	11.76
<i>CAYMAN ISLANDS</i>			
BLACKROCK EUROPEAN HEDGE FUND I EUR	84,149.07	21,073,928.69	5.94
BLACKROCK EUROPEAN HEDGED I EUR (EQUAL. 02/16) ***	18,155.13	4,320.76	0.00
BRAHMAN PARTNERS II G S4 04/14	10,000.00	8,166,917.00	2.30
BRAHMAN PARTNERS II G S5 05/14	2,400.00	1,938,750.72	0.55
COATUE A SUB D2 TR.6 01/11/09 USD	6,903.20	1,272,013.28	0.36
COATUE C SUB D2 TR.6 08/11 EUR	63,403.78	9,469,439.36	2.67
COATUE OFFSHORE A SUB. C TR. 4 01/14 USD	8,000.00	820,176.96	0.23
COATUE OFFSHORE A SUB. C TR. 4 06/08 USD	570.00	91,476.09	0.03
COATUE OFFSHORE C SUB. C TR. 4 02/14 EUR	25,000.00	2,877,088.78	0.81
COATUE OFFSHORE C SUB. C TR. 6 05/08 EUR	15,210.00	2,705,174.59	0.76
CONSONANCE CAPITAL INVESTORS A USD 03/15	10,000.00	9,053,511.00	2.56
CONSONANCE CAPITAL INVESTORS A USD 08/07	1,144.39	2,900,545.72	0.82
EISENSTAT CAPITAL PARTNERS OFF. INV. C C1	11,013.93	14,304,864.25	4.04
EISENSTAT CAPITAL PARTNERS OFFSHORE INVESTMENT A S1	1,307.35	1,880,594.77	0.53
EXUMA OFFSHORE FUND A SUB. A2 04/14 USD NI	6,185.51	6,666,073.05	1.88
GLENVIEW CAPITAL PARTNERS G S.65	12,895.31	16,860,407.51	4.76
GREENVALE CAPITAL FUND F EUR 05/16	9,400.00	9,702,163.51	2.74
M. KINGDON OFFSHORE C1 EUR S.1	82,063.04	11,677,653.97	3.30
MLO PRIVATE INVESTMENT USD S.1 12/10	262.94	379,877.96	0.11
NEZU CYCLICALS FUND D USD	118,503.77	15,348,392.31	4.33
OWL CREEK OVERSEAS C S3BS 03/09 *	36.21	451,817.13	0.13
OWL CREEK OVERSEAS C S3BT 03/09 *	21.50	268,283.15	0.08
OWL CREEK OVERSEAS C S4 07/07 *	2.79	7,908.20	0.00
OWL CREEK OVERSEAS SP RESERVED *	206,769.36	89,537.33	0.03
SEG PARTNERS OFFSHORE A SUB1 S1 NI	66,533.00	23,555,109.79	6.64
STELLIAM OFFSHORE FUND A 07/09 -UNREST.-	10,052.22	17,098,756.91	4.83
SUVRETTA OFFSHORE 1 SUB B 06/13	6,421.69	8,760,699.59	2.47
SUVRETTA OFFSHORE 1 SUB B S06/15	1,000.00	958,021.70	0.27
TREMBLANT PARTNERS H S21 -UNREST.-	97,296.31	13,853,859.62	3.91
TRIDENT EUROPEAN FUND B **	1,596.36	0.00	0.00
ZEBEDEE FOCUS FUND B EUR	76,790.29	14,150,385.60	3.99
ZEBEDEE FOCUS FUND B EUR (EQUAL. 02/14) ***	1,687.81	1,968.26	0.00
ZEBEDEE FOCUS FUND B EUR (EQUAL. 03/14) ***	74,734.63	87,152.77	0.02
ZEBEDEE FOCUS FUND B USD	2,907.00	744,657.12	0.21
		217,221,527.45	61.30

\* Side pockets: segregated hedge fund accounts that are typically intended to separate less liquid investments.

\*\* Fund in liquidation.

\*\*\* Equalisation Credit : provision for incentive fees from the target fund manager in case an investor subscribes to a NAV per share above the High Water Mark.  
The accompanying notes form an integral part of these financial statements.

# Pictet Alternative Funds - World Equity Hedge

## STATEMENT OF INVESTMENTS AND OTHER NET ASSETS AS AT JUNE 30, 2016 (EXPRESSED IN USD)

Description	Quantity	Market value (note 2)	% of net assets
<i>IRELAND</i>			
MARSHALL WACE EUREKA A2 USD -REST.-	1,553.88	435,146.85	0.12
MARSHALL WACE EUREKA B2 EUR	49,719.32	9,115,353.64	2.57
MARSHALL WACE EUREKA B2 USD	47,586.29	7,932,021.05	2.24
MARSHALL WACE GLOBAL OPPORT. B USD (EQUAL. 02/16) ***	19,462.82	19,462.82	0.01
MARSHALL WACE GLOBAL OPPORT. B USD -CAP-	45,017.50	6,562,016.65	1.85
SECTOR IF - SECTOR ZEN C USD	109,663.14	9,426,128.27	2.66
SECTOR IF - SECTOR ZEN C USD (EQUAL. 03/15) ***	3,730.55	0.00	0.00
		<b>33,490,129.28</b>	<b>9.45</b>
<i>JERSEY</i>			
LYXOR / MACQUARIE ASIAN ALPHA S USD -ACC	197,003.68	16,589,679.55	4.68
		<b>16,589,679.55</b>	<b>4.68</b>
<i>LUXEMBOURG</i>			
DB PLATINUM CHILTON EUROPEAN EQUITIES I2C-E ***	99,982.98	11,959,552.50	3.38
GIM - EUROPE DYNAMIC L/S A09-15 EUR	60,000.00	5,874,476.12	1.66
GIM - EUROPE DYNAMIC L/S A12-15 EUR	41,000.00	4,211,907.62	1.19
JPMPFSF - EUROPE DYNAMIC L/S A EUR 10/03	12,125.62	5,749,265.27	1.62
MLIS - MARSHALL WACE TOPS MARKET NEUTRAL B -CAP-	54,889.44	8,429,177.49	2.38
		<b>36,224,379.00</b>	<b>10.23</b>
<i>SWITZERLAND</i>			
PICTET (CH) - SHORT-TERM MONEY MARKET EUR - Z DY	572.00	625,810.15	0.18
PICTET (CH) - SHORT-TERM MONEY MARKET USD - Z DY	5,001.00	4,955,840.97	1.40
		<b>5,581,651.12</b>	<b>1.58</b>
<b>TOTAL INVESTMENTS</b>		<b>370,239,393.21</b>	<b>104.49</b>
BANK OVERDRAFT		-1,183,463.44	-0.33
OTHER NET LIABILITIES		-14,714,446.73	-4.16
<b>TOTAL NET ASSETS</b>		<b>354,341,483.04</b>	<b>100.00</b>

\*\*\* Equalisation Credit : provision for incentive fees from the target fund manager in case an investor subscribes to a NAV per share above the High Water Mark. The accompanying notes form an integral part of these financial statements.

# Pictet Alternative Funds - World Equity Hedge

## GEOGRAPHICAL AND INDUSTRIAL CLASSIFICATION OF INVESTMENTS AS AT JUNE 30, 2016

Geographical classification		Industrial classification	
(in % of net assets)		(in % of net assets)	
Cayman Islands	61.30	Units of investment funds	104.49
British Virgin Islands	11.76		<b>104.49</b>
Luxembourg	10.23		
Ireland	9.45		
Bermuda	5.49		
Jersey	4.68		
Switzerland	1.58		
	<b>104.49</b>		

# Pictet Alternative Funds - Pleiad Credit Opportunities

## STATEMENT OF INVESTMENTS AND OTHER NET ASSETS AS AT JUNE 30, 2016 (EXPRESSED IN USD)

Description	Quantity	Market value (note 2)	% of net assets
<b>UNITS OF INVESTMENT FUNDS</b>			
<i>BRITISH VIRGIN ISLANDS</i>			
CAXTON GLOBAL INVESTMENTS PFD SI 12/11 *	23,642.24	381,585.68	0.06
CAXTON GLOBAL INVESTMENTS SI A/H (07-13) *	2,514.28	40,580.52	0.01
KING STREET CAPITAL A EUR S11 NI	82,454.46	9,382,460.47	1.53
KING STREET CAPITAL A S1 USD NI	407,693.28	67,004,391.23	10.90
KING STREET CAPITAL A S2 USD NI	33,139.24	5,446,433.93	0.89
KING STREET CAPITAL S S1 **	43.53	43.53	0.00
KING STREET CAPITAL S S13 (EX A S3) *	203.10	19,679.66	0.00
KING STREET CAPITAL S S14 (EX A S3) *	52.26	10,187.44	0.00
KING STREET CAPITAL S S18-A3 *	356.11	43,787.61	0.01
KING STREET CAPITAL S S20-A3 *	665.17	86,587.72	0.01
KING STREET CAPITAL S S28 (EX A3) *	18.49	3,538.65	0.00
KING STREET CAPITAL S S32 (EX A S3) *	359.53	43,285.35	0.01
KING STREET CAPITAL S S32 (EX A2) *	403.48	48,577.10	0.01
KING STREET CAPITAL S S5 (A4) **	646.50	646.50	0.00
KING STREET CAPITAL S S53 (EX A3) *	0.84	125.41	0.00
KING STREET CAPITAL S S53 (EX A4) *	1.43	211.77	0.00
KING STREET CAPITAL S S60 (EX NEW A1) *	12,904.36	1,417,443.07	0.23
KING STREET CAPITAL S S60 (EX NEW A2) *	257.65	28,300.62	0.00
KING STREET CAPITAL S S63 *	314.04	38,093.51	0.01
KING STREET CAPITAL S S65 (A2) *	17.32	1,144.42	0.00
KING STREET CAPITAL S S65 *	1,619.70	106,996.96	0.02
KING STREET CAPITAL S S68 *	22.37	1,634.82	0.00
KING STREET CAPITAL S S70 (EX A1) *	2,312.23	266,334.90	0.04
KING STREET CAPITAL S S70 (EX A2) *	25.28	2,911.88	0.00
KING STREET CAPITAL S S73 *	31.93	4,058.26	0.00
KING STREET CAPITAL S S75 (EX A1) *	750.94	51,206.39	0.01
KING STREET CAPITAL S S75 (EX A2) *	8.73	595.03	0.00
KING STREET CAPITAL S S78 *	10.34	781.81	0.00
KING STREET CAPITAL S S80 (EX A1) *	19,798.02	1,927,394.86	0.31
KING STREET CAPITAL S S80 (EX A2) *	324.00	31,542.05	0.01
KING STREET CAPITAL S S83 *	269.03	28,823.37	0.00
KING STREET CAPITAL S S85 (EX A1) *	1,691.92	161,272.27	0.03
KING STREET CAPITAL S S85 (EX A2) *	30.53	2,910.00	0.00
KING STREET CAPITAL S S88 *	20.56	2,156.71	0.00
KING STREET CAPITAL S S90 (EX A1) *	4,166.66	413,577.69	0.07
KING STREET CAPITAL S S90 (EX A2) *	310.20	30,790.61	0.01
KING STREET CAPITAL S S93 *	482.86	53,032.22	0.01
KING STREET EUROPE A EUR S13 (2016)	211,861.26	27,114,293.64	4.41
KING STREET EUROPE A USD S11 (2016)	37,009.25	5,952,742.41	0.97
SHEPHERD INVESTMENTS INT. **	147.78	147.78	0.00
SHEPHERD INVESTMENTS INT. A S. SHEPA 1501 **	0.01	12.07	0.00
SHEPHERD INVESTMENTS INT. S.S. SA 03 *	17.97	6,522.18	0.00
SHEPHERD INVESTMENTS INT. S.S. SA 06 *	1.70	5,768.71	0.00
SHEPHERD INVESTMENTS INT. S.S. SA 09 *	7.21	10,584.72	0.00
SHEPHERD INVESTMENTS INT. S.S. SA 15 *	26.47	7,582.99	0.00
SHEPHERD INVESTMENTS INT. S.S. SA 16 *	4.81	3,130.77	0.00

