

BOOK POST
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Condensed Interim Financial Statements

Half Year Ended
December 31, 2007
(Un-audited)



If undelivered, please return to:

AMZ Ventures Limited

19th Floor, Tower B, Saima Trade Towers
I.I. Chundrigar Road,
Karachi-74000, Pakistan

AMZ Ventures Limited

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CORPORATE INFORMATION

Board of Directors	Mr. Athar Haneef Naseem Shaikh Ms. Fauzia Hasnain Mr. Inaam-ul-Haque Mr. Yacooob Shakoor Tabani Mr. Shahid Hafeez Ahmed Mr. Dawood Nasir Paul Mr. Syed Qutub Ahmed	Chairman & Chief Executive Director Director Director Director Director Director
Audit Committee	Mr. Yacooob Shakoor Tabani Mr. Dawood Nasir Paul Ms. Fauzia Hasnain	Chairman Member Member
Chief Financial Officer & Co. Secretary	Mr. Muhammad Shahid Jamal	
Chief Internal Auditor	Mansoor Aslam Seraj Saleem Chartered Accountants	
Legal Advisor	Mohsin Tayebaly & Co. Barristers & Advocates	
Auditors	Haroon Zakaria & Co. Chartered Accountants	
Share Registrar	THK Associates (Pvt.) Ltd. Ground Floor, Statelife Building # 3, Dr. ZiauddinAhmed Road, Karachi-75530.	
Registered Office	19th Floor, Tower B, Saima Trade Towers I.I. Chundrigar Road Karachi-74000, Pakistan Phone : (9221) 111-269-111 Fax: (9221) 2219760 Websites : www.amzventures.com www.amzt.com www.gonetbpo.com www.amzdirect.com E-mails : info@khi.go.net.pk info@gonetbpo.com info@amzt.com info@amzaccess.com	

DIRECTORS' REPORT

The Board of Directors of AMZ Ventures Limited (AMZVL) is pleased to present the financial results of the Company for the half year ended December 31, 2007.

AMZVL was listed on the Karachi Stock Exchange in December 2004. It was set up as the AMZ Group's effort for the promotion and development of the venture capital concept in Pakistan, and its first venture capital investment was in the area of Information Technology - in AMZ Access (Pvt) Ltd. (AAPL) - its fully owned subsidiary, which is engaged in Business Process Outsourcing. AAPL, in turn, has a fully owned US based subsidiary company, AMZ Access Inc., which in turn owns Global Transcriptions Inc. (GT), a Medical Transcription company based in St. Louis, Missouri.

The consolidated financial statements of AMZVL reflect the financial performance of AAPL as well as its subsidiary companies located in the US.

OPERATIONS REVIEW

To date Management has restructured the company and controlled expenses by focusing on right sizing of employees and closure of non-productive divisions/departments. This resulted in a significant reduction of employee head count. The software department was disbanded and all software engineers and support staff were released. This decision was taken in view of the fact that the product development cycle for the 3 major products (i.e Business Intelligence, Electronic Medical Records and SMS banking/electronic cash) was at a stage where further development could be outsourced by the Company for the completed products. Henceforth a marketing and implementation team was required, which already existed in Apvisoin (pvt.) Limited, an associated sister concern.

In order for the Company to move towards higher value added products for the healthcare sector through its subsidiary Global Transcriptions (GT) in the US, it was decided to discontinue the local Medical Transcription production facility in Karachi. Active marketing by GT for new Medical Transcription accounts has also already resulted in additional business volumes, which would, however, be reflected in the financials for the next year. One of the major costs of US subsidiary-GT is the editing costs which entail a IS based expenses base of approximately USD 250,000 per annum. We are presently in the process of outsourcing this work to our Karachi (only 3 to 4 personnel required). The impact of the increased volumes, along with the reduction in transcription costs (as mentioned above) are expected to result in a significantly improved bottom line for GT, which would also be beneficial (cash flow wise) for AMZ Access (Pvt.) Limited.

GT has also controlled its direct cost and which resulted a consolidated gross profit, however, strict control is also in process at the administrative cost of the company which will increase the financial performance of the company in future.

