



Regulatory Environment,

Harvest Financial Services Ltd is registered in the Republic of Cyprus as a financial services company. The company is regulated by company law (113) of 1968-2003, and complies with the rules and regulations of the *Central Bank of Cyprus*. Harvest Financial Services Ltd is regulated by the Cyprus Securities & Exchange Commission with KEPEY License 021/03.

Harvest Manages Each and Every Portfolio Individually,

Harvest offers professional portfolio and asset management to a variety of clients including; individuals, trusts, pension funds, financial advisors and corporations. While our clients may be diverse in nature, Harvest aims for the same investment treatment; Growth - Diversification - Risk Management.

Guided by your investment objectives and profile, Harvest manages your portfolio as a distinct and separate entity. We define your investment goals as well as your willingness to accept risk before your first dollar, pound, or any other currency is invested. We do so through a ***Personal*** and ***Confidential*** interview which yields an objective and situation analysis of your current financial needs. We then seek the ideal investment that mirrors your profile in both the local and international markets.

The Portfolio that Grows with you,

Once we have determined your financial objectives, we prepare your individual portfolio in terms of one of the profiles outlined. The proportions of the different types of investments within your portfolio will vary in relation to your age, income level, risk return profile, and investment objectives. Most importantly, as your goals change or when attractive opportunities appear, we will be able to adjust your portfolio. Whatever you are looking for in a well-balanced investment, our flexibility allows you to change the basis of your portfolio to meet market conditions in the future.

Individual Asset Management,

Harvest manages client portfolios separately, and does not pool funds as does a mutual fund. We are always on the lookout for new opportunities around the world through our strong affiliations on Wall Street. Moreover, our strategically placed international network monitors international equity and bond markets around the clock. The new type of investor requires broader and more comprehensive methods of investing, and that's why ***Harvest*** was founded.

"Our Vision is to combine the benefits of a traditional investment brokerage company, with those of a professional asset management firm." The two combined create a total financial solutions company, which treats each client needs individually. This is a true alternative to traditional investment management, since it offers a high level of practical experience and expertise. The key to our success is excellence in fulfilling the promise of confidentiality, reliability and trustworthiness.



"OUR MISSION"

Independence,

Harvest is totally independent, with none of its share capital in the hands of any other financial organization. Since we do not directly control any publicly traded company, we are unbiased, therefore we advise our clients on the merits of individual investments and not out of personal interests. We believe that every investment should be geared to quality, performance, service and integrity.

²"Our mission is to offer high quality Professional Advice, through Expertise, Research and Customer Satisfaction." In this way, we meet the needs and expectations of investors, and set the highest standards of advice in our field.

From Aggressive to Conservative Portfolios,

Utilizing the ³**Enterprise Value** approach, we have three basic model portfolios, based on different broad investment objectives. The first is the **Aggressive Growth Portfolio (stocks/options)**, which aims for maximum appreciation in the worlds leading equity markets. This type of portfolio is more volatile and seeks maximum capital appreciation. The second, our **Balanced Portfolio (stocks/bonds)**, emphasizes capital appreciation and income, while seeking to contain risk. The third is the **Current Income Portfolio (bonds/reserves)**, which aspires to earn well above-average income while accepting a modest risk.

The more experienced investors (traders), can also benefit from our strategic **"bottom up"** approach to investing, which employs complex strategies such as equity and indices option buying and writing, for maximum gain and risk management. These strategies are most suited to aggressive investors, who can tolerate risk and volatility of capital.

On the other hand, conservative investors who seek the means to fight inflation and gain capital appreciation can benefit from several local and international life-linked and collective investment products. Collective investments are suitable to all entry-level investors who seek to minimize and diversify risk. At the same time they are flexible and tax-efficient investments, offering the new breed of investors access to stock markets worldwide.

A High Quality Service,

Above all else, our clients want service. They wish to have a financial advisor who is there to assist at any time. Our investors can now access the powerful investment strategies pioneered by the worlds leading research analysts through Harvest Financial Services Ltd. Our trading and advisory service makes buying, selling or switching investments, quick, accurate and simple. It is imperative for investors to have access to their capital in the event of unexpected circumstances.