\* Side pockets: segregated hedge fund accounts that are typically intended to separate less liquid investments.

\*\* Fund in liquidation.

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

# Pictet Alternative Funds - Pleiad Credit Opportunities

## STATEMENT OF INVESTMENTS AND OTHER NET ASSETS AS AT JUNE 30, 2016 (EXPRESSED IN USD)

Description	Quantity	Market value (note 2)	% of net assets
SHEPHERD INVESTMENTS INT. SIH *	6,041.12	6,041.12	0.00
SHEPHERD SELECT ASSET A USD *	149.71	199,530.15	0.03
STRATUS FUND - DISCUS NON-US SIDE HOLDINGS S-USD **	783.27	37,205.11	0.01
		120,426,685.67	19.60
<i>CAYMAN ISLANDS</i>			
BLACKSTONE DISTRESSED SECURITIES A S04/08 **	24.00	9,375.81	0.00
BLACKSTONE DISTRESSED SECURITIES A S07/08 **	48.64	19,119.19	0.00
CANYON VALUE REALIZATION A 03/15	6,100.00	6,017,093.56	0.98
CANYON VALUE REALIZATION A 04/14	4,000.00	4,074,405.76	0.66
CANYON VALUE REALIZATION A 05/14	387.50	392,732.71	0.06
CANYON VALUE REALIZATION A 07/14	1,000.00	990,683.81	0.16
CANYON VALUE REALIZATION A S.INITIAL	10,429.00	81,741,671.07	13.30
CANYON VALUE REALIZATION FUND E 09/15	3,276.46	25,244,724.18	4.11
CFIP OVERSEAS FUND A SUB A5 05/12 **	7.90	991.39	0.00
DBGM OFFSHORE SPV 02/09 *	26.26	67,124.25	0.01
DRAWBRIDGE GLOBAL MACRO G1 S SP 12 09/08 *	81.11	36,930.41	0.01
DRAWBRIDGE GLOBAL MACRO G1 S SP4 07/07 *	34.15	29,026.76	0.00
DRAWBRIDGE GLOBAL MACRO G1 S SP5 0/907 *	21.74	8,457.52	0.00
DRAWBRIDGE GLOBAL MACRO G1 SP7 02/08 *	2.72	2,123.75	0.00
DRAWBRIDGE GLOBAL MACRO G21 S SP7 0208 *	8.30	6,481.82	0.00
DRAWBRIDGE GLOBAL MACRO SP RESERVE *	6,574.67	6,574.67	0.00
DRAWBRIDGE GLOBAL MACRO SP12 09/08 *	233.69	106,405.08	0.02
HALCYON OFFSHORE ASSET - BACKED USD INITIAL	14,670.16	35,279,451.65	5.74
HARBINGER CLASS L HOLDINGS S01/11 *	5.72	0.00	0.00
HARBINGER CLASS L HOLDINGS S04/10 *	9.96	0.00	0.00
HARBINGER CLASS L HOLDINGS S04/11 *	5.44	0.00	0.00
HARBINGER CLASS L HOLDINGS S07/10 *	6.18	0.00	0.00
HARBINGER CLASS L HOLDINGS S07/11 *	4.36	0.00	0.00
HARBINGER CLASS L HOLDINGS S10/10 *	4.40	0.00	0.00
HARBINGER CLASS L HOLDINGS S2 *	2.85	0.00	0.00
HARBINGER CLASS L HOLDINGS S3 *	5.14	0.00	0.00
HARBINGER CLASS LS HOLDINGS I (CAY) S04/11 *	2,049.47	0.00	0.00
HARBINGER CLASS LS HOLDINGS I (CAY) S07/11 *	1,619.33	0.00	0.00
HARBINGER CLASS PE HOLDINGS S01/11 *	157.24	40,264.44	0.01
HARBINGER CLASS PE HOLDINGS S04/10 *	362.03	77,940.24	0.01
HARBINGER CLASS PE HOLDINGS S04/11 *	137.41	39,645.04	0.01
HARBINGER CLASS PE HOLDINGS S07/10 *	192.73	46,244.94	0.01
HARBINGER CLASS PE HOLDINGS S07/11 *	115.57	31,516.23	0.01
HARBINGER CLASS PE HOLDINGS S1 *	434.90	80,074.99	0.01
HARBINGER CLASS PE HOLDINGS S10/10 *	133.52	33,228.54	0.01
HARBINGER CLASS PE HOLDINGS S2 *	619.37	122,496.71	0.02
MAGNETAR CAPITAL FUND SP1 S A-103 *	45.50	18,648.07	0.00
MAGNETAR SPC L S.A SUB 1 *	3.63	4,582.11	0.00
MKP CREDIT OFFSHORE B SERIES A	8,471.00	38,221,279.07	6.22
MKP CREDIT OFFSHORE B SERIES B 2015	9,000.00	7,250,076.00	1.18
MKP CREDIT OFFSHORE B SERIES E 2014	1,000.00	817,425.00	0.13
MLO PRIVATE INVESTMENT USD S.1 12/10	203.60	294,142.97	0.05
OWL CREEK OVERSEAS C 07/07 41 *	1.09	3,101.51	0.00
OWL CREEK OVERSEAS C S3BQ 03/09 41 *	9.28	120,640.10	0.02
OWL CREEK OVERSEAS C S3BS 03/09 *	3.65	47,376.33	0.01
OWL CREEK OVERSEAS C S3BS 03/09 41 *	0.12	1,537.20	0.00

\* Side pockets: segregated hedge fund accounts that are typically intended to separate less liquid investments.

\*\* Fund in liquidation.

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

# Pictet Alternative Funds - Pleiad Credit Opportunities

## STATEMENT OF INVESTMENTS AND OTHER NET ASSETS AS AT JUNE 30, 2016 (EXPRESSED IN USD)

Description	Quantity	Market value (note 2)	% of net assets
OWL CREEK OVERSEAS C S3BT 03/09 *	83.38	1,083,238.64	0.18
OWL CREEK OVERSEAS C S4 07/07 *	8.03	22,700.25	0.00
OWL CREEK OVERSEAS SP RESERVED *	329,756.16	141,072.98	0.02
OWL CREEK OVERSEAS SP RESERVED 41 *	63,774.20	15,272.65	0.00
OZ CREDIT OPPORTUNITIES OVERSEAS LP TR.E PRIME	109,699,848.36	109,699,848.36	17.86
TACONIC OFFSHORE FUND 1.5 FF2 S1 NR	64,767.24	75,068,512.15	12.22
VICIS CAPITAL FUND A S111 **	22,835.68	0.00	0.00
XPI HOLDINGS I LTD **	414.03	255,396.77	0.04
YORK CREDIT OPPORTUNITIES A 03/14 EUR -UNREST.-	24,177.99	1,412,245.22	0.23
YORK CREDIT OPPORTUNITIES A 04/14 EUR -UNREST.-	15,999.09	932,907.58	0.15
YORK CREDIT OPPORTUNITIES A 04/14 USD -UNREST.-	56,687.87	3,819,634.44	0.62
YORK CREDIT OPPORTUNITIES A EUR S7/12 -UNREST.-	734,332.51	43,173,675.79	7.03
YORK CREDIT OPPORTUNITIES UNITS A S1 -UNREST.-	161,725.00	10,985,817.72	1.79
YORK CREDIT OPPORTUNITIES UNITS B S1 -UNREST.-	149,056.14	9,542,499.84	1.55
		457,436,415.27	74.44
<i>LUXEMBOURG</i>			
PICTET ALTERNATIVE FUNDS - DISTRESSED Z USD	356,342.62	37,544,258.73	6.11
		37,544,258.73	6.11
<i>SWITZERLAND</i>			
PICTET (CH) - SHORT-TERM MONEY MARKET EUR - Z DY	1,103.00	1,206,763.27	0.20
		1,206,763.27	0.20
<b>TOTAL INVESTMENTS</b>		<b>616,614,122.94</b>	<b>100.35</b>
CASH AT BANKS		5,761,862.16	0.94
OTHER NET LIABILITIES		-7,893,140.55	-1.29
<b>TOTAL NET ASSETS</b>		<b>614,482,844.55</b>	<b>100.00</b>

\* Side pockets: segregated hedge fund accounts that are typically intended to separate less liquid investments.

\*\* Fund in liquidation.