FINANCIAL REVIEW

Financial results of the company, both on an individual and consolidated basis, for the half year under review are as follows:

	Rs. in Million	
	AMZVL Stand Alone	Consolidated
Turnover	6.522	24.921
Cost of Services	-	(16.387)
Gross Profit/(Loss)	6.522	8.533
Marketing and Administration cost	(1.074)	(18.557)
Amortization of Intangibles	-	(12.842)
Finance Cost	(12.852)	(16.626)
Other Income	0.225	0.181
Loss before tax	(7.179)	(36.408)
Loss per share	(0.24)	(1.22)

On a standalone basis, AMZVL has reduced its revenue to Rs. 6.522 million from Rs. 9.115 million while increased its losses before tax to Rs. 7.179 million from 4.802 million in corresponding period during the last year.

On a consolidate basis, due to strict control of direct costs in GT and reduction in heads count, your company has achieved a gross profit of Rs. 8.533 million in comparison to a gross loss of Rs. 4.802 million in the same period in the last year. The management is very hopeful that this trend will be continued and by the control over administrative cost and better revenue stream, in future better results will be achieved.

The process of getting the credit rating by JCR-VIS, Credit Rating Company is well underway and likely to be completed within the next few weeks.

ACKNOWLEDGEMENT

The Board takes this opportunity to thank its valued shareholders for their patronage and their continued patience in these difficult circumstances. We would like to place on record our thanks to the Securities & Exchange Commission of Pakistan, the Karachi Stock Exchange and the State Bank of Pakistan for their continued guidance and support. We would also like to place on record our appreciation for the commitment and hard work put in by the members of the Management & staff.

For & on behalf of the Board of Directors

Athar Haneef Naseem Shaikh
 Chairman and CEO

dated : February 29,2008

**INDEPENDENT AUDITOR'S REPORT ON REVIEW OF
 CONDENSED INTERIM FINANCIAL STATEMENTS TO THE MEMBERS**
Introduction

We have reviewed the accompanying condensed interim balance sheet of AMZ Ventures Limited as at December 31, 2007, and the related condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity together with the condensed notes forming part thereof (here-in-after referred to as the "Interim financial statements") for the six month period ended December 31, 2007. Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed profit and loss account for the quarters ended December 31, 2007 and 2006 have not been reviewed as we are required to review only the cumulative figures for the six months period ended December 31, 2007.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Conclusion

The company has not accounted for impairment loss on long term investments in AMZ Access (Private) Limited due to reason mentioned in note 4.2 to the condensed interim financial statements of the Company.

Based on our review, except as mentioned above, nothing has come to our attention that causes us to believe that the annexed condensed interim financial statements are not presented fairly, in all materials respects, in accordance with approved accounting standards as applicable in Pakistan.

The financial statements of the company for the half year ended December 31, 2006 and for the year ended June 30, 2007 were reviewed and audited by Anjum Asim Shahid Rahman, Chartered Accountants who expressed qualified opinion on half yearly review report dated February 28, 2007 on non provision for impairment loss against investments in AMZ Access (Private) Limited and process for renewal of license issued by Securities and Exchange for operating as Venture Capital Company. They expressed qualified opinion on annual accounts vide their audit report dated October 08, 2007 on non provision for impairment loss against investments in AMZ Access (Private) Limited.


Place: Karachi
 Dated: February 29, 2008

HAROON ZAKARIA & COMPANY
CHARTERED ACCOUNTANTS

**CONDENSED INTERIM BALANCE SHEET
 AS AT DECEMBER 31, 2007**

Note	(Unaudited)	
	December 31, 2007	June 30, 2007
	Rupees	Rupees
ASSETS		
Non-current assets		
	38,520,129	38,701,741
4	304,128,440	304,128,440
	570,492	760,656
	200,000	200,000
	<u>343,419,061</u>	<u>343,790,837</u>
Current assets		
	-	80,000,000
	91,627,243	21,311,254
	2,080,000	1,048,547
	35,100	35,100
	81,363	207,116
	<u>93,823,706</u>	<u>102,602,017</u>
	<u>437,242,767</u>	<u>446,392,854</u>
EQUITY AND LIABILITIES		
	1,000,000,000	1,000,000,000
5	<u>1,000,000,000</u>	<u>1,000,000,000</u>
	300,000,000	300,000,000
6	<u>(47,957,155)</u>	<u>(40,778,090)</u>
	<u>252,042,845</u>	<u>259,221,910</u>
Non-current liabilities		
	3,000,000	135,000,000
	24,618,040	28,315,307
Current liabilities		
	6,522,753	4,873,312
	132,000,000	-
7	-	7,750,000
	14,230,115	2,120,020
	4,829,014	9,112,305
	<u>157,581,882</u>	<u>23,855,637</u>
	-	-
	<u>437,242,767</u>	<u>446,392,854</u>


