

**DIGITAL MAGICS: THE ORDINARY SHAREHOLDERS' MEETING APPROVES  
THE RESULTS FOR 2016, APPOINTS TWO NEW DIRECTORS, A NEW  
BOARD OF AUDITORS AND AUTHORISES THE PURCHASES AND  
DISPOSAL OF TREASURY SHARES**

**THE EXTRAORDINARY SHAREHOLDERS' MEETING AUTHORISES THE  
MAXIMUM ISSUANCE OF NO. 1,643,278 WARRANTS AND A CAPITAL  
INCREASE FOR THE CONVERSION SHARES**

**Milan, April 27, 2017** - The Ordinary and Extraordinary Shareholders' Meeting of Digital Magics SpA, *business incubator* listed on AIM Italia market (symbol: DM), organised and managed by the Italian Stock Exchange, met today in Milan at the registered office, under the chairmanship of Dr. Alberto Fioravanti.

The Meeting, in ordinary session, resolved as follows:

- o Approval of the Financial Statements for the Year ending December 31, 2016 and coverage of the loss for the financial year. The year 2016 ended with a Production Value equal to EUR 2.9 million (EUR 2.6 million as of 12/31/2015), EBITDA equal to EUR 333 thousand (EUR 190 thousand in 2015) in growth, a negative Net result of EUR 3.2 million (loss of EUR 1.2 million as of 12/31/2015) that will be covered through the use, for a corresponding amount, of the "Share premium reserve";
- o Confirmation of Dr. Stefano Molino, co-opted on February 13th following the resignation of Dr Michele Novelli; Stefano Molino is a partner of Innogest SGR SpA (among the most important Italian *venture capital* funds specialising in *early stage* investments) who recently entered the capital of Digital Magics SpA, by holding 5.14%;
- o The membership of the Board of Directors has been increased to 12 and subsequently the Director Dr. Danilo Iervolino has been appointed; dr. Iervolino holds (directly and indirectly) the entire capital of the holding Multiversity SpA; Multiversity, through the vehicle Start Up Garage Srl, which recently entered the shareholding structure of Digital Magics SpA and which holds 7.16% of the capital;
- o Appointment of the Board of Statutory Auditors for the next three years 2017-2019 which consists of no. 3 Statutory and no. 2 Alternate Auditors, by confirming the members of the Board of Auditors for the previous three years in their positions: Fausto Adriano Giuseppe Provenzano, as Chairman, Claudio Boschioli, in the office of Statutory Auditor, Massimo Codari, in the office of Statutory Auditor, Giovanna Maria Fossa, in the office of Alternate Auditor, Massimo Tavola, in the office of Alternate Auditor; the Assembly has also determined the emolument awarded to the Auditors;
- o Purchase and disposal of Treasury Shares. In particular, the Meeting resolves the following issues:
  1. to authorise, in accordance with Articles 2357 and following of the Civil Code, the purchase

of a maximum number of 100,000 Treasury Shares, to be carried out in one or more transactions until the next Shareholders' Meeting called to approve the Financial Statements for periods not exceeding the term of eighteen months following the date of the present Shareholders' resolution, it being specified that: **(a)** purchases will be made at a unit price not greater and not lower than the reference price recorded on the market AIM Italia in the trading session prior to the intended purchase, more or less 10% respectively; **(b)** the Company may use for the purchase of Treasury shares up to a maximum of EUR 800,000.00, to be taken, with no time limit, from available reserves; **(c)** purchases will be made in the manner prescribed by laws and regulations; alienation of any purchased Treasury shares may take place for the realisation of extraordinary operations or to implement initiatives or loyalty plans for employees and collaborators of the Company and its subsidiaries or for cash management purposes and financial needs of the Company, in compliance, if applicable, of the principle of equal treatment, by sale on the Market at the current price at the time of disposal of Treasury shares;

2. To grant the Board of Directors and, on its behalf, the Chairman, the Deputy Chairman and the Managing Directors, severally, the widest powers, including the power to sub-delegate, necessary to implement this resolution, including – by way of example – the power to determine the operational procedures for the sale and purchase of company shares, as well as to determine the purchase and sale price, all in accordance with this resolution, as well as the power to grant, suspend and revoke mandates to brokers and other operators for the fulfillment of purchases and the disposals of treasury shares, referred to under the preceding sub-paragraphs, as well as taking all necessary legal compliance;
3. To provide that the purchases under this authorisation do not exceed the available reserves and distributable profits, as shown in the last approved financial statements at the time of the transaction and that, upon the purchase and alienation, the necessary accounting records are carried out.

The Meeting, in Extraordinary Session, approved the issuance of free warrants to be allotted to Shareholders in proportion to the percentage of ownership, one for every four shares of Digital Magics held, and also approved a paid capital increase, in one or more issues, for an overall maximum amount of EUR 14,400,000.00, including share premium, by issuing, in one or more tranches, a maximum of no. 1,643,278 ordinary shares, without nominal value, reserved for the exercise of warrants. Each warrant, if exercised, will entitle to subscribe for one new ordinary share of Digital Magics. The exercise of warrants is scheduled in six periods over five years, in October of each year from 2017 to 2022; in particular cases, it is possible to exercise even outside of the above time windows.

The exercise price of the warrants is fixed at increasing values over time, as follows:

- € 5.75 in October 2017
- € 6.35 in October 2018
- € 6.95 in October 2019

- € 7.55 in October 2020
- € 8.15 in October 2021
- € 8.75 in October 2022

The warrants will be allocated to Shareholders free of charge, automatically and without need for further requests, will be dematerialised and freely transferable and the process for the admission and the start of the trading of warrants on AIM market of Italian Stock Exchange will be initiated shortly.

The Meeting approved the Regulations of the warrants of Digital Magics 2017-2022 and authorised the Board of Directors and, on its behalf, the Chairman of the Board of Directors, with the option of sub-delegation, to make any necessary additions, modifications and deletions to the Regulation of warrants, where appropriate or necessary, or in any case these were required by the competent authorities, as well as by the finalisation of the process for admission and commencement of trading of the same.

### **Deposit of Documents**

Documents relating to the Meeting are published on the website of the Company [www.digitalmagics.com](http://www.digitalmagics.com):

- The dossier of the Financial Statements and the Report on Operations related to the year ending 31st December 2016, approved by the Ordinary Shareholders' Meeting is available at the registered Office and online in the section *Investors/Financial Reports*.
- The CVs of the Directors and Auditors are available online in the section *Investors/Corporate Governance*.
- The Minutes of the Ordinary and Extraordinary Shareholders' Meeting shall be published online in the section *Investors/Shareholders* as provided by law.

This press release is available in the section *Investors/Press Releases* of the website [www.digitalmagics.com](http://www.digitalmagics.com).

**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 70 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.

**For further information:**



**Digital Magics** – Press Office

Giorgio Bocchieri – Mail: [giorgio.bocchieri@digitalmagics.com](mailto:giorgio.bocchieri@digitalmagics.com)

Tel. 02 52505202 – Mob. 334 6853078

**IR Top** – Investor Relations

Floriana Vitale – Mail: [f.vitale@irtop.com](mailto:f.vitale@irtop.com)

Domenico Gentile – Mail: [d.gentile@irtop.com](mailto:d.gentile@irtop.com)

Tel. 02 45473884

**Integrae SIM** – Nomad

Mail: [info@integraesim.it](mailto:info@integraesim.it)

Tel. 02 87208720