

30 September 2016

PCG Entertainment Plc
("PCGE", the "Company" or the "Group")
PCG Entertainment Plc / Index: AIM / Epic: PCGE

PCG Entertainment Plc (AIM: PCGE), the AIM quoted Asia-Pacific online gaming and media company, today announces its interim results for the six months ending 30 June 2016.

A summary of the interim report and accounts is set out below. The full report and accounts are available to view on the Company's website www.pcge.com

Chief Executive Officer's statement

I am pleased to announce interim results for PCG Entertainment plc for the six-month period ending 30 June 2016 (the "Period"). The Company remains focused on the development of its business in the media, sports and gaming industry across the Asia-Pacific region.

During the Period, revenues were US\$8,616,129, and these were entirely generated from the Centre Point Development Corporation ("CPDC") part of the business. Gross profit was US\$3,832,327, which, after expenses, nets to an operating loss of US\$488,492. The loss is generated by a provision of \$2,208,153 against receivables of CPDC, which are currently being disputed by the customer. This was noted in the trading updates published on 31st May and 6th June 2016. This has now been provided for in full as a doubtful debt, though the Directors continue to work towards an amicable solution.

PCGE expects ongoing revenues from CPDC in the second half of 2016 as the Company launches its own games management platform. The Board is in continuous talks with potential sports and media projects and will update shareholders as these develop.

We have noted comments on why shareholders have not been updated. Under the rules of AIM we are unable to comment continuously on deals we are working on which may or may not come to fruition nor are we able to comment on any fundraising initiatives which may or may not be realised. As always we will update shareholders as soon as we are able to do so on all PCGE's initiatives.

Nicholas Bryant
Director, CEO

Interim Results' Highlights include:

- 1 Group cash balances at 30 June 2016 of US\$60,502 (30 June 2015: US\$864,799)
- 2 The loss for the Group is US\$(745,766) (June 2015: US\$2,482,669)
- 3 The CPDC acquisition although completed in August 2015 has been accounted for under IFRS 3 from 16 June 2015, the date of acquisition agreed in the Sale and Purchase Agreement
- 4 In the current half year to 30 June 2015 we have made a provision of \$2,208,153, against revenue owed by a debtor to CPDC. This is included in administrative expenses. This will be written back as and when these funds are recovered.

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**Consolidated Income Statement
for the six months ended 30 June 2016**

	Notes	Unaudited Six months ended 30 June 2016 US\$	Unaudited Six months ended 30 June 2015 US\$	Audited Year ended 31 December 2015 US\$
Revenue		8,616,129	745,220	10,952,133
Cost of sales		(4,783,802)	(488,506)	(8,146,905)
Gross profit		3,832,327	256,714	2,805,228
Administrative expenses		(4,320,819)	(1,442,294)	(4,261,166)
Operating loss	2	(488,492)	(1,185,580)	(1,455,938)
Readmission costs		-	(1,176,000)	-
Goodwill impairment		-	-	(250,000)
Foreign exchange loss		(248,274)	(92,139)	(297,672)
Interest payable		(9,000)	(28,950)	(28,947)
Loss on ordinary activities before taxation		(745,766)	(2,482,669)	(2,032,557)
Tax on loss on ordinary activities		-	-	-
Retained loss for the period		(745,766)	(2,482,669)	(2,032,557)
Loss per share:		US\$	US\$	US\$
Basic and diluted (US cents)	3	(0.001)	(0.23)	(0.18)

There are no recognised gains or losses other than disclosed above and there have been no discontinued activities in the period.

**Consolidated Statement of Financial Position
as at 30 June 2016**

	Notes	Unaudited 30 June 2016 US\$	Unaudited 30 June 2015 US\$	Audited 31 December 2015 US\$
ASSETS:				
Current assets				
Trade and other receivables	4	2,717,315	864,799	2,635,559
Cash and cash equivalents		60,502	719,617	262,473
		2,777,817	1,584,416	2,898,032
Non-current assets				
Intangible assets	5	11,310,000	21,564,000	12,305,000
Property, plant and equipment		1,836	8,676	2,222
		11,311,836	21,572,676	12,307,222
Total assets		14,089,653	23,157,092	15,205,254
LIABILITIES AND EQUITY:				
Current liabilities	6	1,428,913	2,020,485	2,431,567
Non-current liabilities	7	-	9,005,433	-
Equity				
Share capital	8	2,108,394	1,722,684	1,911,834
Share premium		24,277,686	17,321,417	23,933,706
Equity to be issued reserve		-	9,590,000	-
Other reserves		-	40,420	-
Share based payment reserve	9	309,408	309,408	309,408
Foreign currency translation reserve		117,759	4,098	25,480
Issued shares reserve		-	(3,000,000)	-
Retained earnings		(14,152,507)	(13,856,853)	(13,406,741)
		12,660,740	12,131,174	12,773,687
Total liabilities and equity		14,089,653	23,157,092	15,205,254

**Consolidated Statement of Cash Flows
for the six months ended 30 June 2016**

	Unaudited Six months ended 30 June 2016 US\$	Unaudited Six months ended 30 June 2015 US\$	Audited Year ended 31 December 2015 US\$
Cash flows from operating activities			
Operating loss	(745,766)	(2,482,669)	(2,032,557)
Reconciliation to cash generation from operations:			
Amortisation	995,000	150,000	1,145,000
Interest expense	9,000	28,950	-
Decrease / (increase) in receivables	449,784	368,648	(2,573,943)
(Decrease) / increase in payables	(1,002,654)	(150,947)	383,782
Depreciation	386	3,004	1,330
Loss and disposal of assets	-	-	8,128
Impairment of investment	-	-	250,000
Gain on convertible loan notes	-	-	(234,461)
Shares issued in lieu of amounts payable	-	-	15,636
<i>Cash absorbed in operations</i>	(294,250)	(2,083,014)	(3,037,085)
Cash flows from investing activities			
Net acquisitions	-	(393,507)	(590,900)
<i>Net cash flow from investing activities</i>	-	(393,507)	(590,900)
Cash flows from financing activities			
Interest paid	-	(28,950)	-
Share proceeds received from 2015 unpaid share capital	-	-	815,027
Repayment of convertible loan	-	-	(200,000)
Interest on convertible loan note	-	-	28,961
<i>Net cash flow from financing activities</i>	-	(28,950)	643,988
<i>Effect of exchange rates on cash and cash equivalents</i>	92,279	5,303	26,685
Net decrease in cash	(201,971)	(2,500,168)	(2,957,312)
Cash at bank and in hand at beginning of the period	262,473	3,219,785	3,219,785
Cash at bank and in hand less overdrafts at end of the period	60,502	719,617	262,473