"OUR PHILOSOPHY"

Performance,

As we wish to serve the investors for the long term, we recognize the need to outperform industry benchmarks and bring value in our clients' portfolios. ***"Our philosophy is based on a commitment to in-depth analysis of company fundamentals"***. We aim to provide solid investment ideas, which have a good upside potential while at the same time limiting downside risk.

Working closely with some of the world's most recognized research analysts, we exchange views based on different cutting-edge information technology techniques and comprehensive research reports. Using research generated by leading Wall Street, European, Asian, and Latin American firms, Harvest Advisors follows more than 3,000 companies and tracks the performance of fixed-income investments, mutual funds, and equities in 58 International stock exchanges.

Strategy,

Our investment approach ⁴allies technical and fundamental analysis, and creates a dynamic strategy, which seeks to select the best stocks in industries coming out of low points in their investment circle. We invest in securities, which are undervalued, financially strong and liquid. On one side of the equation are the fundamental criteria, which are Relative Timing, Growth Rate, Stop Price, Dividend Growth Rate, Dividend Yield and Price Earnings Ratios. On the other side are the technical data, historical charts and graphs.

Once we isolate an investment opportunity, we rigorously evaluate it through our high-end technical analysis software. Buying low and selling high is not as easy as it sounds. No one knows for sure which stocks are "low," and which are "high." A stock that seems "low" may go lower. One that seems "high" may go higher.

Clearly, history can be our guide. A stock whose price has fallen from its peak is "low" relative to its highest point. A peak may reflect the highest price a stock has ever attained, or it may reflect an intermediate high over the last 13, or 52-week periods. Whatever the case may be, investors perceive that stocks are "low" when their prices are down from former levels, and "high" when prices have risen from lower levels. Ideally, one would like to buy solid stocks that have been beaten down in price and are poised to rise.

The success of our company is based on results, which are the outcome of the combination of the best elements of teamwork and individual excellence. Harvest is therefore the right choice for investment. Our customers can take comfort from the fact that they have chosen a totally independent investment manager who is committed to performance, integrity and regulation.



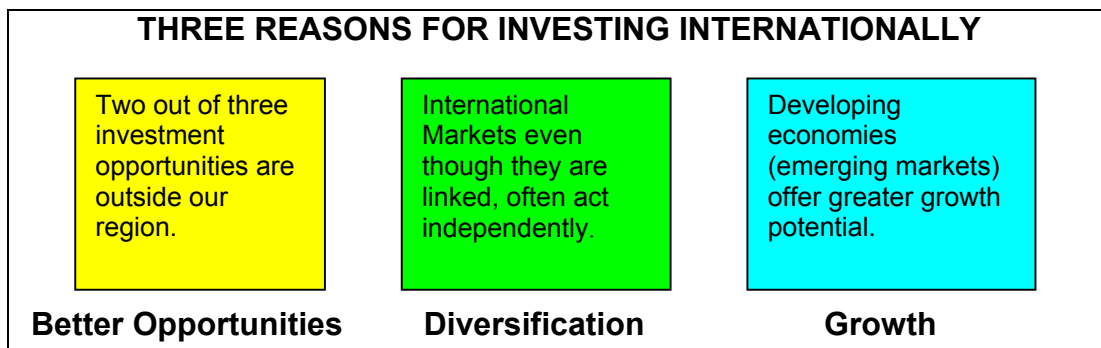
" WORLDWIDE OPPORTUNITIES"

Our Objective:

"Our objective is to introduce investors to the fascinating world of global investing." There are three important reasons why investors should diversify in international markets. The first is that two thirds of the world's capital value is outside of the major markets such as the United States and the United Kingdom. By being limited to only one or two markets, many investment opportunities are lost.

Secondly, stock markets and their underlying economies often move independently from one another on their own merits. By constructing international portfolios, investors increase the likelihood of participating in markets, which are appreciating (i.e. Southern Europe), especially when the world's leading markets are undergoing a correction. Most importantly, international portfolios can result in greater diversity and reduced investment exposure.

Thirdly, many international economies are experiencing more rapid growth than the world's developed countries. In our search for the right market selection we use the Capital Asset Pricing Model, which is used to determine the most ⁵"undervalued" and less risky markets.



