

BANCO POPOLARE AND DIGITAL MAGICS: 1 MILLION EURO IN SUPPORT OF STARTUPS AND INNOVATION

Milan, December 6, 2016 - Banco Popolare and Digital Magics, *business incubator* listed on AIM market of Italian Stock Exchange (symbol: DM), reach an **agreement** for providing a **medium/long-term financing of EUR 1 million**.

As part of the agreement concluded with the European Investment Fund (EIF) concerning the guarantee facility INNOVFIN SME GUARANTEE, supported by the European Fund for Strategic Investments (EFSI), Banco Popolare has provided a medium-long term loan of 1 million euro to Digital Magics for the purpose of ensuring the necessary financial backing linked to the significant investment in Research and Innovation made by the company.

Thanks to the financial resources of Banco Popolare, Digital Magics will support young talents and creators, for the **birth and development of digital startups**, and will sustain the local Italian companies with **Open Innovation programs**, in order to innovate internal processes, products and services thanks to the innovative startups.

With this transaction, the Bank and the incubator listed on the Stock Exchange establish a strategic relationship concerning the issues of innovation, thus contributing to the **economic and digital growth of companies and territories**.

*"We are honored to contribute to the digital growth of the country, working with a reference point for this sector such as Digital Magics and with the European Investment Fund – said **Francesco Minotti, Manager of Institutional Entities, Associations and Third Sector Department of Banco Popolare** – The commitment of the Bank to the economies of local areas is continuous, ensuring access, in particular to enterprises with a high propensity to research and technological innovation, to the most effective financial instruments, which are the result of a consolidated collaboration with the Community Institutions for the realisation of their development and growth programs".*

*"All over the world the large banking groups are investing in the digital field and startups – says **Alessandro Malacart, Managing Director Corporate & Finance of Digital Magics** – in order to innovate themselves and promote the national economy. The agreement with Banco Popolare, which will soon become one of the first national institutions, is part of the territorial expansion plan of Digital Magics; indeed, in the early months of 2016 we have activated four incubators – in Sicily, Lazio and Central Italy, Triveneto, Puglia and Basilicata – in addition to the two locations in Lombardy and Campania. Starting from the territories, we want to scout for the best ideas and talents with the purpose of bringing the digital Made in Italy to the Italian, European and international market. Through our platform, together with Talent Garden and Tamburi Investment Partners, all local players can get in touch with new digital businesses, thus jointly creating innovation and jobs".*

In this program, the collaboration between Digital Magics and Banco Popolare also extends to subsidised loan operations aimed at startups and innovative startups, with the assistance of specific guarantees of the European Investment Fund with the SME Guarantee Facility Innovfin and the Guarantee Fund for SMEs.

This press release is online on www.digitalmagics.com and can be found in the *Investors - Press Releases* section.

Banco Popolare is among the first Italian banking groups with about 1,800 branches, 17,000 employees and 2.6 million customers. Born from the union of major co-operative banks and savings banks, some of which have a long tradition in the credit service and local economic development, Banco Popolare operates mainly in customer segments represented by households, small businesses and small/medium enterprises.

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 61 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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