 Chief Executive


 Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
 FOR THE HALF YEAR ENDED DECEMBER 31, 2007
 (UN-AUDITED)

Note	July 01, 2007 to December 31, 2007	October 01, 2007 to December 31, 2007	July 01, 2006 to December 31, 2006	October 01, 2006 to December 31, 2006
	----- Rupees -----			
Revenue - net	6,522,338	3,223,659	9,115,681	5,603,506
Administrative expenses	(1,074,568)	(441,996)	(1,425,527)	(734,980)
Finance cost	(12,852,315)	(6,471,036)	(12,492,714)	(5,666,070)
	(13,926,883)	(6,913,032)	(13,918,241)	(6,401,050)
Other Income	225,480	-	-	-
Loss before taxation	(7,179,065)	(3,689,373)	(4,802,560)	(797,544)
Taxation	-	-	-	-
Loss for the period	<u>(7,179,065)</u>	<u>(3,689,373)</u>	<u>(4,802,560)</u>	<u>(797,544)</u>
Loss per share- basic and diluted	(0.24)	(0.12)	(0.16)	(0.03)

CONDENSED INTERIM CASH FLOW STATEMENT
 FOR THE HALF YEAR ENDED DECEMBER 31, 2007
 (UN-AUDITED)

	July 01, 2007 to December 31, 2007 Rupees	July 01, 2006 to December 31, 2006 Rupees
Cash flows from operating activities:		
Loss for the year before taxation	(7,179,065)	(4,802,560)
Adjustment for:		
Interest Income	-	-
Depreciation	181,612	200,940
Amortisation of deferred costs	190,164	190,164
Financial charges	11,803,314	12,492,714
Loss before working capital changes	4,996,025	8,081,258
Working capital changes		
(Increase) / Decrease in current assets		
Loans and advances	(70,315,988)	3,595,459
Prepayments	(1,031,454)	(2,485,798)
Other receivable	-	33,741
(Decrease) in current liabilities		
Other payables	12,110,095	(1,413,374)
Net cash used from operating activities	(54,241,322)	7,811,286
Cash flows from investing activities:		
Long term loan provided	80,000,000	-
	80,000,000	-
Cash flows from financing activities:		
Short term loan	(7,750,000)	-
Financial charges paid	(13,401,451)	(4,285,921)
Payment of lease installments	(4,732,980)	(3,532,980)
Net cash generated from financing activities	(25,884,431)	(7,818,901)
Net (decrease) / increase in cash and cash equivalents	(125,753)	(7,615)
Cash and cash equivalents at the beginning of the period	207,116	21,186
Cash and cash equivalents at the end of the period	81,363	13,571



Chief Executive



Director



Chief Executive



Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
 FOR THE HALF YEAR ENDED DECEMBER 31, 2007
 (UN-AUDITED)**

	Issued, subscribed and paid up capital			Revenue	Total
	Ordinary Class 'A' shares	Ordinary Class 'B' shares	Total	reserve	
				Accumulated	
				loss	
	-----Rupees-----				
Balance as at July 01, 2005	<u>225,000,000</u>	<u>75,000,000</u>	<u>300,000,000</u>	<u>(6,297,028)</u>	<u>293,702,972</u>
Changes in equity for the year ended June 30, 2006					
Loss for the year	-	-	-	(18,106,478)	(18,106,478)
Balance as at June 30, 2006	<u>225,000,000</u>	<u>75,000,000</u>	<u>300,000,000</u>	<u>(24,403,506)</u>	<u>275,596,494</u>
Changes in equity for the year ended June 30, 2007					
Loss for the year	-	-	-	(16,374,584)	(16,374,584)
Balance as at June 30, 2007	<u>225,000,000</u>	<u>75,000,000</u>	<u>300,000,000</u>	<u>(40,778,090)</u>	<u>259,221,910</u>
Changes in equity for the period ended December 31, 2007					
Loss for the year	-	-	-	(7,179,065)	(7,179,065)
Balance as at December 31, 2007	<u>225,000,000</u>	<u>75,000,000</u>	<u>300,000,000</u>	<u>(47,957,155)</u>	<u>252,042,845</u>


