

DIGITAL MAGICS & EPIC PARTNERSHIP: A NEW PLATFORM FOR INVESTING IN STARTUPS DEDICATED TO INCUBATOR INVESTORS

The first digital platform to finance small and medium-sized Italian companies will dedicate an area to the 'Digital Magics Angel Network' with the startups' documents, enabling equity subscriptions

The strategic partnership will help finance new incubated digital startups, and strengthen the private network of Digital Magics with Epic's professional investors

Milan, November 19, 2014 - Digital Magics, venture incubator for innovative startups is listed on AIM Italia of the Italian Stock Exchange (symbol: DM); and **Epic SIM**, a private investment community that has developed a new digital financing platform for medium-sized enterprises, have signed a **strategic partnership agreement** to **structure** the activities for businesses participating in the incubation process.

Thanks to this partnership, and the Epic platform, the venture incubator gains an **innovative tool** to help in co-funding incubated startups, and developing **Digital Magics' Angel Network**, which is also open to new professional investors who are Epic members. The aim is to increase the liquidity of Digital Magics' ecosystem and accelerate the development of startups and scaleups (innovative companies that are experiencing a period of growth and expansion) with the ultimate aim of either an exit (sale of a company) and / or IPO.

The www.epic.it website will see a **new section dedicated to investment opportunities** in Digital Magics investments – Area51 – containing files on the startups. This is a new financing model that provides **high standards of transparency and in-depth analysis, documentation**, and a forum to discuss and analyze the financial operations, dealing directly with issuers. Access to the dedicated Epic platform is reserved exclusively to the subsidiaries of Digital Magics and professional investors (in compliance with the Intermediary Regulation adopted by Consob resolution no. 16190 dated 29 October 2007 and subsequently amended and supplemented) of the Digital Magics Angel Network.

The Digital Magics Angel Network is a network of partners who invest with Digital Magics in club deals to support digital incubated startups and scaleups. They are private investors, institutional funds, and industrial partners including **Atlante Seed (Intesa Sanpaolo Group), Banca Sella Group, the Credit Valtellina (Creval) banking group, Tamburi Investment Partners, Gate14 Group, Uvet Group, UniCredit and Nice**. The Network also works with the selection and mentorship of the participants either under development or already developed, providing its know-how, or contributing to Open Innovation business plans.

To date, the *Digital Magics Angel Network* has invested **over €4.7 million** in digital incubator startups and scaleups.

Enrico Gasperini, Founder and President of Digital Magics, says, *"This agreement is a very important part of our business plan strategy to expand the 'Digital Magics Angel Network' and promote equity transactions in our portfolio. Every day we bring on board new entrepreneurs, business angels, venture capitalists, and companies. We are also launching a new local club of investors: after the one in Naples, other Italian cities will have their turn to create direct relationships in the territory between the business and digital worlds. For our investors Epic's platform is an innovative financial instrument that will simplify equity transactions in our digital startups, supporting their growth."*

Andrea Crovetto, Founder and CEO of Epic said, *"We are working to deliver a modern investment experience to support the real economy. It can be said that the agreement with Digital Magics helps us accelerate in this direction: our offer to investors now includes the equity of*

startups in addition to mini-bonds and shares in already established SMEs."

This Press Release can be found online at www.digitalmagics.com in the *Investor Relations – Press Releases* section.

Digital Magics – www.digitalmagics.com

Digital Magics is a venture incubator for innovative digital startups that offer content and services with a high technological value. Digital Magics is listed on AIM Italia, the alternative capital market dedicated to small and medium-sized Italian enterprises with high growth potential, organised and managed by the Italian Stock Exchange. Digital Magics builds and develops Internet startups, working alongside their founders, investing its capital and providing acceleration services. Starting with talent and ideas, it transforms them into successful disruptive businesses in the Italian and international digital economies. The incubator promotes a culture of entrepreneurship and risk, contributing to economic growth and employment for young people. Digital Magics offers services to support innovation, creation and development of digital startups, and it supports them in the search for new Italian, and international, private and public investors to fund the successive stages of development. The Digital Magics model is unique in Italy and is based around the Digital Magics LAB: the team that identifies, analyses and launches new initiatives, providing innovative startups with digital business acceleration services for company development. Digital Magics has a track record of 40 investments in startups. It has achieved 6 exits, and only 4 write-offs. To date, the incubator has invested approximately €14.8 million, of which 5 million comes from exits. Currently, the average investment is around €300,000.

Epic - www.epic.it

Epic Sim is the result of the intuition of a team of managers / professionals with a deep-rooted experience in the financial markets, commercial and investment banking and strategic consulting, including Guido Ferrarini (Chairman) and Andrea Crovetto (CEO). As a brokerage company, since March 2014 Epic Sim organizes a digital network where professional investors (both institutional and private) have access to opportunities to finance development projects of Italian SMEs. Through its highly advanced digital platform (www.epic.it), Epic acts as an independent intermediary between companies and investors, and provides the former with an alternative financing channel for development projects, while offering the latter a diversification of investments, in a transparent and cost-effective way.

Integrae SIM acts as a Nomad and Specialist under the AIM Italia Issuers Regulations. For communication transmissions, Digital Magics makes use of the SDIR-NIS system, operated by Blt Market Services, a subsidiary of the London Stock Exchange Group.

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