



MOSAIC TRADING



Investment Company with Variable Capital, Luxembourg

Unaudited semi-annual report as at June 30, 2016



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No subscription can be received on the basis of this report. Subscriptions are only valid if made on the basis of the current prospectus accompanied by the latest annual report, including audited financial statements, and the most recent semi-annual report, if published thereafter.

MOSAIC TRADING

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MOSAIC TRADING

ORGANISATION OF THE SICAV

Registered Office	15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
Board of Directors of the SICAV	
Chairman	Mr Nicolas TSCHOPP, Senior Vice President, Pictet Asset Management S.A., Geneva, Switzerland
Directors	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
Management Company and Alternative Investment Fund Manager	Pictet Asset Management (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
Board of Directors of the Management Company	
Chairman	Mr Cédric VERMESSE, CFO, Pictet Asset Management S.A., Geneva, Switzerland
Directors	Mr Rolf BANZ, Independent Director
	Mr Xavier BARDE, Executive Vice President, Banque Pictet & Cie SA, Geneva, Switzerland
Conducting officers of the Management Company	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

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ORGANISATION OF THE SICAV (continued)

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

MOSAIC TRADING

GENERAL INFORMATION

MOSAIC TRADING (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.

MOSAIC TRADING

STATEMENT OF NET ASSETS AS AT JUNE 30, 2016

	USD
ASSETS	
Investments in securities at acquisition cost	284,220,627.17
Net unrealised gain on investments	27,386,119.06
Investments in securities at market value (note 2.c)	311,606,746.23
Net unrealised gain on forward foreign exchange contracts (notes 2.i, 11)	252,148.00
	311,858,894.23
LIABILITIES	
Bank overdraft (note 2.c)	661,228.90
Management fee payable (note 3)	951,744.96
"Taxe d'abonnement" payable (note 6)	33,782.37
Other fees payable (note 4)	121,925.86
Loans (note 12)	4,000,000.00
	5,768,682.09
TOTAL NET ASSETS AS AT JUNE 30, 2016	306,090,212.14
TOTAL NET ASSETS AS AT DECEMBER 31, 2015	341,689,018.59
TOTAL NET ASSETS AS AT DECEMBER 31, 2014	381,602,249.38

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

MOSAIC TRADING

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

	USD
NET ASSETS AT THE BEGINNING OF THE PERIOD	341,689,018.59
INCOME	
Bank interest (note 2.h)	46.43
	<u>46.43</u>
EXPENSES	
Management fee (note 3)	2,008,697.38
Depository fee and bank interest (note 3)	172,377.49
Other expenses	48,958.99
Service fee (note 3)	125,113.40
"Taxe d'abonnement" (note 6)	68,253.39
Transaction fees (note 2.k)	12,596.39
Interest paid on loan (note 12)	47,140.84
	<u>2,483,137.88</u>
NET INVESTMENT LOSS	-2,483,091.45
Net realised gain on sales of investments (note 9)	4,823,859.36
Net realised loss on foreign exchange	-122,765.59
Net realised gain on forward exchange contracts	2,289,223.15
NET REALISED GAIN	4,507,225.47
Change in net unrealised appreciation/depreciation:	
- on investments (note 10)	-13,117,603.86
- on forward exchange contracts	61,975.52
DECREASE IN NET ASSETS AS A RESULT OF OPERATIONS	-8,548,402.87
Proceeds from subscriptions of shares	12,762,634.35
Cost of shares redeemed	-44,382,441.50
Revaluation difference*	4,569,403.57
NET ASSETS AT THE END OF THE PERIOD	306,090,212.14

* 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.

MOSAIC TRADING

NUMBER OF SHARES OUTSTANDING AND NET ASSET VALUE PER SHARE

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
I USD	USD	1,016,513.53	101.68	104.02	104.02
J USD	USD	95,279.30	104.86	107.12	106.81
P USD	USD	100,847.41	101.36	103.77	103.92
R USD	USD	108,026.95	95.56	98.07	98.71
Z USD	USD	18,915.37	113.45	115.32	113.84
HI CHF	CHF	695,229.40	106.36	109.69	111.54
HI EUR	EUR	629,013.60	78.38	80.59	80.51
HI GBP	GBP	8,600.16	98.23	100.40	99.92
HJ CHF	CHF	99,549.19	109.70	112.97	114.55
HJ EUR	EUR	179,815.51	80.82	82.98	82.66
HJ GBP	GBP	100.00	100.57	102.64	101.84
HP CHF	CHF	56,339.51	106.01	109.41	111.43
HP EUR	EUR	9,716.56	78.13	80.39	80.43
HR CHF	CHF	3,487.85	99.95	103.41	105.85
HR EUR	EUR	42,246.87	73.67	75.99	76.41
HR GBP	GBP	380.03	94.08	96.47	96.62
HZ CHF	CHF	85.80	126.85	129.98	130.49
HZ EUR	EUR	100.00	82.29	84.06	82.91
HZ GBP	GBP	100.00	110.59	112.30	110.32

