

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): July 1, 2020

ZYNGA INC.

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-35375
(Commission
File Number)

42-1733483
(IRS Employer
Identification No.)

699 Eighth Street
San Francisco, CA 94103
(Address of Principal Executive Offices)

94103
(Zip Code)

Registrant's Telephone Number, Including Area Code: (855) 449-9642

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock	ZNGA	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.01. Completion of Acquisition or Disposition of Assets.

On July 1, 2020, Zynga Inc., a Delaware corporation (“Zynga”), completed its previously announced acquisition of all allotted and issued share capital (including all rights to acquire share capital) of Peak Oyun Yazılım ve Pazarlama Anonim Şirketi, a Turkey joint stock company (“Peak”), pursuant to the Share Sale and Purchase Agreement (the “Agreement”) dated May 31, 2020, between the shareholders (collectively, the “Sellers”) of Peak and Zynga.

At closing, including the adjustments and certain transaction expenses as set forth in the Agreement, Zynga paid approximately \$922.6 million in cash (the “Closing Cash Consideration”) and issued 116,564,861 shares (the “Zynga Stock Consideration,” and together with the Closing Cash Consideration, the “Total Purchase Consideration”) of Class A common stock of Zynga (the “Zynga Stock”) based on the volume-weighted average closing price of the Zynga Stock during the 30 consecutive trading days immediately preceding the date of the Agreement. The Zynga Stock Consideration will be subject to a 6-month holding period for all Sellers (with 50% of the Zynga Stock Consideration issued to the Management Seller named in the Agreement subject to a 12-month holding period). Pursuant to the Agreement, \$120 million of the Closing Cash Consideration was deposited into an escrow fund in cash as security for certain indemnification obligations of the Sellers.

A copy of the Agreement is attached as Exhibit 2.1 to Zynga’s Current Report on Form 8-K filed on June 1, 2020. The foregoing description of the Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Agreement.

Item 3.02. Unregistered Sales of Equity Securities.

The information set forth under Item 2.01 of this Current Report on Form 8-K is hereby incorporated into this Item 3.02. In accordance with the Agreement, a portion of the consideration delivered to the Sellers at closing consisted of the Zynga Stock Consideration. The Zynga Stock Consideration was issued pursuant to exemptions from registration provided by Section 4(a)(2) and/or Regulation S of the Securities Act of 1933, as amended (the “Securities Act”).

Item 7.01. Regulation FD Disclosure.

On July 2, 2020, Zynga issued a press release announcing the completion of the acquisition of Peak. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference. The information furnished in Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.1 attached hereto, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any other filing under the Securities Act or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

- (a) Financial statements of businesses acquired. The financial information required by this Item 9.01(a) has not been included with this filing and will be filed by amendment to this Current Report on Form 8-K not later than seventy-one (71) calendar days after the date that this Current Report on Form 8-K must be filed.
- (b) Pro Forma Financial Information. The financial information required by this Item 9.01(b) has not been included with this filing and will be filed by amendment to this Current Report on Form 8-K not later than seventy-one (71) calendar days after the date that this Current Report on Form 8-K must be filed.
- (d) Exhibits.

Exhibit Number	Description
2.1+	Share Sale and Purchase Agreement relating to the sale and purchase of the entire issued share capital of Peak Oyun Yazılım ve Pazarlama Anonim Şirketi between those persons listed in Schedule 1 as Sellers and Zynga Inc. as Purchaser (incorporated by reference to Exhibit 2.1 of the registrant’s Current Report on Form 8-K (File Number 001-35375) filed on June 1, 2020)
99.1	Press Release, dated July 2, 2020
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the inline XBRL document)
+	Certain portions of this exhibit have been omitted pursuant to Items 601(a)(5) and 601(b)(2) of Regulation S-K. A copy of any omitted portion will be furnished supplementally to the Securities and Exchange Commission upon request; provided, however, that Zynga may request confidential treatment pursuant to Rule 24b-2 of the Exchange Act for any document so furnished.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ZYNGA INC.

Date: July 2, 2020

By: /s/ Phuong Y. Phillips

Phuong Y. Phillips
Chief Legal Officer and Secretary

Zynga Closes Transformational Acquisition of Istanbul-based Peak; Expands Forever Franchise Portfolio with Toon Blast and Toy Blast

- Zynga Completes Acquisition of Peak Effective as of July 1, 2020
- Peak will Maintain Their Unique Creative Culture and Brand Identity
- Zynga to Update Full Year 2020 Guidance when Reporting Q2 2020 Financial Results on August 5, 2020

SAN FRANCISCO -- (BUSINESS WIRE) -- July 2, 2020 -- Zynga Inc. (Nasdaq: ZNGA), a global leader in interactive entertainment, and Peak, Istanbul-based creator of *Toon Blast* and *Toy Blast*, announced today that the companies have closed the transaction under which Zynga acquired all of the issued and outstanding common shares of Peak for a total purchase price of approximately \$1.85 billion comprised approximately of equal contributions of cash and Zynga common stock. Peak brings to Zynga a renowned, talented team and two forever franchises, *Toon Blast* and *Toy Blast*, that have consistently ranked within the top 10 and top 20 U.S. iPhone grossing games for the past two years, respectively.

