

21 August 2009

**PLAYWIZE PLC**  
("Playwize" or the "Company")

**PRELIMINARY RESULTS**  
**FOR THE TWELVE MONTHS TO 31 MARCH 2009**

The Board of Playwize plc, the AIM listed company, today announces its audited results for the twelve months to 31 March 2009.

**Highlights:**

- Loss before tax £321,000 (2008: Loss £808,000);
- Turnover £22,000 (2008: £85,000);

As previously reported, the Playwize Group has ceased to trade, and the Board continues to actively seek an acquisition as per the investment strategy which was approved at the EGM held on 18<sup>th</sup> November 2008, where Shareholders approved a Resolution to make an acquisition of a company (or the assets of a company), which trades in either the UK, the rest of Europe, the United States of America or the Middle East, and which, if possible, has a proven record of turnover and profitability, in any field of activity, other than real estate. As reported in the circular to Shareholders dated 23 October 2008, the Company has reached an agreement in principle with the Headstart Funds to make a further £250,000 facility available to the Company, under certain conditions.

Copies of the audited accounts for the year to 31 March 2009 have been posted to shareholders today, and may also be found on the Company's website at <http://www.playwizeplc.com/investors.html>

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**Enquiries:**

***Playwize plc***

John Corre Chairman

00972 544602253

**Allenby Capital Limited**

Imran Ahmad/James Reeve

020 7510 8600

# Consolidated income statement

for the year ended 31 March 2009

	2009	2008
	£'000	£'000
Revenues	22	85
Cost of revenues	(168)	(761)
<b>Gross loss</b>	<b>(146)</b>	<b>(676)</b>
Administrative expenses	(168)	(355)
<b>Operating loss</b>	<b>(314)</b>	<b>(1,031)</b>
Interest receivable	3	9
Interest payable and similar charges	(70)	(60)
Exceptional item	60	274
<b>Loss for the year before taxation</b>	<b>(321)</b>	<b>(808)</b>
Taxation	-	-
<b>Loss for the financial year</b>	<b>(321)</b>	<b>(808)</b>
<b>Basis and diluted loss per share</b>	<b>0.16p</b>	<b>0.7p</b>

All revenues and costs arise from discontinued trading activities

There is no material difference between the results stated above and the results shown on an historical basis.

There are no other gains or losses other than those recognised in the income statement.

# Balance sheets

at 31 March 2009

	<b>Group 2009</b>	Group 2008	<b>Company 2009</b>	Company 2008
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
<b>Non Current assets</b>				
Property, plant and equipment	-	24	-	24
	-	24	-	24
<b>Current assets</b>				
Trade and other receivables	<b>11</b>	85	-	51
Cash and cash equivalents	<b>13</b>	354	-	354
<b>Total current assets</b>	<b>24</b>	439	-	405
<b>Total assets</b>	<b>24</b>	463	-	429
<b>Current Liabilities</b>				
Trade and other payables	<b>(792)</b>	(910)	<b>(783)</b>	(820)
<b>Net liabilities</b>	<b>(768)</b>	(447)	<b>(783)</b>	(391)
<b>Equity</b>				
Share capital	<b>1,935</b>	1,935	<b>1,935</b>	1,935
Share premium	<b>5,710</b>	5,710	<b>5,710</b>	5,710
Revenue reserves	<b>(8,413)</b>	(8,092)	<b>(8,428)</b>	(8,036)
<b>Total equity</b>	<b>(768)</b>	(447)	<b>(783)</b>	(391)

