

Euroption Strategic Fund Ltd.
(A British Virgin Islands Business Company)

Financial statements

For the year ended December 31, 2010
(Expressed in Euro)

With independent auditors' report thereon



KPMG Accountants B.V.
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The Board of Directors
Euroption Strategic Fund Ltd.

Our ref 11/01-059

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of Euroption Strategic Fund Ltd., which comprise the statement of assets and liabilities, including the schedule of investments, as at December 31, 2010, and the statements of income and changes in net assets for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

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

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



11/01-059

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Euroption Strategic Fund Ltd. as at December 31, 2010, and its financial performance for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Willemstad, Curaçao,
May 17, 2011

KPMG ACCOUNTANTS B.V.

A handwritten signature in black ink, appearing to read 'Sanjay Agarwal', written over a horizontal line.

Sanjay Agarwal, FCA

Statement of assets and liabilities December 31, 2010

| | 2010 |
|-----------------------------------------------------------------------------|-------------------|
| <i>(in EUR)</i> | |
| Assets | |
| Investment in securities, at fair value (cost: EUR2,042,495) | 2,505,000 |
| Cash and cash equivalents | 74,987 |
| Due from broker (note 4) | 18,018,490 |
| Other receivables | 3,382 |
| Total assets | 20,601,859 |
| Liabilities | |
| Securities sold short, at fair value (cost 2009: EUR1,842,284) | 1,801,500 |
| Administration fees payable (note 7) | 7,472 |
| Accrued expenses and other payables | 95,788 |
| Total liabilities | 1,904,760 |
| Net assets | 18,697,099 |
| Net asset value per share (note 5) | |
| Class DS shares - 26,274 shares outstanding | 311.42 |
| Participating shares (non-voting) initial series – 6,823 shares outstanding | 1,541.11 |