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

Description	Quantity	Market value (note 2)	% of net assets
UNITS OF INVESTMENT FUNDS			
<i>BAHAMAS</i>			
MOORE GLOBAL INVESTMENTS A USD	438.33	25,629,412.27	8.37
MOORE GLOBAL INVESTMENTS D USD	851.42	1,333,128.52	0.44
		26,962,540.79	8.81
<i>BERMUDA</i>			
LYNX 1.5 BERMUDA D USD	5,688.00	11,026,156.26	3.60
		11,026,156.26	3.60
<i>BRITISH VIRGIN ISLANDS</i>			
CAXTON GLOBAL INVESTMENTS EUR S.A. T 12/11	1,175.54	1,681,774.57	0.55
CAXTON GLOBAL INVESTMENTS PFD A '01-2012' -REST.-	172.90	159,935.96	0.05
CAXTON GLOBAL INVESTMENTS S.A T 12/11 -UNREST.-	31,010.00	26,939,317.30	8.81
CAXTON GLOBAL INVESTMENTS SI A/B (01/13) -UNREST.- *	4,061.98	65,560.40	0.02
CAXTON GLOBAL INVESTMENTS SI A/G (07/14) *	14,255.06	230,076.66	0.08
GRAHAM GIF II - DISCRETION 12V PTF S.B	94,346.58	12,062,209.74	3.94
GRAHAM GIF II - EN/V.B CONT. 01/16 ****	-11,258.53	0.00	0.00
KING STREET CAPITAL A S1 USD NI	1,022.04	167,972.93	0.05
KING STREET CAPITAL A S2 USD NI	2,458.89	404,118.57	0.13
KING STREET CAPITAL S S1 **	28.18	28.18	0.00
KING STREET CAPITAL S S13 (EX A S3) *	3.00	290.41	0.00
KING STREET CAPITAL S S13 (EX A2) *	195.90	18,982.18	0.01
KING STREET CAPITAL S S14 (EX A S3) *	0.81	158.30	0.00
KING STREET CAPITAL S S14 (EX A2) *	0.74	144.65	0.00
KING STREET CAPITAL S S18 (EX A2) *	10.52	1,293.06	0.00
KING STREET CAPITAL S S18-A3 *	4.98	612.84	0.00
KING STREET CAPITAL S S20 *	19.01	2,475.01	0.00
KING STREET CAPITAL S S20-A3 *	9.31	1,211.67	0.00
KING STREET CAPITAL S S28 (EX A2) *	28.42	5,438.60	0.00
KING STREET CAPITAL S S28 (EX A3) *	1.20	229.48	0.00
KING STREET CAPITAL S S5 (A4) **	2,940.86	2,940.86	0.00
KING STREET CAPITAL S S53 (EX A3) *	0.01	0.89	0.00
KING STREET CAPITAL S S53 (EX A4) *	0.04	6.13	0.00
KING STREET CAPITAL S S60 (EX NEW A1) *	7.93	871.05	0.00
KING STREET CAPITAL S S60 (EX NEW A2) *	17.78	1,952.88	0.00
KING STREET CAPITAL S S65 (A2) *	1.48	98.10	0.00
KING STREET CAPITAL S S65 *	0.07	4.69	0.00
KING STREET CAPITAL S S70 (EX A1) *	0.48	54.94	0.00
KING STREET CAPITAL S S70 (EX A2) *	3.65	420.89	0.00
KING STREET CAPITAL S S75 (EX A1) *	0.79	53.94	0.00
KING STREET CAPITAL S S75 (EX A2) *	3.85	262.53	0.00
KING STREET CAPITAL S S80 (EX A1) *	38.56	3,753.73	0.00
KING STREET CAPITAL S S80 (EX A2) *	30.46	2,965.08	0.00
KING STREET CAPITAL S S85 (EX A1) *	3.32	316.08	0.00
KING STREET CAPITAL S S85 (EX A2) *	7.81	744.63	0.00
KING STREET CAPITAL S S90 (EX A1) *	9.53	946.04	0.00
KING STREET CAPITAL S S90 (EX A2) *	21.27	2,111.63	0.00
STRATUS FEEDER C 1.5 USD LEVERAGE	8,360.00	14,525,583.60	4.75
STRATUS FEEDER E 1.5 EUR LEVERAGE	670.00	1,271,362.81	0.42