# Consolidated cash flow statement

for the year ended 31 March 2009

	<b>Group</b>	Group	<b>Company</b>	Company
	<b>2009</b>	2008	<b>2009</b>	2008
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
<b>Cash flows from operating activities</b>				
Operating loss	<b>(254)</b>	(1,031)	<b>(326)</b>	(865)
Adjustments for:				
Loss on disposal of assets	<b>1</b>	-	<b>1</b>	-
Depreciation	-	14	-	-
Fees settled in shares	-	40	-	40
<b>Operating cash flow before working capital</b>	<b>(253)</b>	(977)	<b>(325)</b>	(825)
Decrease/(increase) in receivables	<b>74</b>	(20)	<b>51</b>	(49)
Increase/(decrease) in payables	<b>(83)</b>	(55)	<b>(1)</b>	(16)
<b>Cash used in operating activities</b>	<b>(262)</b>	(1,012)	<b>(275)</b>	(890)
<b>Cash flows from investing activities</b>				
Proceeds on disposal/(cost of acquisition) of assets	<b>23</b>	(26)	<b>23</b>	(24)
Finance income	<b>3</b>	9	<b>3</b>	8
Finance costs	<b>(70)</b>	(7)	<b>(70)</b>	-
<b>Net cash used in investing activities</b>	<b>(44)</b>	(24)	<b>(44)</b>	(16)
<b>Cash Flows from financing activities</b>				
Proceeds from share issues	-	1,150	-	1,150
(Repayments of)/proceeds from borrowings	<b>(35)</b>	110	<b>(35)</b>	110
<b>Net cash(used in)/generated by financing activities</b>	<b>(35)</b>	1,260	<b>(35)</b>	1,260
<b>Net change in cash and cash equivalents</b>	<b>(341)</b>	224	<b>(354)</b>	354
Cash and cash equivalents at the beginning of the year	<b>354</b>	130	<b>354</b>	-
<b>Cash and cash equivalents at the end of the year</b>	<b>13</b>	354	-	354

## Financial Information

### 1 Publication of non-statutory accounts

The financial information contained in this preliminary statement does not constitute statutory accounts as defined in Section 240 of the Companies Act 1985. The financial information for the year ended 31 March 2009 has been extracted from the audited Group financial statements.

The following are extracts from the notes to the audited Group financial statements for the year ended 31 March 2009.

## **2 Accounting policies**

The financial statements have been prepared under International Financial Reporting Standards as adopted by the European Union (EU). The following principal accounting policies have been applied and are in accordance with applicable accounting standards.

### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and on a going concern basis.

### **Basis of consolidation**

The consolidated financial statements incorporate the results of the Company and its subsidiaries for the relevant accounting periods. Subsidiaries are fully consolidated from the date on which control is transferred until the date that such control ceases. Intra-Group transactions, balances and unrealised gains and losses on transactions between Group companies are eliminated.

### **Revenues**

Revenues represent amounts receivable for goods and services net of VAT and trade discounts. Revenue is ascertained in a manner appropriate to the stage of completion of the contract and the industry in which it operates.

### **Depreciation**

Depreciation is provided at a rate calculated to write off the cost less estimated residual value of all tangible fixed assets over their expected useful lives as follows:

<i>Property, plant and equipment</i>	<i>50% per annum straight line</i>
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### **Leasing**

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the term of the lease.

### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except for deferred tax assets, which are only recognised to the extent that the Group anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences. Deferred tax balances are not discounted.

### **Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the income statement.

### **Exceptional item**

Exceptional items are those significant items which are disclosed by virtue of their size and to enable a fuller understanding of the Group's financial performance. Transactions giving rise to an exceptional item would include gains or losses on disposals of non-current assets, investments and subsidiaries.

### 3 Loss per share

Basic loss per share amounts are calculated by dividing loss for the period attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

FRS 14 requires presentation of diluted EPS when a company could be called upon to issue shares that would decrease net loss per share. For a loss making company with outstanding share options, net loss per share would only be increased by the exercise of out-of-the money options. Since it seems inappropriate to assume option holders would act irrationally, no adjustment has been made to diluted EPS for out-of-the money options.

The following reflects the income and share data used in the basic and diluted earnings per share computations. Loss per share has been calculated using the following:

	<b>2009 (Loss)/ Earnings</b>	<b>2009 Weighted average number of shares</b>	2008 (Loss)/ Earnings	2008 Weighted average number of shares
Basic & diluted	<b>(£321,000)</b>	<b>1,935,180</b>	(£808,000)	114,365,088

### 4 Statement of changes in equity

	<b>Share capital</b>	<b>Share premium</b>	<b>Retained earnings</b>	<b>Total equity</b>
At 1 April 2007	604	5,770	(7,284)	<b>910</b>
Funds from share issues	1,331	(60)	-	<b>1,271</b>
Loss for the financial year	-	-	(921)	<b>(921)</b>
At 1 April 2008	1,935	5,710	(8,036)	<b>(391)</b>
Loss for the financial period	-	-	(392)	<b>(392)</b>
At 31 March 2009	1,935	5,710	(8,428)	<b>(783)</b>

### 5 Annual report

The Annual Report and Accounts for the year ended 31 March 2009 will be mailed to shareholders shortly.

### 6 Annual general meeting

The Annual General Meeting of the shareholders of Playwize plc will be held at 11.00am on 15 September 2009 at 7 Cork Street, London W1S 3LJ

- Ends -