Benefits from international investing,

- Diversification is an established investment strategy that can play a critical role in helping to balance risk and the potential of the long-term return.
- International Investing offers maximum performance.
- It provides opportunities in markets that have a greater growth potential.
- Benefits from international currency movements.
- A way to add a global dimension to an overall investment portfolio.



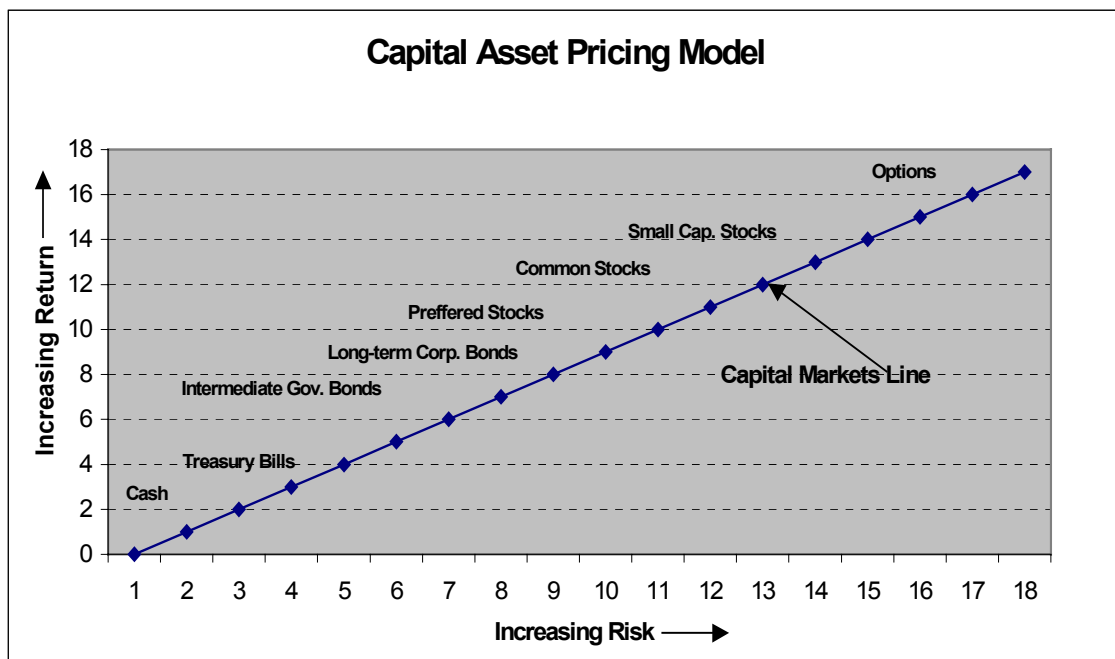
"TECHNICAL APPENDICES"

The Philosophy of Capital Asset Pricing:

Harvest seeks to build wealth using the ⁶Capital Asset Pricing Model (CAPM), a process developed by two Nobel Prize-winning economists. The combination of fundamental and technical analysis with CAPM offers exceptional results: because it is:

- 1) Based on solid economic principles,
- 2) Has been verified through historical analysis. The theory behind CAPM derives from the observation that all investments show a direct historical relationship between risk and return.
- 3) Clearly states that higher the investment returns the higher investment risk.

Graph #1: Indicates the direct relationship between Risk Vs Return:



- The line in the middle running from lower left to upper right is called the Capital Market Line. Cash & Treasury bills shown on the lower left of the graph, are at the lowest level of risk/returns.
- Derivative products are often used for speculation purposes. Options derive their value from an underline asset as a stock or fund, and are frequently used by traders to hedge or protect portfolios.