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



# Pictet Alternative Funds - Pleiad Credit Opportunities

## GEOGRAPHICAL AND INDUSTRIAL CLASSIFICATION OF INVESTMENTS AS AT JUNE 30, 2016

### Geographical classification

(in % of net assets)

Cayman Islands	74.44
British Virgin Islands	19.60
Luxembourg	6.11
Switzerland	0.20
	<hr/>
	<b>100.35</b>

### Industrial classification

(in % of net assets)

Units of investment funds	100.35
	<hr/>
	<b>100.35</b>

# Pictet Alternative Funds - Mosaic Euro

## STATEMENT OF INVESTMENTS AND OTHER NET ASSETS AS AT JUNE 30, 2016 (EXPRESSED IN EUR)

Description	Quantity	Market value (note 2)	% of net assets
<b>UNITS OF INVESTMENT FUNDS</b>			
<i>BAHAMAS</i>			
MOORE GLOBAL INVESTMENTS B EUR	177.82	3,639,099.41	1.33
MOORE GLOBAL INVESTMENTS G USD	4,253.65	5,446,568.48	2.00
MOORE GLOBAL INVESTMENTS H USD	6,109.59	8,583,181.25	3.15
MOORE MACRO MANAGERS FUND A	237.26	3,053,833.72	1.12
MOORE MACRO MANAGERS FUND B	3,622.42	5,047,623.67	1.85
		25,770,306.53	9.45
<i>BERMUDA</i>			
LYNX 1.5 (BERMUDA) B EUR 09/15	600.00	648,592.54	0.24
LYNX 1.5 (BERMUDA) B EUR NEW ORIGIN.	2,171.95	4,826,379.39	1.77
		5,474,971.93	2.01
<i>BRITISH VIRGIN ISLANDS</i>			
CAXTON GLOBAL INVESTMENTS EUR S.A. T 12/11	10,161.16	13,085,133.85	4.80
CAXTON GLOBAL INVESTMENTS PFD SI 12/11 *	900.00	13,075.30	0.00
CAXTON GLOBAL INVESTMENTS T EUR S.C05/15 -UNREST-	1,000.00	1,000,560.00	0.37
CAXTON GLOBAL INVESTMENTS T EUR S.E10/15 UNREST.	1,000.00	957,550.00	0.35
KING STREET CAPITAL A EUR S11 NI	172,366.61	17,654,751.32	6.47
KING STREET CAPITAL A S1 DEPR 12/14 *	8,624.59	7,763.26	0.00
KING STREET CAPITAL A S1 USD NI *	14.02	2,073.33	0.00
KING STREET CAPITAL S S1 **	11.93	10.74	0.00
KING STREET CAPITAL S S14 (EX A2) *	23.62	4,145.27	0.00
KING STREET CAPITAL S S18 (EX A2) *	72.28	8,000.06	0.00
KING STREET CAPITAL S S20 *	135.88	15,921.16	0.01
KING STREET CAPITAL S S28 (EX A2) *	0.26	45.48	0.00
KING STREET CAPITAL S S28 (EX A3) *	11.47	1,975.68	0.00
KING STREET CAPITAL S S32 (EX A S3) *	207.78	22,517.60	0.01
KING STREET CAPITAL S S32 (EX A2) *	5.15	558.55	0.00
KING STREET CAPITAL S S5 (A4) **	132.69	119.44	0.00
KING STREET CAPITAL S S53 (EX A3) *	3.40	453.54	0.00
KING STREET CAPITAL S S53 (EX A4) *	0.37	50.07	0.00
KING STREET CAPITAL S S60 (EX NEW A1) *	1,326.56	131,160.12	0.05
KING STREET CAPITAL S S60 (EX NEW A2) *	2.15	212.67	0.00
KING STREET CAPITAL S S63 *	5,500.85	600,616.58	0.22
KING STREET CAPITAL S S65 (A2) *	0.01	0.53	0.00
KING STREET CAPITAL S S65 *	47.87	2,846.71	0.00
KING STREET CAPITAL S S68 *	327.89	21,570.57	0.01
KING STREET CAPITAL S S70 (EX A1) *	68.59	7,111.21	0.00
KING STREET CAPITAL S S70 (EX A2) *	0.08	7.78	0.00
KING STREET CAPITAL S S73 *	468.03	53,545.41	0.02
KING STREET CAPITAL S S75 (EX A1) *	22.63	1,388.79	0.00
KING STREET CAPITAL S S75 (EX A2) *	0.13	8.10	0.00
KING STREET CAPITAL S S78 *	151.64	10,315.56	0.00
KING STREET CAPITAL S S80 (EX A1) *	13.64	1,195.45	0.00
KING STREET CAPITAL S S80 (EX A2) *	4.33	379.79	0.00
KING STREET CAPITAL S S83 *	3,943.63	380,321.95	0.14
KING STREET CAPITAL S S85 (EX A2) *	0.58	49.68	0.00
KING STREET CAPITAL S S88 *	339.33	32,041.63	0.01

\* Side pockets: segregated hedge fund accounts that are typically intended to separate less liquid investments.

\*\* Fund in liquidation.

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

# Pictet Alternative Funds - Mosaic Euro

## STATEMENT OF INVESTMENTS AND OTHER NET ASSETS AS AT JUNE 30, 2016 (EXPRESSED IN EUR)

Description	Quantity	Market value (note 2)	% of net assets
KING STREET CAPITAL S S90 (EX A1) *	0.13	11.61	0.00
KING STREET CAPITAL S S90 (EX A2) *	2.69	240.43	0.00
KING STREET CAPITAL S S93 *	1,038.66	102,684.10	0.04
STRATUS FEEDER C 1.5 USD LEVERAGE	125.60	196,436.71	0.07
STRATUS FEEDER E 1.5 EUR LEVERAGE	6,330.34	10,812,539.97	3.97
STRATUS FUND - DISCUS NON-US SIDE HOLDINGS S-USD **	1,484.26	63,461.39	0.02
		45,192,851.39	16.56
<i>CAYMAN ISLANDS</i>			
BLACKROCK EUROPEAN HEDGE I EUR -A REC.-	2,000,000.00	2,000,000.00	0.73
BRIDGEWATER PURE ALPHA EUR B 8000-020	1,166.29	2,215,526.63	0.81
COATUE A SUB D2 TR.6 01/11/09 USD	7,065.00	1,171,814.23	0.43
COATUE C SUB D2 TR.6 08/11 EUR	92,782.88	12,473,341.97	4.58
DISCOVERY GLOBAL OPPORTUNITY A SUB1 2014 ROLL	10,000.00	909,681.32	0.33
DISCOVERY GLOBAL OPPORTUNITY A SUB1 S1	10,803.00	8,780,821.82	3.22
DISCOVERY GLOBAL OPPORTUNITY A SUB2 S1	7,024.00	968,278.07	0.36
DOUBLE BLACK DIAMOND - D	2,426.00	271,080.68	0.10
DOUBLE BLACK DIAMOND C -UNREST.-	67,478.25	11,771,965.81	4.32
FORE MULTI STRATEGY AHM S1 INITIAL	2,548.00	6,285,825.39	2.31
FORE MULTI STRATEGY AHM S30B 01/14	1,500.00	1,135,027.61	0.42
FORE MULTI STRATEGY AHM S31A 02/14	134.66	102,572.00	0.04
FORE MULTI STRATEGY AHM S31B 02/14	135.40	100,453.44	0.04
FORE MULTI STRATEGY AHM S31C 02/14	127.75	88,533.03	0.03
GLENVIEW CAPITAL PARTNERS G S.136	4,872.00	6,569,192.80	2.41
GLENVIEW CAPITAL PARTNERS G S.65	3,873.91	4,559,230.84	1.67
LMR FUND E EUR S.1	51,601.16	7,493,850.59	2.75
LMR FUND E EUR S.15	28,000.00	2,911,221.60	1.07
LMR FUND E EUR S.16	4,000.00	408,437.20	0.15
OWL CREEK OVERSEAS C S3BS 03/09 *	14.11	164,943.18	0.06
OWL CREEK OVERSEAS C S3BT 03/09 *	25.50	298,205.03	0.11
OWL CREEK OVERSEAS C S4 07/07 *	4.07	10,353.95	0.00
OWL CREEK OVERSEAS SP RESERVED *	152,022.33	58,541.52	0.02
OZ EUROPE OVERSEAS II E PRIME S2	6,889.00	13,367,696.17	4.90
PHARO GAIA FUND A USD S02 03/15	2,446.57	5,513,249.33	2.02
PHARO GAIA FUND B EUR S2	1,475.08	3,266,058.70	1.20
PHARO GAIA FUND B EUR S3	367.08	803,591.77	0.29
PHARO GAIA FUND B EUR S4	1,096.67	2,422,208.48	0.89
PHARO GAIA FUND B EUR S5	758.12	1,678,624.88	0.62
ROKOS GLOBAL MACRO A USD	88,372.07	8,221,940.70	3.02
ROKOS GLOBAL MACRO A USD (EQUAL. 11/15) ***	12,558.64	11,304.42	0.00
STELLIAM OFFSHORE FUND A 07/09 -UNREST.-	6,714.00	10,279,919.83	3.77
SYSTEMATICA BLUETREND Q EUR VTG	50,547.58	5,047,596.46	1.85
SYSTEMATICA BLUETREND Q EUR VTG (EQUAL. 03/15) ***	75,322.22	0.00	0.00
SYSTEMATICA BLUETREND Q EUR VTG (EQUAL. 04/15) ***	4,577.18	0.00	0.00
TACONIC OPPORTUNITY OFFSHORE MM2 S1 NR	8,969.73	10,629,131.91	3.90
TACONIC OPPORTUNITY OFFSHORE MM2 S14 NR	590.00	578,343.43	0.21
TACONIC OPPORTUNITY OFFSHORE MM2 S7 NR	130.00	124,953.93	0.05
THIRD POINT OFFSHORE FUND E S1	60,707.00	18,620,027.56	6.82
THIRD POINT OFFSHORE FUND E S13	20,000.00	1,692,966.25	0.62
VICIS CAPITAL FUND A S111 **	6,405.00	0.00	0.00
XPI HOLDINGS I LTD **	152.00	84,520.41	0.03

\* Side pockets: segregated hedge fund accounts that are typically intended to separate less liquid investments.

\*\* Fund in liquidation.

\*\*\* Equalisation Credit : provision for incentive fees from the target fund manager in case an investor subscribes to a NAV per share above the High Water Mark.