Peak will continue to be led by founder and Chief Executive Officer Sidar Sahin and its current management team. Additionally, the company plans to maintain its headquarters in Istanbul, Turkey.

"We are delighted to welcome Sidar and Peak's extraordinarily talented team to Zynga," said Frank Gibeau, Chief Executive Officer of Zynga. "With the addition of *Toon Blast* and *Toy Blast*, we are expanding our live services portfolio to eight forever franchises, meaningfully increasing our global audience base, and adding to our exciting new game pipeline. As a combined team, we are well positioned to grow faster together."

"We are very happy to finalize this monumental partnership that will affect not only Zynga and Peak, but the whole mobile gaming industry" said Sidar Sahin, founder and Chief Executive Officer of Peak. "At the heart of this partnership lies a common vision -- to bring people together through games. Peak's culture is rooted in relentless learning and progress, so as we embark on this new chapter in our journey together with Zynga, we remain as committed as ever to our unique culture. We're very excited for our combined future and what we will accomplish together."

Founded in 2010 by Sidar Sahin, Peak has developed the beloved game franchises *Toon Blast* and *Toy Blast*. Known for their innovation, creativity and exquisite design, *Toon Blast* and *Toy Blast* popularized the 'collapse' mechanic within match-3 puzzle games, and have captured a highly engaged global audience base that ranks among the industry's best in player retention. Collectively, *Toon Blast* and *Toy Blast* have more than 12 million average mobile DAUs. Peak is expected to grow Zynga's average mobile DAUs by more than 60% while strengthening Zynga's international audience.

Peak also enhances Zynga's new game pipeline with additional projects in early development.

The close of this acquisition is effective as of July 1, 2020. Zynga expects to update its full year 2020 guidance when reporting Q2 2020 financial results on August 5, 2020.

Editor's note:

Key art and broadcast assets available for use at the following link: <https://bit.ly/ZyngaKeyArtandVideo>

About Zynga Inc.

Zynga is a global leader in interactive entertainment with a mission to connect the world through games. To date, more than one billion people have played Zynga's franchises including *CSR Racing*TM, *Empires & Puzzles*TM, *Merge Dragons!*TM, *Merge Magic!*TM, *Words With Friends*TM and *Zynga Poker*TM. Zynga's games are available in more than 150 countries and are playable across social platforms and mobile devices worldwide. Founded in 2007, the company is headquartered in San Francisco with locations in the U.S., Canada, U.K., Ireland, India, Turkey and Finland. For more information, visit www.zynga.com or follow [Zynga on Twitter](#), [Instagram](#), [Facebook](#) or the [Zynga blog](#).

About Peak

Peak is a leading mobile gaming company powered by a team that values relentless progress. Peak believes the best products are created when talented people form autonomous teams that strive for impact. Peak currently has two top charting mobile franchises -- *Toon Blast* and *Toy Blast* -- that have consistently ranked within the top 10 and top 20 U.S. iPhone grossing games for the past two years, respectively, and collectively have more than 12 million average mobile DAUs. Peak, founded in 2010, is based in Istanbul, Turkey. For more information visit www.peak.com.

Forward-Looking Statements

This press release contains forward-looking statements, including those statements relating to our ability to achieve the intended benefits of acquiring Peak Oyun Yazılım ve Pazarlama Anonim Şirketin ("Peak"), including expanding our global audience, growing our average mobile DAU and our overall growth, and updates to our expected and future financial performance. Forward-looking statements often include words such as "outlook," "projected," "planned," "intends," "will," "anticipate," "believe," "target," "expect," and statements in the future tense are generally forward-looking. The achievement or success of the matters covered by such forward-looking statements involves significant risks, uncertainties, and assumptions. Undue reliance should not be placed on such forward-looking statements, which are based on information available to us on the date hereof. We assume no obligation to update such statements. More information about these risks, uncertainties, and assumptions are or will be described in greater detail in our public filings with the Securities and Exchange Commission (the "SEC"), copies of which may be obtained by visiting our Investor Relations website at <http://investor.zynga.com> or the SEC's web site at www.sec.gov.

Key Operating Metrics

We manage our business by tracking several operating metrics, including Mobile DAUs. "Mobile DAUs," which measure daily active users of our mobile games, is recorded and estimated by our internal analytics systems. We determine Mobile DAUs and other operating metrics by using internal company data based on tracking of user account activity. We also use information provided by third parties, including third party network logins provided by platform providers, to

help us track whether a player logged in under two or more different user accounts is the same individual.

Mobile DAUs. We define Mobile DAUs as the number of individuals who played one of our mobile games during a particular day. Average Mobile DAUs for a particular period is the average of the Mobile DAUs for each day during that period. Under this metric, an individual who plays two different mobile games on the same day is counted as two DAUs. We use Mobile DAUs as a measure of audience engagement.

Contacts

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