 Chief Executive


 Director

**CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS
 FOR THE HALF YEAR ENDED DECEMBER 31, 2007
 (UN-AUDITED)**

- AMZ Ventures Limited was incorporated in Pakistan as a Public Limited Company on May 13, 2004 under the Companies Ordinance, 1984 and is quoted on the Karachi Stock Exchange. The registered office of the company is situated at 19th Floor, Tower B, Saima Trade Tower, I.I. Chundrigar Road, Karachi, Pakistan. The company is licensed to undertake Venture Capital Investments business as a Non-Banking Finance Company in accordance with Rule 5 of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 ("NBFC Rules").

The principal activity of the company is to invest in rapidly growing companies, purchase equity securities, assist in the development of new products or services and also to add value to a company through active participation or to act as a management company for the management of venture capital fund.

The Securities and Exchange Commission of Pakistan (SEC) has allowed the company to expose more than forty per cent of its equity attributable to venture capital investment segment to any single person or group of companies, in relaxation of Rule 22 (a) of the NBFC Rules, 2003 in terms of Rule 84 of the NBFC Rules.

- These financial statements are being submitted to the shareholders as required under section 245 of the Companies (Amendment) Ordinance, 2002. These have been prepared in compliance with the International Accounting Standard 34 'Interim Financial Reporting'.

These financial statements are unaudited and subject to limited scope review in accordance with the requirement the Code of Corporate Governance.

- The accounting policies and methods of computation followed for the preparation of these financial statements are the same as those applied in preparing the financial statements for the year ended June 30, 2007.

(Unaudited)
December 31, **June 30,**
2007 **2007**
Rupees **Rupees**

4. LONG TERM INVESTMENT

Investment in related party (at cost)

Unquoted

AMZ Access (Private) Limited-a subsidiary company
 30,412,844 (June 2006: 30,412,844)
 fully paid ordinary shares of Rs. 10/-each

304,128,440 304,128,440

- This represents investment in a 99.71% owned subsidiary AMZ Access (Private) Limited [formerly Go Internet and Softwares Services (Private) Limited], a limited liability company incorporated in Pakistan. The investment in subsidiary is stated at cost.

- No impairment has been provided in these financial statements as the management is confident that the value-in-use to be derived from projected future dividends will exceed the current carrying value.

4.3 The Securities and Exchange Commission of Pakistan (SEC) vide its letter No. NBFC / MF-DD(R) / 642 / 2004 dated July 27, 2004 has permitted the company to issue its 7.5 million ordinary class 'B' shares @ Rs.10/- each against consideration otherwise than in cash, that is, against acquisition of 7.5 million ordinary shares of AMZ Access (Private) Limited [formerly Go Internet and Softwares Services (Private) Limited] at Rs.10/- each, in relaxation of Rule 7 (2) (i) of the NBFC Rules, 2003 in terms of Rule 84 of the NBFC Rules and Rule 8 of the Companies (Issue of Capital) Rules, 1996.

4.4 The company initially as outlined in note 4.3 above created its shareholding in AMZ Access (Private) Limited [formerly Go Internet and Softwares Services (Private) Limited] through an exchange of shares and subsequently made investments through cash amounting to Rs. 229,128,440. Hence, making up the investment of Rs. 304,128,440.

5. AUTHORISED SHARE CAPITAL

		(Unaudited) December 31, 2007	June 30, 2007
		Rupees	Rupees
Number of ordinary shares of Rs.10/- each			
2 0 0 7	2 0 0 7		
92,500,000	92,500,000	Ordinary class A shares of Rs.10/- each	925,000,000
7,500,000	7,500,000	Ordinary class B shares of Rs.10/- each	75,000,000
<u>100,000,000</u>	<u>100,000,000</u>		<u>1,000,000,000</u>

During the period the authorised capital has been increased by 650m in lieu of issuing preference shares in the forthcoming period.

6. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL (Unaudited)

		December 31, 2007	June 30, 2007
		Rupees	Rupees
Number of ordinary shares of Rs.10/- each			
2 0 0 7	2 0 0 7		
22,500,000	22,500,000	Ordinary class A shares of Rs.10/- each fully paid in cash	225,000,000
7,500,000	7,500,000	Ordinary class B shares of Rs.10/- each for consideration other than cash - Share Swap	75,000,000
<u>30,000,000</u>	<u>30,000,000</u>		<u>300,000,000</u>

7. CURRENT MATURITY OF LONG TERM LOANS

This includes Long term finance obtained from the Bank of Punjab of Rs. 120 million which is repayable in two instalments of Rs. 60 million each on September 30, 2008 and December 31, 2008 respectively. This amount also include a sum of Rs. 12 million taken from Orix Leasing which is going to be repaid in September 2008.

8. CONTINGENCY AND COMMITMENT

There has been no change in the status of contingency and commitments since June 2007.

9. TRANSACTIONS WITH RELATED PARTIES

	July 01, 2007 to December 31, 2007	July 01, 2006 to December 31, 2006
	Rupees	Rupees

Transactions with related parties not disclosed anywhere else in the financial statements are:

AMZ Asset Management Limited (Common Directorship)

Reimbursement of expenses	202,980	202,980
AMZ Securities (Private) Limited (Common Directorship)		
advance taken	33,436	-

10. LOSS PER SHARE

Basic

Loss per share is calculated by dividing the net loss for the period by the weighted average number of shares outstanding during the year as follows:

	July 01, 2007 to December 31, 2007	July 01, 2006 to December 31, 2006
	Rupees	Rupees
Net loss for the year / period attributable to ordinary shareholders	<u>(7,179,065)</u>	<u>(4,802,560)</u>
Weighted average number of shares outstanding	<u>30,000,000</u>	<u>30,000,000</u>
Loss per share	<u>(0.24)</u>	<u>(0.16)</u>

Dilutive

No figure for diluted loss per share has been presented as the impact of dilution on the net loss attributable to ordinary shareholders would be anti dilutive.

11. GENERAL

11.1 These financial statements were authorized for issue by the Board of Directors on February 29, 2008.

The figures of the profit and loss account for the quarters ended December 31, 2007 and December 31, 2006 have not been reviewed by the external auditors.

11.2 Figures have been rounded off to the nearest rupee.



AMZ Ventures Limited and its Subsidiaries

Condensed interim Consolidated Financial Statements (Un-audited)

For the half year ended
December 31, 2007



Chief Executive

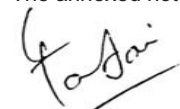


Director

CONDENSED INTERIM CONSOLIDATED BALANCE SHEET
 AS AT DECEMBER 31, 2007
 (Un-audited)

	Note	December 31,	June 30
		2007	2007
----- Rupees -----			
ASSETS			
Non-current assets			
Fixed assets		143,357,385	164,751,702
Long term advances		-	-
Deferred costs		4,284,916	5,713,212
Long term deposits		5,301,831	5,301,831
Total non-current assets		152,944,132	175,766,745
Current assets			
Current maturity of non-current assets		127,586	127,586
Trade debts		21,385,891	21,414,585
Advances		2,688,349	2,681,468
Trade deposits and prepayments		2,375,370	1,364,493
Other receivables		896,010	260,461
Cash and bank balances		1,968,346	2,346,306
Total current assets		29,441,552	28,194,899
Total assets		182,385,684	203,961,644
EQUITY AND LIABILITIES			
Authorized share capital			
		1,000,000,000	1,000,000,000
Equity attributable to equity holders of the parent			
Issued, subscribed and paid-up share capital		300,000,000	300,000,000
Accumulated loss		(474,695,109)	(438,138,508)
Exchange difference on translation of foreign operations		(1,234,356)	(225,091)
		(175,929,466)	(138,363,599)
Minority interest		(551,428)	(429,656)
Total equity		(176,480,894)	(138,793,255)
Non-current liabilities			
Liabilities against assets subject to finance lease		29,626,728	35,025,973
Long term loan		37,243,462	172,993,462
Deferred income		158,582	211,446
Long term deposits		278,556	278,556
Total non-current liabilities		67,307,327	208,509,437
Current liabilities			
Trade and other payables		51,302,870	41,886,412
Accrued financial charges		7,107,535	11,298,473
Short term finances		70,983,096	56,479,746
Current maturity of non-current liabilities	9	161,331,990	23,748,627
Provision for taxation		833,760	832,204
Total current liabilities		291,559,251	134,245,462
Total liabilities		358,866,578	342,754,899
Contingencies and commitments			
Total equity and liabilities		182,385,684	203,961,644