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

** Fund in liquidation.

**** 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.

MOSAIC TRADING

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

Description	Quantity	Market value (note 2)	% of net assets
STRATUS FUND - DISCUS NON-US SIDE HOLDINGS S-USD **	1,432.66	68,051.17	0.02
WINTON FUTURES B USD	10,000.00	980,776.00	0.32
WINTON FUTURES FUND B LEAD SERIES -SDV-	10,231.00	10,547,820.00	3.45
		69,152,928.18	22.60
<i>CAYMAN ISLANDS</i>			
ANDURAND COMMODITIES A USD 03/16	1,000.00	1,067,593.50	0.35
ANDURAND COMMODITIES A USD 04/16	2,500.00	2,610,239.50	0.85
ANDURAND COMMODITIES A USD 05/16	1,500.00	1,464,505.65	0.48
ANDURAND COMMODITIES A USD 06/16	2,000.00	1,930,623.20	0.63
ANDURAND COMMODITIES A USD -A REC.-	2,000,000.00	2,000,000.00	0.65
BLACKSTONE DISTRESSED SECURITIES A S04/08 **	8.43	3,294.25	0.00
BREXAN HOWARD FUND E USD	2,305.58	301,523.11	0.10
BRIDGEWATER PURE ALPHA EUR B 8000-020	11,501.55	24,272,784.81	7.93
COMPLUS ASIA MACRO FUND A USD	109,824.47	14,182,534.19	4.63
COMPLUS ASIA MACRO FUND A USD (EQUAL. 01/16) ***	13,442.43	0.00	0.00
DYNAMIC OFFSHORE FUND D2 INITIAL SUB-SERIES	2,615.21	13,969,142.10	4.56
GRATICULE ASIA MACRO FUND A USD 05/11	13,012.92	18,731,624.77	6.12
KOPPENBERG MACRO COMMODITY B SUB1 USD 01/15	120.00	124,106.40	0.04
KOPPENBERG MACRO COMMODITY B SUB1 USD 02/15	250.00	252,832.50	0.08
KOPPENBERG MACRO COMMODITY B SUB1 USD S1	1,215.25	1,619,646.08	0.53
MAGNETAR CAPITAL FUND SP1 S A-241 *	67.46	27,649.77	0.01
MAGNETAR CAPITAL FUND SP1 S A-26 *	44.79	18,359.65	0.01
MAGNETAR CAPITAL FUND SP1 S A-33 *	44.73	18,335.22	0.01
MAGNETAR CAPITAL FUND SP1 S A-51 *	42.43	17,390.38	0.01
MAGNETAR SPC L S.A SUB 1 *	3.13	3,955.18	0.00
MAGNETAR SPC L S.A SUB 3 *	7.63	9,631.03	0.00
MKP OPPORTUNITY OFFSHORE A S. A ROLLOVER	67,777.00	20,243,702.14	6.61
OXAM QUANT FUND INTERNATIONAL USD S A LEAD NI	1,362.50	3,945,990.75	1.29
PHARO MACRO FUND B S.1 06/09	81.96	170,045.18	0.06
PHARO TRADING CLASS A S.18 USD	1,209.42	6,395,369.87	2.09
PHARO TRADING CLASS A S5 05/14 USD	2,756.87	14,735,807.16	4.81
RUBICON GLOBAL FUND M 06/15	10,000.00	873,378.90	0.29
RUBICON GLOBAL FUND M1 -UNREST.-	34,650.76	17,300,630.81	5.65
RUBICON GLOBAL M-0715	10,000.00	884,549.10	0.29
SYSTEMATICA BLUETREND Q EUR VOTING -T. REC-	1,000,000.00	1,110,949.00	0.36
SYSTEMATICA BLUETREND Q EUR VTG	127,827.52	14,180,867.57	4.63
SYSTEMATICA BLUETREND Q EUR VTG (EQUAL. 03/15) ***	174,837.59	0.00	0.00
SYSTEMATICA BLUETREND Q EUR VTG (EQUAL. 04/15) ***	11,130.92	0.00	0.00
SYSTEMATICA BLUETREND Q EUR VTG (EQUAL. 07/15) ***	5,025.98	0.00	0.00
THE TUDOR BVI GLOBAL FUND A ALTERNATIVE S01	190.79	25,101,447.48	8.20
THE TUDOR BVI GLOBAL FUND A S01 NI	4.98	632,522.25	0.21
THE TUDOR BVI GLOBAL FUND LEGACY SP *	334.69	438,967.00	0.14
VICIS CAPITAL FUND A S111 **	5,504.00	0.00	0.00
VICIS CAPITAL FUND A S297 **	3,600.00	0.00	0.00
		188,639,998.50	61.62
<i>LUXEMBOURG</i>			
PICTET ALTERNATIVE FUNDS - COMMO Z USD	133,793.24	12,105,612.47	3.95
		12,105,612.47	3.95

* 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.

