

DIGITAL MAGICS: GREEN LIGHT TO THE CAPITAL INCREASE

Established the subscription price at EUR 4.035, inclusive of the share premium, and an option ratio of no. 1 new ordinary share for every 4 ordinary shares possessed

The offering will result in the issue of a maximum of 1,232,459 ordinary shares of Digital Magics S.p.A., without nominal value, with the same characteristics of the outstanding shares, with regular dividend, for a total maximum equity turnover of EUR 4,972,972.07

Tamburi Investment Partners S.p.A. undertook to subscribe for the capital increase of the share of its rights (approximately EUR 0.9 million), as well as to evaluate the exercise of its preemptive rights in order to cover any amount eventually un-opted

Multiversity S.p.A. undertook to subscribe for the capital increase of EUR 1.9 million, through the purchase of option rights from some members

Option offer period and preemption period: from February 13, 2017 to March 3, 2017

Market trading period of option rights: from February 13, 2017 to February 27 2017

Milan, February 8, 2017 - Digital Magics, *business incubator* listed on AIM market of Italian Stock Exchange (symbol: DM), in accordance with the resolution of the capital increase passed by the Extraordinary Shareholders' Meeting on January 31, 2017, determined the final terms of the paid capital increase, divisible, to be offered as options to shareholders.

The capital increase is aimed at finding new financial resources in order to achieve the strategic objectives of the company – which is effectively pursuing the territorial development plan and the growth of the portfolio of startups – but also for the implementation of the agreements with the telematic Universities Pegaso and Universitas Mercatorum, controlled by the holding company Multiversity SpA of Danilo Iervolino, with the goal to build Digital Magics Startup University: a new training project to provide expertise and support to aspiring digital entrepreneurs, by concretely taking action in the ecosystem of startups.

The company will issue a maximum of no. 1,232,459 new ordinary shares of Digital Magics S.p.A., without nominal value, with the same characteristics as those in circulation, with regular entitlement, to be offered to shareholders at a ratio of no. 1 new ordinary share for every 4 shares possessed, at a price of EUR 4.035 per share (of which Euro 3.035 as a share premium), for a total value of maximum EUR 4,972,972.07. It is furthermore noted that the Extraordinary General Meeting held on January 31 last, approved a paid-in increase of the share capital, by a nominal EUR 410,815.00 by issuing no. 410,815 new ordinary shares, at a unit price of EUR 4.035 and for a total amount equal to EUR 1,657,640 (inclusive of share premium). In particular, the new shares deriving from the reserved capital increase will be issued after the start of the offer period, therefore they will be without option rights to adhere to the capital increase, the latter being allocated to existing shareholders.

The option rights for the subscription of newly issued shares, marked by coupon no. 2, will be made available to those entitled through Monte Titoli S.p.A. and will have ISIN code: IT0005243255. The ex-rights date of the related option rights is 13 February 2017.



The option rights must be exercised, under penalty of forfeiture, during the offer period established between February 13, 2017 and March 3, 2017 inclusive.

The option rights will be traded on AIM Italia - Alternative Capital Market, MTF organized and managed by Borsa Italiana S.p.A., from February 13, 2017 to February 27 2017 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 2:00 PM on March 3 2017. 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 Civil 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 4.035 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 March 6 2017. 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 2017.

As already announced on the occasion of the resolution passed by the Board of Directors on December 13 2016, an agreement was signed among Digital Magics S.p.A., some of its members and Multiversity S.p.A. The agreement provides, among other things, the acquisition by Multiversity S.p.A. of subscription rights and the subscription of the Capital Increase and, therefore, the entry as a Digital Magics SpA shareholder. More specifically, the subscription of the new shares, for a maximum total countervalue of the Capital Increase - including nominal value and share premium - equal to EUR 1,900,000, will be implemented by exercising options that members Alberto Fioravanti, Marco Gay (Webworking Srl), Patrizia Cavallini, Alessio Gasperini, Manuel Gasperini and Gabriele Ronchini have committed to transfer. The underwriting shall be made at the price of the capital increase.

Moreover, Tamburi Investment Partners (relative majority shareholder with approximately 18% of the capital Digital Magics SpA) communicated to the company that it has undertaken the commitment to subscribe to its share in the capital increase, for an amount of approximately EUR 900 thousand, as well as to evaluate the subscription of any unsubscribed shares following the conclusion of the offer in option - 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 possessed.

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 March 6 2017, 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 Italiana SpA and on the website of the Issuer (www.digitalmagics.com).

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

This press release is online on www.digitalmagics.com and can be found in the *Investor Relations - 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.

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