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

# Pictet Alternative Funds - Mosaic Euro

## STATEMENT OF INVESTMENTS AND OTHER NET ASSETS AS AT JUNE 30, 2016 (EXPRESSED IN EUR)

Description	Quantity	Market value (note 2)	% of net assets
ZEBEDEE FOCUS FUND B EUR	65,200.00	10,814,724.00	3.97
ZEBEDEE FOCUS FUND B USD	4,358.57	1,004,988.34	0.37
ZEBEDEE FOCUS FUND B USD (EQUAL. 05/16) ***	21,249.78	16,847.58	0.01
		164,927,592.86	60.50
<i>IRELAND</i>			
MARSHALL WACE EUREKA B1 EUR -ACC-	31,320.00	5,414,147.46	1.99
MARSHALL WACE EUREKA B2 EUR	79,091.93	13,052,279.61	4.79
MARSHALL WACE EUREKA B2 USD	4,037.00	605,712.34	0.22
		19,072,139.41	7.00
<i>LUXEMBOURG</i>			
MLIS - MARSHALL WACE TOPS MARKET NEUTRAL B -CAP-	32,278.00	4,461,787.94	1.64
PICTET ALTERNATIVE FUNDS - EMERGING MANAGERS Z USD	57,197.20	4,924,537.54	1.81
TRANSTREND - OMNITREND PLUS EUR INST.	959.72	3,380,168.69	1.24
TRANSTREND - OMNITREND PLUS EUR INST. (EQUAL. 03/15) ***	4.31	4.31	0.00
		12,766,498.48	4.69
<i>SWITZERLAND</i>			
PICTET (CH) - SHORT-TERM MONEY MARKET EUR - Z DY	313.00	308,245.53	0.11
PICTET (CH) - SHORT-TERM MONEY MARKET USD - Z DY	1,151.19	1,026,864.57	0.38
		1,335,110.10	0.49
<b>TOTAL INVESTMENTS</b>		<b>274,539,470.70</b>	<b>100.70</b>
CASH AT BANKS		868,708.62	0.32
OTHER NET LIABILITIES		-2,767,986.57	-1.02
<b>TOTAL NET ASSETS</b>		<b>272,640,192.75</b>	<b>100.00</b>

\*\*\* Equalisation Credit : provision for incentive fees from the target fund manager in case an investor subscribes to a NAV per share above the High Water Mark.  
The accompanying notes form an integral part of these financial statements.

# Pictet Alternative Funds - Mosaic Euro

## GEOGRAPHICAL AND INDUSTRIAL CLASSIFICATION OF INVESTMENTS AS AT JUNE 30, 2016

### Geographical classification

(in % of net assets)

Cayman Islands	60.50
British Virgin Islands	16.56
Bahamas	9.45
Ireland	7.00
Luxembourg	4.69
Bermuda	2.01
Switzerland	0.49
	<u>100.70</u>

### Industrial classification

(in % of net assets)

Units of investment funds	<u>100.70</u>
	<b>100.70</b>

# Pictet Alternative Funds - Global

## STATEMENT OF INVESTMENTS AND OTHER NET ASSETS AS AT JUNE 30, 2016 (EXPRESSED IN USD)

Description	Quantity	Market value (note 2)	% of net assets
<b>UNITS OF INVESTMENT FUNDS</b>			
<i>BERMUDA</i>			
ANTARES EUROPEAN FUND USD	1,600.00	901,872.00	5.01
		901,872.00	5.01
<i>BRITISH VIRGIN ISLANDS</i>			
EGERTON LONG/SHORT FUND C1	6,757.82	1,128,968.56	6.27
STRATUS FEEDER B USD STANDARD LEVERAGE	320.00	621,881.60	3.46
		1,750,850.16	9.73
<i>CAYMAN ISLANDS</i>			
BLACKROCK EUROPEAN HEDGE FUND I USD	5,047.40	1,115,995.63	6.20
BLACKROCK EUROPEAN HEDGED I USD (CONT. 04/16) ****	-1,685.35	-1,685.35	-0.01
GLENVIEW CAPITAL PARTNERS G S.136	600.00	898,773.58	4.99
LANSDOWNE DEVELOPED MARKETS N USD	1,501.11	907,490.17	5.04
NEZU CYCLICALS FUND D USD	7,358.55	953,066.54	5.30
OWL CREEK OVERSEAS C S3BS 03/09 *	3.36	41,947.06	0.23
OWL CREEK OVERSEAS SP RESERVED *	11,280.87	4,884.96	0.03
PHARO MACRO FUND A 01/05/05	423.38	1,414,980.24	7.87
SEG PARTNERS OFFSHORE A SUB1 S1 NI	2,614.46	925,612.61	5.14
SUMMITVIEW CHINA FUND USD S1506	8,700.00	855,690.24	4.76
SUMMITVIEW CHINA FUND USD S1509	2,200.00	234,364.68	1.30
SYSTEMATICA BLUETREND Q USD (EQUAL. 03/15) ***	8,258.90	235.25	0.00
SYSTEMATICA BLUETREND Q USD VTG	5,168.80	517,820.93	2.88
THIRD POINT OFFSHORE FUND E S1	2,873.19	977,980.55	5.43
TRIDENT EUROPEAN FUND B **	79.56	0.00	0.00
ZEBEDEE FOCUS FUND B USD	4,494.93	1,151,421.27	6.40
ZEBEDEE FOCUS FUND B USD (EQUAL. 06/14) ***	184.81	194.00	0.00
		9,998,772.36	55.56
<i>IRELAND</i>			
ENNISMORE EUROPEAN SMALLER COMPANIES B EUR	52,448.00	1,089,593.89	6.06
MAN GLG JAPAN COREALPHA EQUITY DH-ACC-USD	4,881.16	590,034.74	3.28
MARSHALL WACE GLOBAL OPPORT. B USD -CAP-	7,315.68	1,066,376.87	5.93
PARUS FUND USD -ACC.-	1,368.75	684,881.18	3.81
		3,430,886.68	19.08
<i>LUXEMBOURG</i>			
ALKEN CAPITAL ONE J -CAP.-	7.27	611,709.52	3.40
PICTET SELECT - GLOBAL MANAGED FUTURE HZ USD	3,948.28	397,986.38	2.21
RAM (LUX) SF - EMERGING MARKETS EQUITIES BP	2,766.35	410,498.53	2.28
		1,420,194.43	7.89
<i>SWITZERLAND</i>			
PICTET (CH) - SHORT-TERM MONEY MARKET USD - Z DY	133.00	131,799.01	0.73
PPMF CH - PHYSICAL GOLD Z DY USD	3,114.29	409,965.74	2.28
		541,764.75	3.01

\* Side pockets: segregated hedge fund accounts that are typically intended to separate less liquid investments.

\*\* Fund in liquidation.

\*\*\* Equalisation Credit : provision for incentive fees from the target fund manager in case an investor subscribes to a NAV per share above the High Water Mark.

\*\*\*\* Contingent redemption fee : in case an investor subscribes to a NAV per share below the High Water Mark, such investor will pay performance fees in relation with any increase in NAV per share between the subscription price and the High Water Mark.

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

# Pictet Alternative Funds - Global

## STATEMENT OF INVESTMENTS AND OTHER NET ASSETS AS AT JUNE 30, 2016 (EXPRESSED IN USD)

Description	Market value (note 2)	% of net assets
<b>TOTAL INVESTMENTS</b>	<b>18,044,340.38</b>	<b>100.28</b>
BANK OVERDRAFT	-1,181.48	-0.01
OTHER NET LIABILITIES	-48,896.23	-0.27
<b>TOTAL NET ASSETS</b>	<b>17,994,262.67</b>	<b>100.00</b>

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

# Pictet Alternative Funds - Global

## GEOGRAPHICAL AND INDUSTRIAL CLASSIFICATION OF INVESTMENTS AS AT JUNE 30, 2016

### Geographical classification

(in % of net assets)

Cayman Islands	55.56
Ireland	19.08
British Virgin Islands	9.73
Luxembourg	7.89
Bermuda	5.01
Switzerland	3.01
	<u>100.28</u>

### Industrial classification

(in % of net assets)

Units of investment funds	<u>100.28</u>
	<b>100.28</b>

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



# Pictet Alternative Funds - Commo

## STATEMENT OF INVESTMENTS AND OTHER NET ASSETS AS AT JUNE 30, 2016 (EXPRESSED IN USD)

Description	Quantity	Market value (note 2)	% of net assets
<b>UNITS OF INVESTMENT FUNDS</b>			
<i>CAYMAN ISLANDS</i>			
ANDURAND COMMODITIES A USD 12/15	2,000.00	2,178,674.60	11.70
ASTENBECK OFFSHORE COMMOD. II A S01/15 -REST.-	1,514.00	1,200,848.01	6.45
ASTENBECK OFFSHORE COMMOD. II A S03/15 -REST.-	350.00	263,138.95	1.41
KOPPENBERG MACRO COMMODITY B SUB1 USD S1	2,285.75	3,046,377.96	16.37
LUBBEN FUND - A S.04/06	910.00	1,525,296.23	8.19
VELITE ENERGY OFFSHORE S01/07	490.00	2,049,259.87	11.01
YANNIX FUND A 1 USD	1,101.05	2,188,296.21	11.76
ZP OFFSHORE UTILITY FUND A S0415	1,500.00	1,678,454.84	9.02
		<b>14,130,346.67</b>	<b>75.91</b>
<i>LUXEMBOURG</i>			
TRANSTREND - OMNITREND USD INSTIT.	661.12	1,516,863.81	8.15
		<b>1,516,863.81</b>	<b>8.15</b>
<i>SWITZERLAND</i>			
PICTET (CH) - SHORT-TERM MONEY MARKET USD - Z DY	3,036.00	3,008,584.92	16.16
		<b>3,008,584.92</b>	<b>16.16</b>
<b>TOTAL INVESTMENTS</b>		<b>18,655,795.40</b>	<b>100.22</b>
BANK OVERDRAFT		-5,435.83	-0.03
OTHER NET LIABILITIES		-35,103.33	-0.19
<b>TOTAL NET ASSETS</b>		<b>18,615,256.24</b>	<b>100.00</b>

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

# Pictet Alternative Funds - Commo

## GEOGRAPHICAL AND INDUSTRIAL CLASSIFICATION OF INVESTMENTS AS AT JUNE 30, 2016

Geographical classification		Industrial classification	
(in % of net assets)		(in % of net assets)	
Cayman Islands	75.91	Units of investment funds	100.22
Switzerland	16.16		<b>100.22</b>
Luxembourg	8.15		
	<b>100.22</b>		