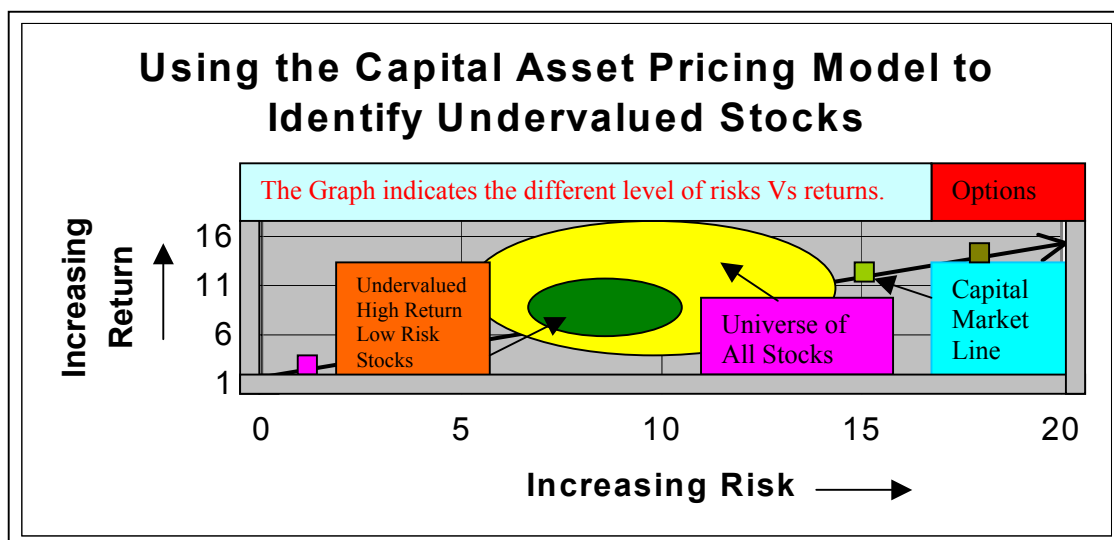
"APPLYING CAPM"

Our Investment Approach,

The extensive use of the Capital Asset Pricing Model (CAPM), assists in isolating the target sector where potential opportunities appear. For example: companies with small capitalization often have increased price fluctuation, while having both the highest expected return and risk. In between these two extremes lie corporate stocks and bonds. Harvest Advisors employs a method that determines when individual stocks deviate from this important relationship. When stocks show high potential return but lower than expected risk, they are deemed as "undervalued" or "discounted".

Our philosophy is based on value investing which aims to find good companies, run by high quality management with low market prices, relative to current values. We select sound companies that are selling at a low Price/Earnings Multiple with little or no debt.

Graph #2: Applying CAPM to portfolios:



Graph #2 Explanations: After the first screening, we examine the Universe of the remaining "undervalued" stocks using technical and fundamental research. An important factor of Harvest⁷ decision-making process is to determine the current financial position of the company. Future earnings, growth rate, liquidity, current price, book value and price to earnings ratio, are the most important factors in a stock appreciation.

Please note: for the purpose of this chart we have included derivative products (options) which are not suitable for all investors. Options are very speculative investments by nature, used for hedging and speculation. They are wasting assets and might lose all or part of their value depending on time, value, expiration, and strike price.



"USING HEDGE FUNDS"

