

## **EXIT OF PROFUMERIAWEB, A STARTUP INCUBATED BY DIGITAL MAGICS**

*As part of the investment round organised for ProfumeriaWeb, the leading e-commerce store in Italy for the sale of perfumes, cosmetics and beauty products, Digital Magics sells its stake to Free Bird, a holding company in innovative companies*

*18 months ago Digital Magics invested in ProfumeriaWeb when the startup was consolidating the results obtained in 2014. Since then ProfumeriaWeb has nearly quadrupled revenues and number of customers, confirming its position as a leading digital "pure player" operating in the sector in Italy*

*Digital Magics' stake (5%) is being sold with an expected return value in the three digit range. Today the pre-money valuation of ProfumeriaWeb is over 6 million.*

**Milan, January 23, 2017 - Digital Magics**, business incubator listed on AIM market of Italian Stock Exchange (symbol: DM), announces the **exit** of the startup **ProfumeriaWeb**: the leading beauty e-commerce store in Italy for the online sale of perfumes, cosmetics, hair products and make-up, with discounts of up to 80%.

As part of an investment round (club deal) for ProfumeriaWeb — which has a **pre-money valuation of over 6 million EUR** — arranged with the help of Digital Magics, the incubator has sold its shares (5%) held in ProfumeriaWeb to the company Free Bird. The capital gain generated by Digital Magics is a three-digit multiple compared to the investment.

Free Bird s.s. is a company that belongs to a serial entrepreneur and investor, with thirty years of experience from top managerial roles in multinational companies and many investments in innovative startup made in recent years.

Since July 2015 Digital Magics has aided ProfumeriaWeb in its growth path with consulting and acceleration services, working closely with the Founder Vincenzo Cioffi. The value of ProfumeriaWeb has grown steadily, crowned today by the recognition of qualified investors in the sector.

ProfumeriaWeb continues to confirm and improve the positive trend of recent years: **turnover in 2016 registered a 80% increase** compared to 2015, when growth was also significant, amounting to 100% over the previous year.

ProfumeriaWeb offers **more than 8,000 products, heavily discounted and delivered within 2-3 working days from order. The e-commerce beauty company has attracted more than 120,000 customers** and in December 2016 has registered more than 600,000 visits and 2,500,000 pageviews. **Throughout 2016 the visits were approximately 3,800,000, an increase of 78% over the previous year. The company has also been profitable for several years already.**

*"The numbers achieved by ProfumeriaWeb vindicate the effectiveness of our selection and incubation model that, in a short time, has led to the creation of this excellent result", said **Alessandro Malacart, Managing Director - Corporate Finance of Digital Magics**. "The main objective of Digital Magics' business is to help develop digital businesses towards success. We are very pleased to have gained Vincenzo Cioffi: he has proven to have the right business skills and, thanks to our support, ProfumeriaWeb has reached the level of maturity needed to attract major investors".*

"The journey made with Digital Magics is an example of quality incubation, in my opinion: on the one hand it has helped the company to grow and succeed, even attracting new investors who are about to launch a major fundraising operation aimed towards further growth; but it has also allowed the incubator to make the best, with a strong gain, of its contribution in consulting and acceleration", says **Vincenzo Cioffi, founder and CEO of ProfumeriaWeb**. "This transaction also helps to recognize our merit of having given birth to a startup that, even with such strong growth, also manages to be profitable and with a healthy economic and financial equilibrium".

This press release is online on [www.digitalmagics.com](http://www.digitalmagics.com) and can be found in the *Investors - Press Releases* section.

**Digital Magics**, listed on AIM Italia (symbol: DM), is an incubator of digital projects that provides consulting services and acceleration services to startups and enterprises, to facilitate the development of new technological businesses. Thanks to the partnership with Talent Garden and Tamburi Investment Partners, Digital Magics has created the most important national platform for innovation for DIGITAL MADE IN ITALY, by offering services for the digital transformation and "Open Innovation" to excellent enterprises, while providing support to innovative startups to create successful projects, from conception to IPO. The incubation and acceleration services offered by Digital Magics are active in the TAG co-working campuses present throughout Italy. Complementary services include investment activities, which have produced over the years a portfolio of 62 investments in startups, scaleups and digital spinoffs with high growth rates. Accelerated companies are flanked by Digital Magics LAB, a team of highly experienced business partners, and benefit not only from the large network of private and institutional investors that support them through "club deals", but also from the many partner companies that support them on an industrial scale.

**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.

**ProfumeriaWeb** is the leading e-commerce store in Italy for the online sales of perfumes, cosmetics, hair products, and make-up. Born in late 2010, it has always been distinguished by the richness of its product catalog, with more than 8,000 references and many rare products; very affordable prices, with discounts of up to 80%; a superb service, with deliveries made within 2-3 working days, the option to pay on delivery, and its dedicated level of customer support. Remarkably positive feedback from customers: in reviews collected independently by NetComm Consortium, more than 90% assigned 5-stars to the service offered by ProfumeriaWeb. The site was therefore granted the Seal GOLD, reserved for e-commerce which prove to be more efficient and attentive to customer satisfaction. ProfumeriaWeb has also received a special mention from the jury of the NetComm Award 2016 in the cosmetic and wellness category. In 2016 the ProfumeriaWeb.com site recorded more than 3.8 million visits, an increase of 78% over the previous year. The company, which has already been profitable for several years, is planning a strong growth plan for the coming months, with investments to further the enrichment of the product catalog, offering additional services to the customer and the opening into other European markets.

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