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

# Pictet Alternative Funds - Distressed

## STATEMENT OF INVESTMENTS AND OTHER NET ASSETS AS AT JUNE 30, 2016 (EXPRESSED IN USD)

Description	Quantity	Market value (note 2)	% of net assets
<b>UNITS OF INVESTMENT FUNDS</b>			
<i>BRITISH VIRGIN ISLANDS</i>			
KING STREET EUROPE A USD S11 (2016)	11,247.00	1,809,020.45	4.61
		<u>1,809,020.45</u>	<u>4.61</u>
<i>CAYMAN ISLANDS</i>			
ARCHER CAPITAL OFFSHORE C2 S1 NI	3,872.75	5,041,146.77	12.83
AVENUE INTERNATIONAL A S01 0797	42.93	795,379.72	2.03
AVENUE INTERNATIONAL A S04 03/14	48.78	242,132.37	0.62
AVENUE INTERNATIONAL A S08 0714	29.27	135,985.68	0.35
AVENUE INTERNATIONAL A S09 0814 **	7.32	34,981.83	0.09
CFIP OVERSEAS FUND A SUB A5 05/12 **	9.65	1,211.56	0.00
CONTRARIAN EMERGING MARKETS A 01/10	17,600.18	2,850,006.63	7.26
CONTRARIAN FUND I OFFSHORE A S.1	9,155.23	2,898,165.41	7.38
CONTRARIAN FUND I OFFSHORE A S3 2014	3,322.50	1,045,324.72	2.66
CONTRARIAN FUND I OFFSHORE A S5 2014	1,755.65	550,573.68	1.40
LIBREMAX OFFSHORE FUND A S.1	3,422.46	4,892,450.12	12.46
MAKURIA CREDIT FUND A USD 05/16	500.00	476,582.55	1.21
MAKURIA CREDIT FUND A USD NI INITIAL	2,196.67	2,343,745.72	5.97
MUDRICK DISTRESSED OPPORTUNITY FUND OFFSHORE A2 INITIAL	681.00	839,148.63	2.14
MUDRICK DISTRESSED OPPORTUNITY FUND OFFSHORE A2 S07/14	300.00	256,101.00	0.65
MUDRICK DISTRESSED OPPORTUNITY FUND OFFSHORE A2 S04/15	315.00	272,840.40	0.69
MUDRICK DISTRESSED OPPORTUNITY FUND OFFSHORE A2 S05/15	2,600.00	2,232,334.00	5.68
MUDRICK DISTRESSED OPPORTUNITY FUND OFFSHORE A2 S07/15	500.00	456,365.00	1.16
REBOUND FUND C USD 2015 A -UNREST-	295,828.23	274,555.22	0.70
REBOUND FUND C USD 2015 B -UNREST-	250,674.82	232,648.79	0.59
REBOUND FUND C USD 2015 H UNREST.	511,785.39	474,982.91	1.21
VENOR CAPITAL OFFSHORE E2 02/15	350.00	320,852.00	0.82
VENOR CAPITAL OFFSHORE E2 03/14	1,000.00	825,910.00	2.10
VENOR CAPITAL OFFSHORE E2 04/14	600.00	496,062.00	1.26
VENOR CAPITAL OFFSHORE E2 07/14	250.00	199,570.00	0.51
VENOR CAPITAL OFFSHORE E2 08/15	500.00	453,775.00	1.16
VENOR CAPITAL OFFSHORE E2 12/14	250.00	220,807.50	0.56
VENOR CAPITAL OFFSHORE E2 INITIAL	1,129.00	1,508,219.81	3.84
YORK CREDIT OPPORTUNITIES A 03/14-1 USD -UNREST-	6,344.89	428,241.55	1.09
YORK CREDIT OPPORTUNITIES UNITS A S1 -UNREST.-	28,772.05	1,954,456.87	4.98
YORK CREDIT OPPORTUNITIES UNITS B S1 -UNREST.-	27,133.66	1,737,083.14	4.42
		<u>34,491,640.58</u>	<u>87.82</u>
<i>SWITZERLAND</i>			
PICTET (CH) - SHORT-TERM MONEY MARKET USD - Z DY	3,032.00	3,004,621.04	7.65
		<u>3,004,621.04</u>	<u>7.65</u>
<b>TOTAL INVESTMENTS</b>		<b>39,305,282.07</b>	<b>100.08</b>
BANK OVERDRAFT		-876.56	0.00
OTHER NET LIABILITIES		-28,922.83	-0.08
<b>TOTAL NET ASSETS</b>		<b>39,275,482.68</b>	<b>100.00</b>

\*\* Fund in liquidation.

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

# Pictet Alternative Funds - Distressed

## GEOGRAPHICAL AND INDUSTRIAL CLASSIFICATION OF INVESTMENTS AS AT JUNE 30, 2016

Geographical classification		Industrial classification	
(in % of net assets)		(in % of net assets)	
Cayman Islands	87.82	Units of investment funds	100.08
Switzerland	7.65		<b>100.08</b>
British Virgin Islands	4.61		
	<b>100.08</b>		

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

# Pictet Alternative Funds - Emerging Managers

## STATEMENT OF INVESTMENTS AND OTHER NET ASSETS AS AT JUNE 30, 2016 (EXPRESSED IN USD)

Description	Quantity	Market value (note 2)	% of net assets
<b>UNITS OF INVESTMENT FUNDS</b>			
<i>CAYMAN ISLANDS</i>			
GREENVALE CAPITAL FUND F USD 04/16	3,000.00	2,841,189.30	16.39
GUARD MACRO OFFSHORE FEEDER A USD INITIAL	3,024.35	2,827,157.49	16.30
IDALION GLOBAL FUND A USD -T.REC-	200,000.00	200,000.00	1.15
MACQUARIE EUROPEAN ALPHA FUND A	20,926.93	2,771,772.41	15.98
MAKURIA CREDIT FUND A USD NI INITIAL	2,180.60	2,326,601.80	13.42
RED CLIFF ASIA A USD	2,366.69	259,019.69	1.49
RED CLIFF ASIA B USD	20,732.57	3,245,228.03	18.72
ZENTIFIC ASIA OPPORTUNITIES OFFSHORE FEEDER B S07/15	3,000.00	2,592,270.00	14.95
ZENTIFIC ASIA OPPORTUNITIES OFFSHORE FEEDER B S11/15	250.00	225,530.00	1.30
		17,288,768.72	99.70
<i>SWITZERLAND</i>			
PICTET (CH) - SHORT-TERM MONEY MARKET USD - Z DY	65.00	64,413.05	0.37
		64,413.05	0.37
<b>TOTAL INVESTMENTS</b>		<b>17,353,181.77</b>	<b>100.07</b>
BANK OVERDRAFT		-205.60	0.00
OTHER NET LIABILITIES		-11,116.82	-0.07
<b>TOTAL NET ASSETS</b>		<b>17,341,859.35</b>	<b>100.00</b>

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

# Pictet Alternative Funds - Emerging Managers

## GEOGRAPHICAL AND INDUSTRIAL CLASSIFICATION OF INVESTMENTS AS AT JUNE 30, 2016

### Geographical classification

(in % of net assets)

Cayman Islands	99.70
Switzerland	0.37
	<u>100.07</u>

### Industrial classification

(in % of net assets)

Units of investment funds	<u>100.07</u>
	<b>100.07</b>

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

# Pictet Alternative Funds - Equity Diversifier (note 1)

## STATEMENT OF INVESTMENTS AND OTHER NET ASSETS AS AT JUNE 30, 2016 (EXPRESSED IN EUR)

Description	Quantity	Market value (note 2)	% of net assets
<b>UNITS OF INVESTMENT FUNDS</b>			
<i>CAYMAN ISLANDS</i>			
SUMMITVIEW CHINA FUND USD S1606	33,500.00	2,970,819.16	11.92
ZEBEDEE FOCUS FUND B EUR	29,710.44	4,928,070.68	19.77
ZEBEDEE FOCUS FUND B EUR (EQUAL. 05/16) ***	84,580.66	71,225.37	0.29
		<u>7,970,115.21</u>	<u>31.98</u>
<i>SWITZERLAND</i>			
PICTET (CH) - SHORT-TERM MONEY MARKET EUR - Z DY	4,563.73	4,494,409.60	18.03
PICTET (CH) - SHORT-TERM MONEY MARKET USD - Z DY	10.00	8,920.03	0.04
		<u>4,503,329.63</u>	<u>18.07</u>
<b>TOTAL INVESTMENTS</b>		<b>12,473,444.84</b>	<b>50.05</b>
CASH AT BANKS		12,467,363.96	50.02
OTHER NET LIABILITIES		-17,624.94	-0.07
<b>TOTAL NET ASSETS</b>		<b>24,923,183.86</b>	<b>100.00</b>

\*\*\* Equalisation Credit : provision for incentive fees from the target fund manager in case an investor subscribes to a NAV per share above the High Water Mark.  
The accompanying notes form an integral part of these financial statements.

# Pictet Alternative Funds - Equity Diversifier (note 1)

## GEOGRAPHICAL AND INDUSTRIAL CLASSIFICATION OF INVESTMENTS AS AT JUNE 30, 2016

### Geographical classification

(in % of net assets)

Cayman Islands	31.98
Switzerland	18.07
	<u>50.05</u>

### Industrial classification

(in % of net assets)

Units of investment funds	50.05
	<u>50.05</u>

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



# Pictet Alternative Funds

## NOTES TO THE FINANCIAL STATEMENTS AS AT JUNE 30, 2016

### NOTE 1

#### GENERAL

Pictet Alternative Funds (the "SICAV") has the status of an undertaking for collective investment and the particular form of an "Investment Company with Variable Capital" (SICAV). The SICAV is governed by Luxembourg law in accordance with the provisions of Part II of the amended Law dated December 17, 2010 (the "Law"), relating to undertakings for collective investment. The articles of incorporation of the SICAV (the "Articles") were published in the Mémorial of December 15, 2004 amended by notarial act dated August 12, 2011.

The SICAV is registered in the Luxembourg Trade and Companies Register under number R.C.S. B 104 485.

Pictet Asset Management (Europe) S.A., a public limited company (société anonyme) with registered office at 15, avenue J.F. Kennedy, L-1855 Luxembourg, was appointed management company of the SICAV as of October 1, 2007. It is a management company within the meaning of chapter 15 of the Law.

Shares of the SICAV are issued in registered form only. They are freely transferable and entitled to participate equally in the profits and liquidation proceeds attributable to the SICAV. The shares, which are of no par value and which must be fully paid upon issue, carry no preferential or pre-emptive rights and each share is entitled to one vote at all meetings of the Shareholders.

The SICAV is qualified as an Alternative Investment Fund ("AIF") within the meaning of the Luxembourg law of July 12, 2013 (the "Law of 2013") on the Alternative Investment Funds Managers ("AIFM").

In the context of the implementation of the Law of 2013 requiring the SICAV to be managed by an authorised AIFM, Pictet Asset Management (Europe) S.A. was appointed as AIFM with effect as of May 30, 2014.

As at June 30, 2016, the SICAV includes eight sub-funds in operation:

- Pictet Alternative Funds - World Equity Hedge, denominated in US Dollar (USD);
- Pictet Alternative Funds - Pleiad Credit Opportunities, denominated in US Dollar (USD);
- Pictet Alternative Funds - Mosaic Euro, denominated in Euro (EUR);
- Pictet Alternative Funds - Global, denominated in US Dollar (USD);
- Pictet Alternative Funds - Commo, denominated in US Dollar (USD);
- Pictet Alternative Funds - Distressed, denominated in US Dollar (USD);
- Pictet Alternative Funds - Emerging Managers, denominated in US Dollar (USD);
- Pictet Alternative Funds - Equity Diversifier denominated in Euro (EUR) launched on May 31, 2016.