The annexed notes from 1 to 11 form an integral part of these consolidated financial statements



Chief Executive



Director

CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT
 FOR THE HALF YEAR ENDED DECEMBER 31, 2007
 (UN-AUDITED)

	Notes	July 01, 2007	October 01, 2007	July 01, 2006	October 01, 2006
		to December 31,	to December 31,	to December 31,	to December 31,
----- Rupees -----					
Revenue - net		24,921,162	13,162,627	35,321,410	16,040,183
Cost of services		(16,387,915)	(9,057,132)	(48,919,668)	(22,544,863)
Gross profit / (loss)		8,533,247	4,105,495	(13,598,258)	(6,504,680)
Marketing and distribution expenses		(175,076)	(14,574)	(2,070,956)	(732,348)
Administrative expenses		(18,382,344)	(8,671,929)	(30,265,349)	(14,079,005)
Other operating income		2,903,351	2,459,144	196,864	(242,368)
		(15,654,069)	(6,227,359)	(32,139,441)	(15,053,721)
Operating loss		(7,120,822)	(2,121,864)	(45,737,699)	(21,558,401)
Amortization of intangible assets		(12,842,231)	(7,427,696)	(11,649,385)	(5,996,118)
Gain / (loss) on sale of fixed assets - net		180,965	180,965	-	-
Finance cost		(16,626,355)	(8,315,643)	(19,819,705)	(10,759,961)
Loss before taxation and minority interest		(36,408,443)	(17,684,238)	(77,206,789)	(38,314,480)
Income tax expense		(269,932)	(269,932)	(13,703)	(4,209)
Loss after taxation		(36,678,375)	(17,954,170)	(77,220,492)	(38,318,689)
Attributable to:					
Equity holders of the parent		(36,556,602)	(17,766,913)	(76,960,330)	(38,184,501)
Minority interest		(121,772)	(187,256)	(260,162)	(134,188)
		(36,678,375)	(17,954,170)	(77,220,492)	(38,318,689)
Loss per share -basic and diluted	10	(1.22)	(0.59)	(2.57)	(1.27)

The annexed notes from 1 to 11 form an integral part of these consolidated financial statements



Chief Executive



Director

CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT
 FOR THE HALF YEAR ENDED DECEMBER 31, 2007
 (UN-AUDITED)

Notes	July 01,	July 01,
	2007 to December 31, 2007 Rupees	2006 to December 31, 2006 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash used in operations after working capital changes	36 9,525,084	(19,017,601)
Decrease in long term advances	-	74,990
(Decrease) in long term deposits - liability	-	(150,000)
(Increase) in long term deposits - asset	-	(37,142)
Income tax paid	(286,761)	-
Net cash used in operating activities	9,238,323	(19,129,753)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-	(51,950)
Proceeds from sale of property, plant and equipment	1,197,101	973,813
Cost incurred for development of intangible assets	-	-
Increase in capital work in progress	-	-
Net cash generated from investing activities	1,197,101	921,863
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finance received	-	500,000
Long term finance settled	(135,750,001)	-
Short term finance received	150,253,350	-
Short term finance settled	-	-
Finance cost paid	(20,741,588)	(8,800,268)
Repayment of lease liabilities	(3,565,882)	(5,234,816)
Net cash generated from financing activities	(9,804,121)	(13,535,084)
Effect of exchange rate changes on value of foreign operations	(1,009,265)	-
Net increase / (decrease) in cash and cash equivalents	(377,961)	(31,742,974)
Cash and cash equivalents at the beginning of the period	2,346,306	34,984,286
Cash and cash equivalents at the end of the period	1,968,345	3,241,312

The annexed notes from 1 to 11 form an integral part of these consolidated financial statements



Chief Executive



Director

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE HALF YEAR ENDED DECEMBER 31, 2007
 (UN-AUDITED)

