



CNMV

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 EVENT

Pursuant to the terms of the Circular 9/2010 of the MAB, we hereby inform the market that as a continuation to the Relevant Fact published last 31<sup>st</sup> October, which communicated the Market the presentation of the communication referred to in article 5 bis of the Insolvency Law before the Madrid Commercial Court, the Board of Directors has agreed that Zinkia Entertainment, S.A. should enter into a Reorganization of its debt with Creditors (similar to the Chapter 11 of US Bankruptcy Code/ Title 11).

During the process of negotiation of its debt with creditors, Zinkia has succeeded in reaching an agreement with its most important Bond-holders, Financial Entities and Commercial Creditors, however Zinkia has not succeeded in reaching a satisfactory agreement with a private entity which holds a loan against the Company amounting to 2,5 million Euros. Given such a situation and as an exercise of responsibility, with the only aim of protecting the Assets of the Company, the Board of Directors has decided to enter into a Reorganization of its debt with Creditors.

The Society's business is growing and with good enough expectations as to trust the future viability of Zinkia. Such as it has been recently communicated, the Society's commercial activity and business are at a development and growth stage, which allows facing the insolvency proceeding with great expectations of success.

Today, Zinkia is still negotiating with different creditors and potential investors in order to complete some transaction that shall accelerate the end of this insolvency proceeding, and thus come back to its regular activity as soon as possible, while inflicting the least possible damage to Zinkia's prestige and to the prestige of the trademarks it owns.

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

Madrid, February 26<sup>th</sup>, 2014

José María Castillejo Oriol  
President of the Board of Directors