



Pursuant to the terms set forth under article 82 of Securities Market Law 24/1988 and the Mercado Alternativo Bursátil (MAB) *Memoranda* and in order to make this information available to the public, ZINKIA ENTERTAINMENT S.A. (“Zinkia” or the “Company”) states the following,

RELEVANT FACT

As per continuation of the Relevant Facts released on February 26th, 2014 (Ref. CNMV 200931), April 16th, 2014 (Ref. CNMV 203737) and April 26th, 2014 (Ref. CNMV 206323) which reported on the Company’s application and Declaration for a Reorganization of its debt with Creditors proceeding (similar to the Chapter 11 of US Bankruptcy Code/ Title 11), and the presentation before the Commercial Court number 8 of Madrid of an Early Offer of Arrangement (EOA), the Company informs the Market of the principal terms and conditions of the said EOA..

The Company’s EOA has been filed with the accession of some of its major creditors, as in the case of Avalmadrid, BBVA, Deutsche Bank, Ministry of Science and Technology (because of the Plan Avanza granted to Zinkia), among others, and seeks to get the Company out of the Arrangement with Creditors process, through the establishment of a specific payment plan which only settles a wait to pay all Company creditors (the Company does not propose any acquittance to the amounts due to its creditors),.

The adoption of the said EOA would allow the Company to overcome the economic situation that momentarily it is going through and to satisfy its creditors on the terms set out in the EOA, proceeding then to focus on the business development of the Company.

The Company expects a positive outcome of the EOA, and its approval within approximately a three month period, which would mean the end of the current situation and, subject to the procedures, arrangements and appropriate approvals, and the return to trading on the MAB of ZINKIA ENTERTAINMENT, S.A. shares.

Please do not hesitate to contact us should you have any queries.

Madrid, 2 June 2014

José María Castillejo Oriol
President of the Board of Directors