	Attributable to equity holders of the parent					Minority interest	Total equity	
	Share Capital		Total	Accumulated loss	Exchange difference on translation of foreign operations			Total
	Ordinary Class 'A' shares	Ordinary Class 'B' shares				Rupees		
Balance as at June 30, 2006	225,000,000	75,000,000	300,000,000	(287,048,626)	(97,084)	12,854,290	74,057	12,928,347
Changes in equity for the year ended June 30, 2007								
Exchange loss	-	-	-	-	(128,007)	(128,007)	(424)	(128,431)
Net income/(loss) recognized directly in equity	-	-	-	-	(128,007)	(128,007)	(424)	(128,431)
Loss for the year	-	-	-	(151,089,881)	-	(151,089,881)	(503,289)	(151,593,170)
Balance as at June 30, 2007	225,000,000	75,000,000	300,000,000	(438,138,507)	(225,091)	(138,363,598)	(429,656)	(138,793,254)
Changes in equity for the period ended December 31, 2007								
Exchange loss	-	-	-	-	(1,009,265)	(1,009,265)	-	(1,009,265)
Net income/(loss) recognized directly in equity	-	-	-	-	(1,009,265)	(1,009,265)	-	(1,009,265)
Loss for the year	-	-	-	(36,556,602)	-	(36,556,602)	(121,772)	(36,678,375)
Balance as at December 31, 2007	225,000,000	75,000,000	300,000,000	(474,695,109)	(1,234,356)	(175,929,466)	(551,428)	(176,480,894)

The annexed notes from 1 to 11 form an integral part of these consolidated financial statements



Chief Executive



Director

1 THE GROUP AND ITS OPERATIONS

1.1 The group consist of:

Holding company

AMZ Ventures Limited

Direct subsidiary of AMZ Ventures Limited

AMZ Access (Private) Limited

Indirect subsidiary of AMZ Ventures Limited

AMZ Access Inc. (subsidiary of AMZ Access (private) Limited)

Global Transcriptions (subsidiary of AMZ Access Inc.)

1.2 AMZ Ventures Limited (the holding company) was incorporated in Pakistan as a Public Limited Company on May 13, 2004 under the Companies Ordinance, 1984. The holding company was granted listing on the Karachi Stock Exchange on December 13, 2004. The registered office of the company is situated at 19th Floor, Tower B, Saima Trade Tower, I.I. Chundrigar Road, Karachi, Pakistan. The company is licensed to undertake Venture Capital Investments business as a Non-Banking Finance Company in accordance with Rule 5 of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 ("NBFC Rules").

The principal activity of the holding company is to invest in rapidly growing companies, purchase equity securities, assist in the development of new products or services and also to add value to a company through active participation or to act as a management company for the management of venture capital fund.

1.3 The Securities and Exchange Commission of Pakistan (SECP) has allowed the holding company to expose more than forty per cent of its equity attributable to venture capital investment segment to any single person or group of companies, in relaxation of Rule 22 (a) of the NBFC Rules, 2003 in terms of Rule 84 of the NBFC Rules.

1.4 The holding company has invested in a subsidiary AMZ Access (Private) Limited (the subsidiary) to finance the acquisition of US based Medical Transcription companies, to facilitate an expansion in existing infrastructure and utilize capacity of the anticipated additional business volumes, and to cater the working capital requirements of the local operations. The holding company holds 99.67% (2006: 99.67%) shares in AMZ Access (Private) Limited. The subsidiary was acquired on July 28, 2004. The net assets of AMZ Access (Private) Limited acquired on that date amounted to Rs. 80.475 million.

1.5 Credit rating of the holding company i.e AMZ Ventures Limited is under progress and will be obtained in few days.

2 OTHER ACQUISITIONS

AMZ Access (Private) Limited had made an investment in AMZ Access Inc. incorporated in United States of America (US) on May 4, 2004. No goodwill had arisen on the purchase of the said subsidiary. Further, Global Transcriptions a company incorporated in the United States was acquired through AMZ Access Inc. on October 1, 2004, which resulted in goodwill amounting to Rs. 13,714,074.

3 BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of AMZ Ventures Limited (the "holding company"), AMZ Access (Private) Limited, AMZ Access Inc. and Global Transcriptions (the "subsidiaries") together referred to as the "Group". The consolidated financial statements of the holding company and its subsidiaries have been consolidated on a line by line basis using identical reporting dates and consistent accounting policies. The investment held by the holding company has been eliminated against the corresponding net assets of the subsidiaries in the consolidated financial statements.

