

## **DIGITAL MAGICS: GREEN LIGHT TO THE CAPITAL INCREASE IN OPTION**

*Established the subscription price at Euro 4.95, inclusive of the share premium, and an option ratio in no. 3 new ordinary shares for every 11 rights held*

*The transaction will result in the issue of a maximum number of 1,008,183 ordinary shares of Digital Magics Ltd., of no nominal value, with the same characteristics of shares outstanding, with regular dividend from January 1, 2015, for a maximum total countervalue equal to € 4,990,505.85*

*Option period and preemption period: from May 11 2015 to May 29 2015  
Market trading period of option rights: from May 11 2015 to May 25 2015*

*Tamburi Investment Partners S.p.A. undertook to subscribe for a share capital increase of Euro 2 million - also through the purchase of option rights by some members - as well as for a further maximum of € 0.5 million in the form of guarantee commitment against any amount eventually un-opted*

**Milan, May 6, 2015** - Digital Magics SpA – *venture incubator* listed on the AIM market of the Italian Stock Exchange (symbol: DM) – pursuant to the resolution of a capital increase approved by the Extraordinary Shareholders' Meeting on April 29, 2015, determined in definitive terms the share capital increase for payment, in one or more tranches, to offer in option to the shareholders and holders of convertible bonds "POC 2012" and "POC 2013," unlisted financial instruments.

The capital increase is mainly aimed at supporting the acceleration of the business plan, in particular with regard to the territorial expansion. The attainment of the objectives underlying the business plan, however, facilitated by the agreements reached with Talent Garden Srl and Tamburi Investment Partners S.p.A. (TIP), will enable Digital Magics SpA to become the *leading* operator in Italy in the development of innovative digital start-ups in the *seed* stage, with the consequent production of significant levels of profitability resulting both from the industrial incubation services and the sale of participations.

The company planned to issue up to a maximum of 1,008,183 new ordinary shares of Digital Magics SpA, without nominal value, with the same characteristics as the outstanding shares, with normal dividend entitlement from January 1 2015, to be offered in option to shareholders and holders of convertible bonds at a ratio of 3 new ordinary shares for every 11 subscription rights held, at a price of Euro 4.95 per share (inclusive of a share premium of Euro 3.95), for a total maximum amount of Euro 4,990,505.85.

Digital Magics SpA shall assign to shareholders of the Company no. 1 option right for each no. 1 ordinary share held, for a total of no. 3,674,100 rights, in accordance with the current composition of the share capital, divided into no. 3,674,100 ordinary shares.

Since each bond, with a nominal value of Euro 500, is convertible into 36 Conversion shares, Digital Magics S.p.A. shall assign 36 stock options for every no. 1 convertible bond, for a total of no. 22,572 option rights.

The option rights for the subscription of the newly issued shares, marked by coupon no. 1, will be made available to those entitled through Monte Titoli SpA and will have ISIN code: IT0005108342. The ex-dividend date of the related option rights is May 11 2015.

The option rights must be exercised, on pain of forfeiture, during the offer period established between May 11 2015 and May 29 2015 inclusive.

The rights may be traded on AIM Italia - Alternative Capital Market, an MTF organized and managed by Borsa Italiana SpA, from 11 May 2015 until 25 May 2015 inclusive.

Participation in the offer of subscription should be done by filling in and signing an appropriate form, to be delivered to the authorised intermediaries, participating to the system managed by Monte Titoli SpA, where securities are deposited. Intermediaries are required to give the related instructions to Monte Titoli SpA by 15:30 on May 29 2015. Therefore, each subscriber must present an appropriate subscription request with the modalities and by the deadline indicated by their depositary intermediary so as to ensure observance of the final deadline indicated above.

Participation in the offer is irrevocable and may not be subject to any condition.

Pursuant Article. 2441 of the Italian Civic Code, provided a request is made at the time of exercise, those exercising option rights will have preemption rights to the purchase of shares for which options are not taken up, with the same price of Euro 4.95 per action. In the event that the shares left unsubscribed will not be sufficient to satisfy all the applications received, the Issuer will carry out the assignment based on a mechanism of proportional allocation to the securities already owned by the applicants, also inclusive of those signed by reason of exercising their option rights, by 5 June 2015. The shares that could possibly remain unsold after the exercise of the option right and of the preemption rights by the Issuer's shareholders, will be placed by the management body, in compliance with applicable laws, by the deadline of December 31 2015.

As already announced on the occasion of the resolution passed by the Board of Directors on March 26 2015, among Digital Magics SpA, some of its partners and TIP an agreement was signed providing for, inter alia, the acquisition of additional rights by TIP (in addition to those already held as a shareholder) and the subscription of the capital increase in option, thereby increasing its stake in Digital Magics SpA. More specifically, the subscription of the new shares, for a maximum countervalue of the capital increase in option - inclusive of the nominal value and the share premium - equal to Euro 2,000,000, will be implemented through the exercise of the options due to TIP as current shareholder (at today's date holder of a stake equal to 1.36% of the share capital of Digital Magics SpA) and of the options that shareholders Enrico Gasperini, Alberto Fioravanti and Gabriele Ronchini undertook to cede. TIP is also committed to subscribe the shares not taken up following the conclusion of the offer in option – for a maximum countervalue of Euro 500,000 – exercising the preemption rights to which it is entitled pursuant to art. 2441, paragraph 3, of the Italian Civil Code, on the basis of the number of shares held or deriving from the options returned in the availability of Digital Magics SpA, post exercise of preemption rights. The subscription will be made at the price of the capital increase in option.

Payment in full for the new shares must be made to the authorised intermediary to which the subscription request was submitted, within the terms and according to the methods specified in the same application form; the Issuer has made no provisions for charges or incidental expenses to be borne by the subscribers.

The new shares subscribed by the end of the Offer shall be credited to the accounts of intermediaries belonging to the centralised management system managed by Monte Titoli SpA, at the close of the accounting day on the last day of the Offer period, and shall thus be available from the next



settlement day. The new shares that will be allotted following the exercise of the preemption rights will be credited to the accounts of the intermediaries belonging to the centralised management system managed by Monte Titoli SpA, at the close of the accounting day on June 5 2015, and shall thus be available from the next settlement day.

The Offering will be filed, pursuant to the law, with Milan Companies Register. This press release is available to the public at the registered office of the Company, as well as at Borsa Italian SpA and on the website of the Issuer ([www.digitalmagics.com](http://www.digitalmagics.com)).

The application form will be available on the Issuer's website ([www.digitalmagics.com](http://www.digitalmagics.com)) and at intermediaries belonging to the centralised management system managed by Monte Titoli SpA.

This press release is online in the section Investor Relations/Press Release of the website of Digital Magics SpA.

*Digital Magics ([www.digitalmagics.com](http://www.digitalmagics.com)) is a certified venture incubator of innovative digital startups that offer content and services with a high technological value, in addition to scaleups – innovative companies that are experiencing a period of growth and expansion. Digital Magics builds and develops Internet start-ups, working alongside their founders, investing its capital and providing acceleration services. Starting from talents and ideas, it transforms them into successful disruptive businesses in the Italian and international digital economy. The Digital Magics model is unique in Italy and is based on the Digital Magics LAB: the team that identifies, analyses and launches new initiatives, and on the network of private investors, institutional funds and industrial partners who participate with Digital Magics in selection activities, mentorship and investment in ideas presented, and the startups under development. Digital Magics currently has 41 startups in its portfolio. 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.*

*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 circuit, operated by Bit Market Services, a subsidiary of the London Stock Exchange Group.*

**For further information:**

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