Classes of shares offered to investors are presented in the most recent prospectus of the SICAV.

# Pictet Alternative Funds

## NOTES TO THE FINANCIAL STATEMENTS AS AT JUNE 30, 2016 (continued)

### NOTE 2

#### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### a) General

The financial statements are prepared in accordance with generally accepted accounting principles and presented in accordance with the legal reporting requirements applicable in Luxembourg relating to undertakings for collective investment.

##### b) Presentation of financial statements

The reference currency of the SICAV is the USD.

The accounting year of the SICAV terminates on December 31.

##### c) Combined financial statements of the SICAV

The combined financial statements of the SICAV are expressed in USD and correspond to the sum of items in the financial statements of each sub-fund, converted into USD at the exchange rate prevailing at the closing date.

##### d) Valuation of Assets of the SICAV

The value of any cash on hand or on deposit, bills and demand notes and accounts receivable (including any rebates on fees and expenses payable by any Investment Fund), prepaid expenses, cash dividends declared and interest accrued, and not yet received are deemed to be the full amount thereof, unless, however, the same is unlikely to be paid or received in full, in which case the value thereof is determined after making such discount as the Board may consider appropriate to reflect the true value thereof.

The value of securities (including shares or units of closed-ended Investment Funds) which are quoted, traded or dealt in on any stock exchange is based on the closing prices or, if appropriate, on the average price on the stock exchange which is normally the principal market of such securities, and each security traded on any other regulated market is valued in a manner as similar as possible to that provided for quoted securities.

For non-quoted securities or securities not traded or dealt in on any stock exchange or other regulated market as well as quoted or non-quoted securities on such other market for which no valuation price is available, or securities for which the quoted prices are, in the opinion of the Board of Directors, not representative of the fair market value, the value thereof is determined based on the valuation method proposed in good faith by the Board of Directors taking into consideration:

- the latest available price;
- the basis of recent events that may have an impact on the value of the securities; or
- any other available assessment.

Liquid assets and money market instruments are valued at nominal value plus any accrued interest or on an amortised cost basis.

# Pictet Alternative Funds

## NOTES TO THE FINANCIAL STATEMENTS AS AT JUNE 30, 2016 (continued)

Futures and options are valued by reference to the previous day's closing price on the relevant market; the market prices used are the futures exchanges settlement prices.

Swaps are valued at fair value based on the last available closing price of the underlying security.

In determining the value of the assets of the SICAV, shares in open-ended Underlying Funds, including shares of other sub-funds of the SICAV in case of investment by a sub-fund in one or more sub-funds of the SICAV, are valued at the current Net Asset Value ("NAV") for such shares or units as of the relevant Valuation Day, or if no such actual NAV is available as of such Valuation Day, they are valued at the estimated NAV as of such Valuation Day, or if no such estimated NAV is available they are valued at the last available actual or estimated NAV which is calculated prior to such Valuation Day whichever is the closer to such Valuation Day. If events have occurred which may have resulted in a material change in the NAV of such shares or units since the date on which such actual or estimated NAV was calculated, the value of such shares or units is adjusted in order to reflect, in the reasonable opinion of the Board of Directors, such change but the Board Directors is not required to revise or recalculate the NAV on the basis of which subscriptions, redemptions or conversions may have been previously accepted.

In respect of shares or units held by the SICAV, for which issues and redemptions are restricted and a secondary market trading is effected between dealers who, as main market makers, offer prices in response to market conditions, the Board of Directors may decide to value such shares or units in line with the realisation prices so established.

The Administrative Agent, the Board of Directors and the Management Company may rely solely on the valuations provided by UCIs with respect to the investment such UCIs have made. Valuations provided by UCIs may be subject to adjustments made by such UCIs subsequent to the determination of the NAV of a sub-fund. Such adjustments, whether increasing or decreasing the NAV of a sub-fund, do not affect the amount of the redemption proceeds received by redeeming shareholders. As a result, to the extent that such subsequently adjusted valuations from UCIs adversely affect the NAV of a sub-fund, the remaining outstanding shares of such sub-fund will be adversely affected by redemptions. Conversely, any increases in the NAV of a sub-fund resulting from such subsequently adjusted valuations are entirely for the benefit of the remaining outstanding shares of such sub-fund.

The Administrative Agent and the Board of Directors may consult with the Investment Manager(s) and the Investment Adviser(s) in valuing each sub-fund's net assets. Year-end NAV calculations are audited by the SICAV's independent auditors and may be revised as a result of such audit. As discussed above, such revisions may result from adjustments in valuations provided by UCIs.

In no event shall the Board of Directors, the Management Company, the Depositary Bank, the Administrative Agent, the Investment Manager(s) or the Investment Adviser(s) incur any individual liability or responsibility for any determination made or other action taken or omitted by them in the absence of negligence, wilful misfeasance or bad faith.

# Pictet Alternative Funds

## NOTES TO THE FINANCIAL STATEMENTS AS AT JUNE 30, 2016 (continued)

If events have occurred which may have resulted in a material change of the NAV of such shares or units in other Investment Funds since the day on which the latest official NAV of these UCIs was calculated, the value of such shares or units may be adjusted in order to reflect, in the reasonable opinion of the Board of Directors, such change of value.

All other securities and assets are valued at fair market value as determined in good faith pursuant to procedures established by the Board of Directors.

### e) Formation expenses

The expenses incurred by the SICAV in relation to the launch of new sub-funds are borne by, and payable out of the assets of, those sub-funds, unless otherwise decided by the Board of Directors of the SICAV, and may be amortized over a period not exceeding five years, it being understood that the new sub-fund is also charged a prorata portion of the initial establishment expenses unamortized as of its launch.

### f) Conversion of foreign currencies

Cash at banks, other net assets as well as the market value of the investment portfolio in currencies other than the currency of the sub-fund are converted into the base currency of the sub-fund at the exchange rates prevailing at the closing date.

Income and expenses expressed in currencies other than the base currency of the SICAV are converted into the currency of the SICAV at the exchange rate applicable on the transaction date.

Resulting foreign exchange gains and losses are recorded in the statement of operations and changes in net assets.

### g) Net realised gain/loss on sales of investments

Net realised gain or loss on sales of investments is calculated on the basis of the weighted average cost of the investments sold.

### h) Cost of investment securities

Cost of investment securities in currencies other than the currency of the sub-fund is translated into the currency of the sub-fund at the exchange rate applicable at purchase date.

### i) Income

Dividends are recorded at ex-date. Interest is recorded on an accrual basis.

### j) Valuation of forward foreign exchange contracts

The net unrealised gains or losses resulting from outstanding forward foreign exchange contracts are determined on the valuation day on the basis of the forward rates applicable on this date and are included in the statement of net assets.

# Pictet Alternative Funds

## NOTES TO THE FINANCIAL STATEMENTS AS AT JUNE 30, 2016 (continued)

### k) Loans

Loans are recorded in the accounts up to the amount of cash received. Interest is accrued, recorded separately and is included in the appropriate liabilities and expenses accounts.

### l) Transaction fees

Transaction fees represent the costs incurred by the SICAV in connection with purchases and sales of investments. Transaction fees include brokerage fees, bank commissions, foreign tax, depositary fees and other fees. Transaction fees are included in the statement of operations and changes in net assets.

## NOTE 3

### MANAGEMENT FEE, SERVICE FEE AND DEPOSITARY FEE

An annual management fee and service fee are calculated on the average net asset values of the classes and are paid to the Management Company in payment for the services provided by it to the SICAV. These fees also enable the Management Company to remunerate the Investment Manager, investment advisers and distributors, if applicable, and the Administrative Agent for the functions of transfer agent, administrative agent and paying agent.

The Depositary Bank is entitled to receive, out of the assets of each sub-fund, fees calculated in accordance with normal banking practice in Luxembourg. In addition, the Depositary Bank is entitled to be reimbursed by the SICAV for its respective reasonable out-of-pocket expenses properly incurred in carrying out its duties as such and for the charges of any correspondents.

Such fees cannot exceed the amounts specified below:

For the Pictet Alternative Funds - World Equity Hedge sub-fund:

Type of shares	Fees (max %) *		
	Management	Service	Depositary
I USD	1.50%	0.15%	0.10%
J USD	1.25%	0.15%	0.10%
P USD	1.50%	0.15%	0.10%
R USD	2.50%	0.15%	0.10%
Z USD	0.00%	0.15%	0.10%
HI CHF	1.50%	0.20%	0.10%
HI EUR	1.50%	0.20%	0.10%
HI GBP**	1.50%	0.20%	0.10%
HJ CHF	1.25%	0.20%	0.10%
HJ EUR	1.25%	0.20%	0.10%
HJ GBP**	1.25%	0.20%	0.10%
HP CHF	1.50%	0.20%	0.10%
HP EUR	1.50%	0.20%	0.10%

\* Maximum percentage per year of the average net assets attributable to this type of shares.

\*\* As at June 30, 2016, this type of shares was not activated yet.

# Pictet Alternative Funds

## NOTES TO THE FINANCIAL STATEMENTS AS AT JUNE 30, 2016 (continued)

Type of shares	Fees (max %) *		
	Management	Service	Depositary
HP GBP**	1.50%	0.20%	0.10%
HR CHF	2.50%	0.20%	0.10%
HR EUR	2.50%	0.20%	0.10%
HR GBP**	2.50%	0.20%	0.10%
HZ CHF	0.00%	0.20%	0.10%
HZ EUR	0.00%	0.20%	0.10%
HZ GBP**	0.00%	0.20%	0.10%

For the Pictet Alternative Funds - Pleiad Credit Opportunities sub-fund:

Type of shares	Fees (max %) *		
	Management	Service	Depositary
D USD	1.25%	0.15%	0.10%
I USD	1.50%	0.15%	0.10%
J USD	1.25%	0.15%	0.10%
P USD	1.50%	0.15%	0.10%
R USD	2.50%	0.15%	0.10%
Z USD	0.00%	0.15%	0.10%
HD CHF	1.25%	0.15%	0.10%
HD EUR	1.25%	0.20%	0.10%
HI CHF	1.50%	0.20%	0.10%
HI EUR	1.50%	0.20%	0.10%
HJ CHF	1.25%	0.20%	0.10%
HJ EUR	1.25%	0.20%	0.10%
HP CHF	1.50%	0.20%	0.10%
HP EUR	1.50%	0.20%	0.10%
HR CHF	2.50%	0.20%	0.10%
HR EUR	2.50%	0.20%	0.10%
HZ CHF	0.00%	0.20%	0.10%
HZ EUR	0.00%	0.20%	0.10%

For the Pictet Alternative Funds - Mosaic Euro sub-fund:

Type of shares	Fees (max %) *		
	Management	Service	Depositary
I EUR	1.50%	0.15%	0.10%
J EUR	1.25%	0.15%	0.10%

\* Maximum percentage per year of the average net assets attributable to this type of shares.