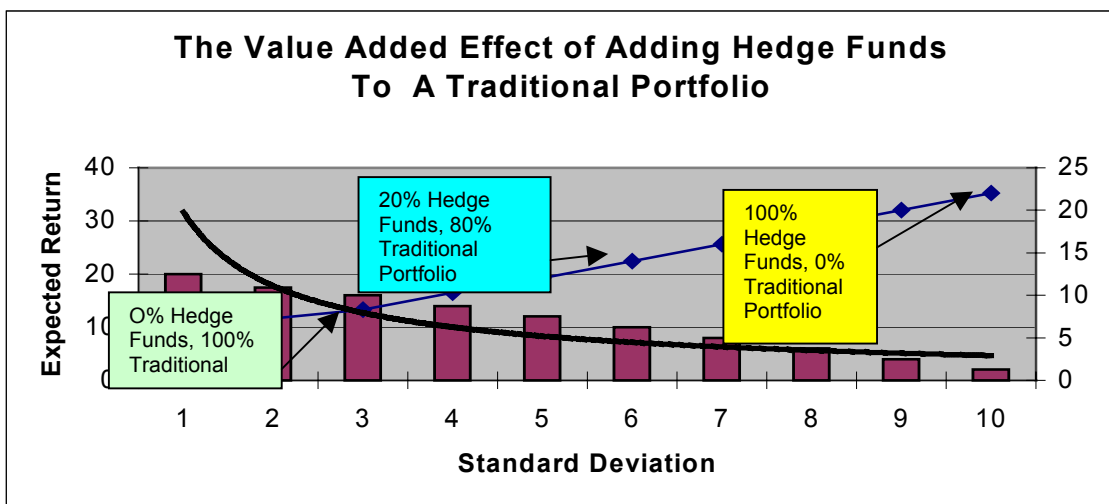
Objective: Performance boost,

At the level of individual hedge funds the performance available to investors remains impressive. A study conducted by a leading Hedge Fund Advisory firm identified hedge funds with compound annualized rates of return in excess of 20% and no negative years, for both the five and seven-year time periods.

Hedge funds compare very favorably with mutual funds. Hedge fund managers and their investors are interested in absolute rates of return. They are not bound to outperform the relative return benchmarks, such as the indices of the main stock markets by which mainstream investors judge the performance of the portfolio managers. Consequently hedge fund managers are much more likely to make leveraged or highly speculative investments, rather than the index-linked positions often adopted by traditional investment managers.

Moreover, hedge funds, in aggregate, provide both better return and risk than traditional assets. It is not surprising that the characteristic of a traditional portfolio is improved by adding hedge funds. Harvest Financial Services Ltd ⁸hedged portfolio is composed of the average return and risk characteristics of 60% of the Standard & Pours 500 and 40% of the risk and return of the Lehman Brothers Aggregate Bond Index.

Graph #3: The effect of adding Hedge funds to traditional portfolios:



⁸ Traditional-style portfolios of stocks and bonds may benefit significantly, both in returns and risks, from the addition of hedge funds. As hedge funds are added, returns increase and risk (standard deviation) decreases.

END OF REPORT

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- An investment in a Hedge Fund should be discretionary capital set aside strictly for speculative purposes.
- An investment in a Hedge Fund is not suitable or desirable for all investors. Only qualified eligible investors may invest in Hedge Funds.
- Hedge Fund offering documents are not reviewed or approved by federal or state regulators.
- Hedge Funds may be leveraged (including highly leveraged) and a Hedge Fund's performance may be volatile.
- An investment in a Hedge Fund may be illiquid and there may be significant restrictions on transferring interests in a Hedge Fund. There is no secondary market for an investor's investment in a Hedge Fund and none is expected to develop.
- A Hedge Fund may have little or no operating history or performance and may use hypothetical or pro forma performance which may not reflect actual trading done by the manager or advisor and should be reviewed carefully. Investors should not place undue reliance on hypothetical or pro forma performance.
- A Hedge Fund's manager or advisor has total trading authority over the Hedge Fund.
- A Hedge Fund may use a single advisor or employ a single strategy, which could mean a lack of diversification and higher risk.
- A Hedge Fund (for example, a fund of funds) and its managers or advisors may rely on the trading expertise and experience of third-party managers or advisors, the identity of which may not be disclosed to investors.
- A Hedge Fund may involve a complex tax structure, which should be reviewed carefully.
- A Hedge Fund may involve structures or strategies that may cause delays in important tax information being sent to investors.
- A Hedge Fund may provide no transparency regarding its underlying investments to investors.
- A Hedge Fund may execute a substantial portion of trades on foreign exchanges, which could mean higher risk.
- A Hedge Fund's fees and expenses-which may be substantial regardless of any positive return- will offset the Hedge Fund's trading profits.
- Hedge Funds are not required to provide periodic pricing or valuation information to investors.
- Hedge Funds and their managers/advisors may be subject to various conflicts of interest.

This summary of certain risks is not a complete list of the risks and other important disclosures involved in investing in a Hedge Fund and is subject to the more complete disclosures contained in a specific Hedge Fund's respective offering documents, which must be reviewed carefully. Neither Harvest Financial Services Ltd, the operator of www.harvestgroup.com.cy has passed on the accuracy or adequacy of any information provided by any Hedge Fund. Investors assume all responsibility for any investment decision made by them. A Hedge Fund's past performance is no guarantee of its future performance.

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