

DIGITAL MAGICS' WHITE PAPER FOR STARTUPS: 8 POINT PROPOSAL TO THE ITALIAN GOVERNMENT TO PROMOTE THE INNOVATION ECOSYSTEM IN ITALY

The "White Paper" was presented during the Internet Festival 2015 at Pisa in a panel that saw among those present, key players: Paolo Barberis, Vincenza Bruno Bossio, Laura Castellani, Luca De Biase, Marco Gay and Marco Bicocchi Pichi

Pisa, October 10, 2015 - Digital Magics, venture incubator listed on AIM Italia (symbol: DM), presented the *White Paper* for startups: an **eight-point proposal to the Italian Government to give new impetus to the innovation system** in Italy and promote a targeted policy action for digital startups and their potential.

Digital Magics' *White Paper* intends to mark the starting point for a broader debate, involving all the players of the Italian digital economy, leaving room for new insights, ideas, observations by all the operators who wish to share in the same vision and the same ambition.

DIGITAL MAGICS' WHITE PAPER IN 8 POINTS

TAX RELIEF FOR STARTUPS

Revision of the IRPEF tax credit (personal income tax) from 19% to 30-40% for investments in innovative startups, applying the provisions of the Anglo-Saxon model to Italy. Tax benefits for the subjects to the corporate income tax (IRES), by extending the deductible to 30%.

STARTUP: VEHICLE OF OPEN INNOVATION FOR SMEs

Introduction of tax relief for SMEs for activities of *Open Innovation* (purchase of products/services from innovative startups aimed at the internal innovation of the enterprise) and the removal of obligations towards administrative expenses by new startups.

UPGRADING CROWDFUNDING

Revision of the Consob Regulations on equity crowdfunding to:

- revise upward the threshold of non-application of regulations relating to MiFID
- remove underwriting bond by banks by 5%
- provision of a single MiFID profiling form.

INVESTMENTS IN INNOVATION BY UCIs

Removing regulatory limits and providing incentives for Undertakings in Collective Investment (UCIs) for Asset Management Companies (AMCs) in direct or indirect investments in startups.

ASSET MANAGEMENT INDUSTRY AND STARTUPS

Creation of open-ended funds to ensure the collection, through investment, of at least €1 billion from the Asset Management Industry into startups.

MATCHING FUND FOR SEED CAPITAL

Creating a *matching* fund with Cassa Depositi e Prestiti, involving Italian industrial players, institutional investors and qualified investors who co-invest with the Fund in the *seed* stage (up to €1 million), with the possibility of subsequent operations up to €1.5 million.

ACCELERATING INTERNATIONALISATION OF ITALIAN STARTUPS

Creating an *Italian Founders Institute*, with international experts, for the active promotion of Made in Italy through accelerator programs, and application of incentives for the repatriation of qualified personnel from abroad, providing benefits to both workers and businesses.

REGIONAL FUNDING

Harmonisation of the **rules of engagement of the regional funds** in order to ensure a national and systematic approach of funding *matching* and simplified possibilities of access to the same.

To download the complete White Paper.

To contribute to the development of the proposal: whitepaper@digitalmagics.com

The *White Paper* was officially presented by **Enrico Gasperini**, Founder and Chairman of Digital Magics and **Layla Pavone**, Partner of Digital Magics, within the **Internet Festival 2015** during the **Supernova** discussion **panel** organised by Talent Garden and Digital Magics.

Among those who attended the event and commented on the document there were key representatives from institutions present; including: **Paolo Barberis**, Prime Minister's Councilor for Innovation, the Honourable **Vincenza Bruno Bossio**, Member of the Committee on Transport and Telecommunications and of the Parliamentary Intergroup for Innovation, **Laura Castellani**, Managing Director of Infrastructure and Technology of the Tuscany Region, **Marco Gay**, President of Confindustria Giovani and **Marco Bicocchi Pichi**, President of Italia Startup. They were moderated by **Luca De Biase**, Director of Nova24 - Il Sole 24 Ore.

Enterprises and professional partners of Digital Magics who contributed the preparation of the White Paper were: **Cattaneo Zanetto & Co.**, **DLA Piper**, **Electa Group**, **Intermonte**, **SEC Relazioni Pubbliche e Internazionali**, **Integrae SIM Talent Garden**, **Tamburi Investment Partners** and the Digital Champion Napoli **Giovanni de Caro**.

Enrico Gasperini, Founder and Chairman of Digital Magics, said: *"Digital Magics has always been committed, in alignment with institutions, in supporting the process of growth of Italy. We support innovative digital startups and excellent Italian enterprises that represent the DIGITAL MADE IN ITALY with our acceleration services and services of digital transformation. With this 'White Paper' we want to be the initiators of a new campaign of 'advocacy' to bring to the Renzi Cabinet concrete proposals to stimulate and develop innovation within the country"*.

Layla Pavone, Partner of Digital Magics, declared: *"Our experience of daily work alongside startups, as well as relationships with the world of investors, led us to reflect on the system of funding provided to the digital startups, which we believe is in need of further facilitation. Much has already been done by the Government, but we think it is not yet enough. For this reason we decided to make available to the whole ecosystem the fruit of what we hope will become for all operators, whether institutions or private individuals, a working tool and a 'pressure' tool to give new and additional life to investments in startups, which represent the real driving force"*.

This press release is viewable online at www.digitalmagics.com under *Investor Relations - Press Releases*.

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 48 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 (Nominated Advisory) 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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