\*\* As at June 30, 2016, this type of shares was not activated yet.

# Pictet Alternative Funds

## NOTES TO THE FINANCIAL STATEMENTS AS AT JUNE 30, 2016 (continued)

Type of shares	Fees (max %) *		
	Management	Service	Depositary
P EUR	1.50%	0.15%	0.10%
R EUR	2.50%	0.15%	0.10%
Z EUR	0.00%	0.15%	0.10%
HI CHF	1.50%	0.20%	0.10%
HI GBP	1.50%	0.20%	0.10%
HI USD	1.50%	0.20%	0.10%
HJ CHF	1.25%	0.20%	0.10%
HJ GBP	1.25%	0.20%	0.10%
HJ USD	1.25%	0.20%	0.10%
HP CHF	1.50%	0.20%	0.10%
HP GBP**	1.50%	0.20%	0.10%
HP USD	1.50%	0.20%	0.10%
HR CHF***	2.50%	0.20%	0.10%
HR GBP	2.50%	0.20%	0.10%
HR USD	2.50%	0.20%	0.10%
HZ CHF	0.00%	0.20%	0.10%
HZ GBP	0.00%	0.20%	0.10%
HZ USD	0.00%	0.20%	0.10%

For the Pictet Alternative Funds - Global sub-fund:

Type of shares	Fees (max %) *		
	Management	Service	Depositary
I USD	1.50%	0.13%	0.12%
J USD	1.25%	0.13%	0.12%
Z USD**	0.00%	0.13%	0.12%
HI CHF**	1.50%	0.13%	0.12%
HI EUR**	1.50%	0.13%	0.12%
HJ CHF**	1.25%	0.13%	0.12%
HJ EUR**	1.25%	0.13%	0.12%
HP CHF**	1.50%	0.13%	0.12%
HP EUR**	1.50%	0.13%	0.12%
HR CHF**	2.00%	0.13%	0.12%
HR EUR**	2.00%	0.13%	0.12%
HZ CHF**	0.00%	0.13%	0.12%
HZ EUR**	0.00%	0.13%	0.12%

\* Maximum percentage per year of the average net assets attributable to this type of shares.

\*\* As at June 30, 2016, this type of shares was not activated yet.

\*\*\* Liquidated during the period

## Pictet Alternative Funds

### NOTES TO THE FINANCIAL STATEMENTS AS AT JUNE 30, 2016 (continued)

For the Pictet Alternative Funds - Commo sub-fund:

Type of shares	Fees (max %) *		
	Management	Service	Depositary
I USD	1.50%	0.15%	0.10%
J USD	1.25%	0.15%	0.10%
P USD	1.50%	0.15%	0.10%
R USD**	2.50%	0.15%	0.10%
Z USD	0.00%	0.15%	0.10%
HI EUR	1.50%	0.20%	0.10%
HI GBP**	1.50%	0.20%	0.10%
HJ EUR**	1.25%	0.20%	0.10%
HJ GBP**	1.25%	0.20%	0.10%
HP EUR	1.50%	0.20%	0.10%
HP GBP**	1.50%	0.20%	0.10%
HR EUR**	2.50%	0.20%	0.10%
HR CHF**	2.50%	0.20%	0.10%
HR GBP**	2.50%	0.20%	0.10%
HZ EUR	0.00%	0.20%	0.10%
HZ GBP**	0.00%	0.20%	0.10%

For the Pictet Alternative Funds - Distressed sub-fund:

Type of shares	Fees (max %) *		
	Management	Service	Depositary
I USD	1.50%	0.15%	0.10%
J USD**	1.25%	0.15%	0.10%
P USD	1.50%	0.15%	0.10%
R USD**	2.50%	0.15%	0.10%
Z USD	0.00%	0.15%	0.10%
HI CHF	1.50%	0.20%	0.10%
HI EUR	1.50%	0.20%	0.10%
HI GBP**	1.50%	0.20%	0.10%
HJ CHF**	1.25%	0.20%	0.10%
HJ EUR**	1.25%	0.20%	0.10%
HJ GBP**	1.25%	0.20%	0.10%
HP CHF	1.50%	0.20%	0.10%

\* Maximum percentage per year of the average net assets attributable to this type of shares.

\*\* As at June 30, 2016, this type of shares was not activated yet.



## Pictet Alternative Funds

### NOTES TO THE FINANCIAL STATEMENTS AS AT JUNE 30, 2016 (continued)

Type of shares	Fees (max %) *		
	Management	Service	Depositary
HP EUR	1.50%	0.20%	0.10%
HP GBP**	1.50%	0.20%	0.10%
HR CHF**	2.50%	0.20%	0.10%
HR EUR**	2.50%	0.20%	0.10%
HR GBP**	2.50%	0.20%	0.10%
HZ CHF**	0.00%	0.20%	0.10%
HZ EUR**	0.00%	0.20%	0.10%
HZ GBP**	0.00%	0.20%	0.10%

For the Pictet Alternative Funds - Emerging Managers sub-fund:

Type of shares	Fees (max %) *		
	Management	Service	Depositary
I USD**	1.50%	0.15%	0.10%
J USD**	1.25%	0.15%	0.10%
P USD**	1.50%	0.15%	0.10%
R USD**	2.50%	0.15%	0.10%
Z USD	0.00%	0.15%	0.10%
HI CHF**	1.50%	0.20%	0.10%
HI EUR**	1.50%	0.20%	0.10%
HI GBP**	1.50%	0.20%	0.10%
HJ CHF**	1.25%	0.20%	0.10%
HJ EUR**	1.25%	0.20%	0.10%
HJ GBP**	1.25%	0.20%	0.10%
HP CHF**	1.50%	0.20%	0.10%
HP EUR**	1.50%	0.20%	0.10%
HP GBP**	1.50%	0.20%	0.10%
HR CHF**	2.50%	0.20%	0.10%
HR EUR**	2.50%	0.20%	0.10%
HR GBP**	2.50%	0.20%	0.10%
HZ CHF**	0.00%	0.20%	0.10%
HZ EUR**	0.00%	0.20%	0.10%
HZ GBP**	0.00%	0.20%	0.10%

\*\* As at June 30, 2016, this type of shares was not activated yet.

\* Maximum percentage per year of the average net assets attributable to this type of shares.

# Pictet Alternative Funds

## NOTES TO THE FINANCIAL STATEMENTS AS AT JUNE 30, 2016 (continued)

For the Pictet Alternative Funds - Equity Diversifier:

Type of shares	Fees (max %) *		
	Management	Service	Depositary
A EUR	1.25%	0.15%	0.10%

The fees payable to the Investment Manager are in addition to the fees paid by the investee UCIs to the Investment Manager of the investee UCIs. There may be a duplication of management fees. Moreover, if the UCIs in which the SICAV has invested in turn invest in UCIs, a further doubling of costs and expenses may have to be borne by the Shareholders of the said sub-funds.

### NOTE 4 OTHER FEES PAYABLE

As at June 30, 2016, the other fees payable include depositary and service fees.

### NOTE 5 DIRECTORS FEES

The external Directors Fees paid for the period ended June 30, 2016 are included in the statement of operations and changes in net assets under the caption "Other expenses" and amount to the following:

Sub-fund	Currency	Directors Fee
Pictet Alternative Funds - World Equity Hedge	USD	25,004.86
Pictet Alternative Funds - Pleiad Credit Opportunities	USD	33,914.53
Pictet Alternative Funds - Mosaic Euro	EUR	20,696.61
Pictet Alternative Funds - Global	USD	11,052.53
Pictet Alternative Funds - Commo	USD	11,054.38
Pictet Alternative Funds - Distressed	USD	16,914.96
Pictet Alternative Funds - Emerging Managers	USD	10,998.04
Pictet Alternative Funds - Equity Diversifier	EUR	2,733.30

### NOTE 6 TAXE D'ABONNEMENT

Under current law and practice the SICAV is not liable to any Luxembourg income tax, nor are dividends, if any, paid by the SICAV liable to any Luxembourg withholding tax. However, the SICAV is normally liable in Luxembourg to a tax of 0.05% per annum of its net assets. Such tax rate is reduced to a rate of 0.01% in respect of the net assets attributable to such classes of shares which are reserved for institutional investors within the meaning of, and as provided for in, article 174 of the Law.

Such tax is payable quarterly and calculated on the net asset value of the relevant class at the end of the relevant quarter. For the portion of the assets of the SICAV invested in other UCIs which are established in Luxembourg, no such tax is payable as provided for in article 174 of the Law if it is already paid for the underlying UCI.

\* Maximum percentage per year of the average net assets attributable to this type of shares.

# Pictet Alternative Funds

## NOTES TO THE FINANCIAL STATEMENTS AS AT JUNE 30, 2016 (continued)

### NOTE 7

#### SUBSCRIPTIONS AND REDEMPTIONS

##### a) Subscriptions

Shares in each class are issued at the relevant net asset value per share (the "Subscription Price"), as determined as of each "Valuation Day", being the last calendar day of each month. The net asset value is made public as soon as practicable after the relevant Valuation Day.

A Subscription Charge of up to 3.50% of the relevant Subscription Price may be added to the Subscription Price to compensate financial intermediaries and other persons who assist in the placement of shares.

##### b) Redemptions

###### **For the Pictet Alternative Funds - World Equity Hedge and Pictet Alternative Funds - Global sub-funds:**

Shares in each class of the sub-funds are redeemable on a monthly basis, based on the net asset value, minus a Redemption Adjustment (the "Redemption Price") calculated as of the monthly Valuation Day (the "Redemption Valuation Day"). The Board of Directors of the SICAV may determine additional Redemption Valuation Days for which all Shareholders in identical situations are treated equally.

A Redemption Charge of up to 3.00% of the relevant Redemption Price may be levied on the Redemption Price to compensate financial intermediaries and other persons who assist in the placement of shares.

###### **For the Pictet Alternative Funds - Mosaic Euro, Pictet Alternative Funds - Commo, Pictet Alternative Funds - Emerging Managers sub-funds and Pictet Alternative Funds - Equity Diversifier:**

Shares in each class of the sub-funds are redeemable on a quarterly basis, based on the relevant net asset value (the "Redemption Price") calculated as of the Valuation Day of the months of March, June, September and December (the "Redemption Valuation Day"). The Board of Directors of the SICAV may determine additional Redemption Valuation Days for which all Shareholders in identical situations are treated equally.