MOSAIC TRADING

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>SWITZERLAND</i>			
PICTET (CH) - SHORT-TERM MONEY MARKET EUR - Z DY	446.00	487,956.86	0.16
PICTET (CH) - SHORT-TERM MONEY MARKET USD - Z DY	3,261.00	3,231,553.17	1.06
		3,719,510.03	1.22
TOTAL INVESTMENTS		311,606,746.23	101.80
BANK OVERDRAFT		-661,228.90	-0.22
OTHER NET LIABILITIES		-4,855,305.19	-1.58
TOTAL NET ASSETS		306,090,212.14	100.00

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

MOSAIC TRADING

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

Geographical classification

(in % of net assets)

Cayman Islands	61.62
British Virgin Islands	22.60
Bahamas	8.81
Luxembourg	3.95
Bermuda	3.60
Switzerland	1.22
	101.80

Industrial classification

(in % of net assets)

Units of investment funds	101.80
	101.80

MOSAIC TRADING

NOTES TO THE FINANCIAL STATEMENTS AS AT JUNE 30, 2016

NOTE 1

GENERAL

MOSAIC TRADING (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 April 22, 2005 amended by notarial acts dated August 22, 2007 and August 12, 2011.

The SICAV is registered in the Luxembourg Trade and Companies Register under number R.C.S. B 107 239.

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.

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

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.

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

c) 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 of Directors 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.

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, as the case may be, 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, as the case may be), 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 do not required to revise or recalculate the NAV on the basis of which subscriptions, redemptions or conversions may have been previously accepted.

MOSAIC TRADING

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

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 the SICAV. Such adjustments, whether increasing or decreasing the NAV of the SICAV, 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 the SICAV, the remaining outstanding shares of the SICAV will be adversely affected by redemptions. Conversely, any increases in the NAV of the SICAV resulting from such subsequently adjusted valuations are entirely for the benefit of the remaining outstanding shares of the SICAV.

The Administrative Agent and the Board of Directors may consult with the Investment Manager(s) and the Investment Adviser(s) in valuing the SICAV'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.

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.

d) Formation expenses

The expenses incurred by the SICAV in relation to the launch of new sub-funds is 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.

e) Conversion of foreign currencies

Cash at banks, other net assets and the market value of the investment portfolio expressed in currencies other than the currency of the SICAV are converted into the currency of the SICAV at the exchange rate prevailing at the closing date.

MOSAIC TRADING

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

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.

f) Net realised gain/loss on sales of investments

Net realised gains or losses on sales of investments are calculated on the basis of the average cost of the investments sold.

g) Cost of investment securities

The cost of investment securities in currencies other than USD is translated into USD at the exchange rate applicable at purchase date.

h) Income

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

i) 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 forward foreign exchange prices applicable on this date and are included in the statement of net assets.

j) 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 account.

k) 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

Annual management fee and service fee are calculated on the average NAVs 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 and distributors, if applicable, and the Administrative Agent for the functions of transfer agent, administrative agent and paying agent.

MOSAIC TRADING

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

The Depositary Bank is entitled to receive, out of the assets of the SICAV, 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:

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%

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 SICAV.

NOTE 4

OTHER FEES PAYABLE

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

* 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.

MOSAIC TRADING

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

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 USD 21,021.74.

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 NAV 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 by the underlying UCI.

NOTE 7

SUBSCRIPTIONS AND REDEMPTIONS

a) Subscriptions

Shares in each class are issued at the relevant NAV per share (the "Subscription Price"), as determined as of each "Valuation Day", being the last calendar day of each month. The NAV 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

Shares are redeemable at their relevant NAV per share (the "Redemption Price") and are 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.

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 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 SICAV.

MOSAIC TRADING

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 =	0.974200 CHF
1 USD =	0.900131 EUR
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
Mosaic Trading	USD	10,057,848.03	-5,233,988.67	4,823,859.36

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
Mosaic Trading	USD	5,784,102.69	-18,901,706.55	-13,117,603.86

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:

Mosaic Trading

Currency	Purchase	Currency	Sale	Maturity date
CHF	90,706,511.57	USD	92,722,107.75	30/09/2016
EUR	68,127,958.14	USD	76,206,771.01	30/09/2016
GBP	985,006.43	USD	1,313,978.88	29/07/2016
USD	42,185,619.25	EUR	37,970,000.00	29/07/2016

The net unrealised gain on these contracts as at June 30, 2016 was USD 252,148.00 and is included in the statement of net assets.

MOSAIC TRADING

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

NOTE 12

LOANS

On January 12, 2016, the Board of Directors of the SICAV renewed its loan agreement (the "Loan Agreement") which was entered into on January 16, 2015 between the SICAV, the Management Company and UBS AG, London Branch (the "Lender").

In accordance with the Loan Agreement, the total commitment amount is equal to USD 40,000,000.00 with a maturity date fixed to the January 25, 2017.

As at June 30, 2016, loan outstanding under the Loan Agreement with UBS AG, London amounted to USD 4,000,000.00.