Pursuant to the exemption available in paragraph 10 of International Accounting Standard 27: Consolidated and Separate Financial Statements", AMZ Access (Private) Limited does not prepare consolidated financial statements as the company itself is a subsidiary of AMZ Ventures Limited (holding company) and the board of directors of the holding company have opted not to prepare and present such consolidated financial statements for the company, the debt and equity securities of the company are not listed, and the company has not applied for listing of its debt or equity securities. Further, the holding company is a public listed company incorporated in Pakistan and having its registered office at 19th Floor, Tower B, Saima Trade Towers, I.I.Chundrigar Road, Karachi, Pakistan. The holding company prepares and presents consolidated financial statements incorporating the company and its subsidiaries. Such consolidated statements are issued to the public and are available at the registered office of the holding company.

Subsidiaries are consolidated from the date on which control is transferred to the group and cease to be consolidated from the date on which control is transferred out of the group.

All inter-group balances, transactions and resulting unrealized profits / losses have been eliminated.

Minority interest represents the interests of individuals who are also directors of the holding company.

4 BASIS OF PREPARATION

These un-audited financial statement have been prepared in compliance with the International Accounting Standard 34 "Interim Financial Reporting" as applicable in Pakistan.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation followed for the preparation of these financial statements are the same as those applied in preparing the financial statements for the year ended June 30, 2007.

- 6 The consolidated financial statements comprise the financial statements of AMZ Ventures Limited and its subsidiary AMZ Access (Private) Ltd. and its allied subsidiaries. The financial statements of the parent and subsidiary companies were prepared upto the same reporting date using consistent accounting policies and are combined on a line by line basis.

The financial statements of the subsidiaries have been consolidated from the date on which control was transferred to the company.

All intercompany balances, transactions and resulting unrealized profits, if any, are eliminated.

Minority interest represents the interests in AMZ Access (Private) Limited, not held by the group.

7 TANGIBLE FIXED ASSETS

Tangible fixed assets comprise of furniture and fixtures, computers, office equipments, communication equipments, medical transcription equipments, network equipment. It also include leased vehicles and lease hold property at 16th floor, Tower-B, Saima Trade Towers, I. I. Chundrigar Road, Karachi.

8. INTANGIBLE ASSETS

Goodwill

Goodwill represents the excess of the cost of the acquisition over the fair value of identifiable net assets of the subsidiary at the date of acquisition. Goodwill is amortized on a straight-line basis over its useful economic life not exceeding 20 years. Goodwill is stated at cost less accumulated amortization and any impairment in value.


 Chief Executive


 Director

Software

These are stated at cost less accumulated amortization and impairment, if any.

Amortization (except for goodwill mentioned above) is provided on a straight-line basis and are being amortized over a period of 3 years starting from July 1, 2005.

The carrying value of intangible assets are reviewed for impairment when events or changes in circumstances indicated that the carrying values may not be recoverable.

Contractual obligations

These are binding revenue generating contractual obligations.

9. CURRENT MATURITY OF LONG TERM FINANCE

This include Term loan provided by; the Bank of Punjab of Rs. 120 million repayable in two instalments of Rs. 60 million each on September 30, 2008 and December 31, 2008 respectively, Rs. 24 million provided by ORIX leasing Pakistan Limited which is repayable before the end of December 2008 and Rs. 7.5 million repayable to ORIX Investment Bank Limited during the period of 12 months from the balance sheet date.

10. Basic loss per share

Basic earning per share are calculated by dividing the net profit for the year by the weighted average number of shares outstanding during the period as follows:

	(Un-audited)	
	July 01, 2007 to December 31, 2007	July 01, 2006 to December 31, 2006
Net loss for the period attributable to ordinary shareholders - Rupees	(36,678,375)	(76,960,330)
Weighted average number of shares outstanding	30,000,000	30,000,000
Loss per share (Rupees)	(1.22)	(2.57)

No figure for diluted earning / loss per share has been presented as the company has not yet issued any instruments which would have an impact on earnings per share when exercised.

11. General

8.1 These financial statements were authorized for issue by the Board of Directors on February 29, 2008.

8.2 Figures have been rounded off to the nearest rupee.