A Redemption Charge of up to 3.00% of the relevant Redemption Price may be levied on the Redemption Price to compensate financial intermediaries and other persons who assist in the placement of shares.

###### **For the Pictet Alternative Funds - Pleiad Credit Opportunities sub-fund:**

Shares of Class D and their corresponding Hedged shares of the sub-fund are redeemable on a quarterly basis, based on the relevant net asset value (the "Redemption Price") calculated as of the Valuation Days of the months of February, May, August and November (the "Redemption Valuation Day") as defined under point "Valuation Day" hereabove. The Board of Directors of the SICAV may determine additional Redemption Valuation Days for which all Shareholders in identical situations are treated equally.

# Pictet Alternative Funds

## NOTES TO THE FINANCIAL STATEMENTS AS AT JUNE 30, 2016 (continued)

Shareholders of Classes I, J, P, R and Z shares and their corresponding Hedged shares are only allowed to redeem their Shares in the sub-fund during the soft Lock Up Period, as defined in the current prospectus, if they agree to pay an early redemption fee of 5% of the Redemption Price for the benefit of the sub-fund.

After the soft Lock Up Period, Classes I, J, P, R and Z shares and their corresponding Hedged shares are redeemable on a quarterly basis, based on the relevant net asset value (the "Redemption Price") calculated as of the Valuation Day of the months of February, May, August and November (the "Redemption Valuation Day"). The Board of Directors of the SICAV may determine additional Redemption Valuation Days for which all Shareholders in identical situations are treated equally, in the best interest of all the Shareholders.

A Redemption Charge of up to 3.00% of the relevant Redemption Price may be levied on the Redemption Price to compensate financial intermediaries and other persons who assist in the placement of shares.

### **For the Pictet Alternative Funds - Distressed sub-fund:**

Shareholders are normally not allowed to redeem their shares in the sub-fund during a "Lock Up Period", as defined in the current prospectus. However, during the lock up period, redemptions requests on a given Redemption Valuation Day may be exceptionally submitted to the approval of the Board of Directors of the SICAV. The Board of Directors of the SICAV reserves the right to accept or reject these requests, for which all Shareholders in identical situations are treated equally.

After the Lock Up Period, Shares in each Class of the sub-fund are redeemable on a quarterly basis, based on the relevant net asset value (the "Redemption Price") calculated as of the Valuation Day of the months of March, June, September and December (the "Redemption Valuation Day"). The Board of Directors of the SICAV may determine additional Redemption Valuation Days for which all Shareholders in identical situations are treated equally, in the best interest of all the Shareholders.

A Redemption Charge of up to 3.00% of the relevant Redemption Price may be levied on the Redemption Price to compensate financial intermediaries and other persons who assist in the placement of shares.

### **c) Duplication of fees**

When investing in investee UCIs, a duplication of subscription and/or redemption fees may be applied. Moreover, if the UCIs in which the sub-fund has invested in turn invest in UCIs, a further doubling of costs and expenses may have to be borne by the Shareholders of the said sub-fund.

# Pictet Alternative Funds

## NOTES TO THE FINANCIAL STATEMENTS AS AT JUNE 30, 2016 (continued)

### NOTE 8 EXCHANGE RATES AS AT JUNE 30, 2016

The following exchange rates were used for the conversion of the SICAV's net assets into USD as at June 30, 2016:

1 USD =	0.900131 EUR
1 USD =	0.974200 CHF
1 USD =	0.748055 GBP

### NOTE 9 DETAILS OF THE NET REALISED GAINS/LOSSES ON SALES OF INVESTMENTS

Details of the net realised gains/losses on sales of investments for the period ended June 30, 2016 were as follows:

		Realised gain	Realised loss	Net realised gain/loss
Pictet Alternative Funds - World Equity Hedge	USD	3,249,369.09	-10,914,062.11	-7,664,693.02
Pictet Alternative Funds - Pleiad Credit Opportunities	USD	11,746,330.25	-25,107,958.89	-13,361,628.64
Pictet Alternative Funds - Mosaic Euro	EUR	9,646,442.64	-2,508,350.08	7,138,092.56
Pictet Alternative Funds - Global	USD	981,101.87	-11,517.94	969,583.93
Pictet Alternative Funds - Commo	USD	78,059.24	-335,612.60	-257,553.36
Pictet Alternative Funds - Distressed	USD	13,147,036.44	-14,446,296.65	-1,299,260.21
Pictet Alternative Funds - Emerging Managers	USD	19,902.45	-4,421.19	15,481.26
Pictet Alternative Funds - Equity Diversifier	EUR	2,818.21	-4,586.47	-1,768.26

### NOTE 10 DETAILS OF THE CHANGE IN NET UNREALISED APPRECIATION/DEPRECIATION ON INVESTMENTS

Details of the change in net unrealised appreciation/depreciation on investments for the period ended June 30, 2016 were as follows:

		Change in unrealised appreciation	Change in unrealised depreciation	Change in net unrealised appreciation/depreciation
Pictet Alternative Funds - World Equity Hedge	USD	5,847,620.53	-27,608,528.10	-21,760,907.57
Pictet Alternative Funds - Pleiad Credit Opportunities	USD	30,853,541.59	-19,650,529.23	11,203,012.36
Pictet Alternative Funds - Mosaic Euro	EUR	5,885,029.58	-15,518,452.68	-9,633,423.10
Pictet Alternative Funds - Global	USD	256,161.05	-2,331,380.98	-2,075,219.93
Pictet Alternative Funds - Commo	USD	1,383,431.39	-897,116.65	486,314.74
Pictet Alternative Funds - Distressed	USD	2,454,965.91	-1,158,618.07	1,296,347.84
Pictet Alternative Funds - Emerging Managers	USD	126,311.65	-1,058,297.14	-931,985.49
Pictet Alternative Funds - Equity Diversifier	EUR	12,754.11	-50,998.67	-38,244.56

# Pictet Alternative Funds

## NOTES TO THE FINANCIAL STATEMENTS AS AT JUNE 30, 2016 (continued)

### NOTE 11 FORWARD FOREIGN EXCHANGE CONTRACTS

Forward foreign exchange contracts on identical currency pairs listed below are aggregated. Only the longest maturity date is shown.

The SICAV had the following forward foreign exchange contracts outstanding as at June 30, 2016:

#### Pictet Alternative Funds - World Equity Hedge

Currency	Purchase	Currency	Sale	Maturity date
CHF	96,877,887.95	USD	99,062,054.92	30/09/2016
EUR	71,311,207.82	USD	79,784,248.16	30/09/2016
USD	156,403,365.00	EUR	139,300,000.00	30/09/2016

The net unrealised gain on these contracts as at June 30, 2016 was USD 1,566,652.67 and is included in the statement of net assets.

#### Pictet Alternative Funds - Pleiad Credit Opportunities

Currency	Purchase	Currency	Sale	Maturity date
CHF	156,631,434.71	USD	160,142,629.73	30/09/2016
EUR	167,353,574.10	USD	187,293,326.53	30/09/2016
USD	189,897,983.50	EUR	169,200,000.00	30/09/2016

The net unrealised gain on these contracts as at June 30, 2016 was USD 1,573,637.23 and is included in the statement of net assets.

#### Pictet Alternative Funds - Distressed

Currency	Purchase	Currency	Sale	Maturity date
CHF	19,185.30	USD	19,617.24	30/09/2016
EUR	19,576.11	USD	21,899.20	30/09/2016

The net unrealised gain on these contracts as at June 30, 2016 was USD 24.45 and is included in the statement of net assets.

#### Pictet Alternative Funds - Equity Diversifier

Currency	Purchase	Currency	Sale	Maturity date
EUR	2,963,628.20	USD	3,300,000.00	30/09/2016

The net unrealised gain on this contract as at June 30, 2016 was EUR 3,227.86 and is included in the statement of net assets.

# Pictet Alternative Funds

## NOTES TO THE FINANCIAL STATEMENTS AS AT JUNE 30, 2016 (continued)

### Pictet Alternative Funds - Mosaic Euro

Currency	Purchase	Currency	Sale	Maturity date
CHF	98,290,087.24	EUR	89,887,770.89	30/09/2016
EUR	116,814,665.76	USD	131,100,000.00	30/09/2016
GBP	1,401,052.69	EUR	1,682,744.04	29/07/2016
USD	8,289,932.60	EUR	7,461,517.61	29/07/2016

The net unrealised gain on these contracts as at June 30, 2016 was EUR 110,184.59 and is included in the statement of net assets.

### Pictet Alternative Funds - Global

Currency	Purchase	Currency	Sale	Maturity date
USD	1,849,898.25	EUR	1,665,000.00	29/07/2016

The net unrealised loss on this contract as at June 30, 2016 was USD 1,759.73 and is included in the statement of net assets.

## NOTE 12

### LOANS

The SICAV (the "Pledgor") has entered, as borrower, into a USD 240,000,000 revolving facility agreement dated December 21, 2015 with, amongst others, Montalis Investment B.V. (the "Security Agent"), as lender (the "Facility Agreement").

In order to secure the Obligations, the Pledgor has agreed to pledge the Pledged Assets in accordance with the terms and conditions of the Facility Agreement between the Pledgor, the Security agent, Pictet Alternative Advisors S.A. as Investment Manager, Pictet Asset Management (Europe) S.A. as Management Company and AIFM, Société Générale as Arranger and Calculation Agent and Pictet & Cie (Europe) S.A. as Depository.

As at June 30, 2016, loans outstanding under the Facility Agreement with Montalis Investment B.V. amounted to:

- USD 15,000,000 for the Pictet Alternative Funds - World Equity Hedge;
- USD 8,000,000 for the Pictet Alternative Funds - Pleiad Credit Opportunities sub-fund;
- EUR 2,000,000 for the Pictet Alternative Funds - Mosaic Euro sub-fund.

## NOTE 13

### CROSS INVESTMENTS BETWEEN SUB-FUNDS

As at June 30, 2016, the sub-fund Pictet Alternative Funds - Pleiad Credit Opportunities invests 6.11% of its net assets in the sub-fund Pictet Alternative Funds - Distressed. This investment amounts to USD 37,544,258.73.

As at June 30, 2016, the sub-fund Pictet Alternative Funds - Mosaic Euro invests 1.81% of its net assets in the sub-fund Pictet Alternative Funds - Emerging Managers. This investment amounts to EUR 4,924,537.54.

Those amounts of cross investments are included in the Combined statement of net assets and statement of operations and changes in net assets.

