

THE 2ND CAPITAL INCREASE EXCEEDING 470,000 EUROS CLOSED SUCCESSFULLY FOR THE ITALIAN STARTUP BUZZOOLE, A SUBSIDIARY OF DIGITAL MAGICS. THIS TRANSACTION COMES IN ADDITION TO A PREVIOUS SHARE CAPITAL INCREASE, FOR EQUITY FINANCING OF OVER 770,000 EUROS

R301 Capital, an international venture capital fund, and individual investors have subscribed to the capital increase in the innovative startup Buzzoole, a subsidiary of Digital Magics since its foundation which is able to identify and enhance the influencers on the web

This transaction comes in addition to a first capital increase of about Euro 290,000 completed in November 2014, thus completing the equity financing of the startup of over Euro 770,000

Thanks to these operations Buzzoole, which closed the first half of 2015 with revenues of over Euro 500,000, will enhance research and development activities. It will further improve commercial division to reach 1,000 customers and focus on European and American markets by 2016

Milan, July 23, 2015 - Buzzoole – innovative startup, able to identify and enhance the *influencers* on the web, participated by **Digital Magics**, *venture incubator* listed on AIM Italia (symbol: DM) – has finalised a **capital increase** exceeding **Euro 478,500**. **R301 Capital**, the international venture capital fund and important investors and entrepreneurs, both Italian and international participated in this operation.

Apart from R301 Capital (managed by Managing Director **Nader Sabbaghian**, former CEO of BravoSolution and investor with proven experience and *track record* in the *digital economy*), the capital increase also involved **Custodi di Successo - Milan**, the *business angel network*, **DigitalYOU**, the Spanish company specialising in the development of digital business with a focus on mobile, multidevice and social, **Alessandro Gatti**, CEO of FG Invest, **Giulio Mario Limongelli**, Co-Founder and CEO of Groupon Italia, **Franco Raddi**, partner at an international consulting firm. Even 6 employees of Buzzoole joined, proving to strongly believe in the *startup* and wanting to actively participate in its growth.

Digital Magics indicates that the operation is an addition to a previous capital increase, already completed in November 2014, and maintained by Buzzoole for a total of Euro 290,000, thereby completing **the equity financing and the development of the startup for over Euro 770,000**.

Expert System, leader in semantic technology for information management and *big data*, and **Paola Marzario**, Founder and CEO of Brandon Ferrari also participated in the first capital increase.

At the conclusion of the second capital increase, the founders of Buzzoole retain a controlling share of the capital of the startup, whereas the share of Digital Magics, which had participated in the initial *seed* stage and in the first capital increase, is diluted from 14,91 % to 12.03%.

Buzzoole (buzzoole.com), born in September 2013, is the innovative startup incubated by Digital Magics which developed the first Italian platform - based on a **proprietary algorithm and technology** - which allows companies to **identify the quality of its influencers on social networks** and, thanks to them, to generate word of mouth online. Buzzoole also launched [Finder](#): the search engine that lets you find influencers through specific search, from a pool of over 2 billion users worldwide.

With this operation, the Neapolitan startup - founded by Fabrizio Perrone, Gennaro Varriale, Luca Luca Pignataro and Luca Camillo - **will further enhance research and development activities** to create a system of Real Time Bidding and become the first RTB platform for the purchase of 100% native visibility.

Buzzoole will focus on internationalisation - with the **opening of two offices in London and New York** by 2016, having already started this year to work with buzz marketing campaigns for the USA, UK, France and

Eastern Europe markets - and on scalability of the platform with the aim of arriving to **1,000 customers** within twelve months.

In addition, thanks to the support of Digital Magics, Buzzoole **will consolidate its position in the Italian market** with the entry of senior accounts who are supporting the top clients, thereby supporting the development of the digital startup, which is currently **growing by 30% month on month**. Buzzoole closed the **first half of 2015** with revenues of over **Euro 500,000**.

After being named one of the 8 most interesting players on a global level by **Intel Global Challenge 2014** in Berkeley, California, in the early months of 2015 Buzzoole has been selected among the most promising startups in Europe by **MasterCard**, by **TechStars** - the main startup accelerator in the United States - and by the **Global Entrepreneur Programme (GEP)** - a startup program sponsored by the British government department UK Trade & Investment (UKTI).

Fabrizio Perrone, Founder and CEO of Buzzoole, said: *"We are delighted to have received this round of funding, which is another important step in our growth path. In the next few months, we want to develop into an international presence, for brands and PR and communication agencies in Europe and the United States. The entry and the confidence in our startup, by these strategic investors, gives us a big boost on our business model and on the project we believe in, that we have been pursuing for two years."*

Enrico Gasperini, Founder and Chairman of Digital Magics, said: *"We recognised qualified young talents in Buzzoole and a business model 'disruptive' and highly scalable internationally. We incubated the startup in late 2013 with the support of our team in Napoli directed by Gennaro Tesone, with an initial investment and the strategic and technology development to support its growth, to directly involve local and national investors in the project. This is the first example of the potential of the largest innovation platform for the 'Digital Made in Italy' that we are building throughout Italy with Talent Garden and Tamburi Investment Partners".*

This press release is available on the company website www.digitalmagics.com under *Investor Relations - Press Release*.

Digital Magics (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 startups, working alongside their founders, 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 a team of great expertise that identifies, analyses and launches new initiatives, and on the "Digital Magics Angel Network": the network of private investors, institutional funds and industrial partners who supports the startups and digital scaleups incubated through "club deal" and programs of "Open Innovation", on a financial and industrial level. Thanks to the industrial cooperation with Talent Garden and Tamburi Investment Partners, Digital Magics has created the most important national platform for innovation, for the "DIGITAL MADE IN ITALY". Digital Magics has developed to date over 50 new digital business and holds stakes in 45 companies. Digital Magics is listed on AIM Italia (symbol: DM), the Alternative Capital Market organised and managed by the Italian Stock Exchange.

Buzzoole (buzzoole.com) is the first Italian platform of IEO (influence engine optimization) that optimises the online presence of users. Thanks to the proprietary algorithm developed, Buzzoole allows both large industrial operators and small and medium-sized enterprises, both Italian and international, to qualitatively identify influencers in its market, and generate buzz about products and services through the trendsetters identified, rewarding them with dedicated bids such as discounts, product testing, exclusive invitations. Buzzoole is an innovative startup of Digital Magics.

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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