

DIGITAL MAGICS: TAMBURI INVESTMENT PARTNERS SUBSCRIBES TO THE RIGHTS OPTION CAPITAL INCREASE ON A PRO-QUOTA BASIS AND EXERCISES ITS PREEMPTIVE RIGHTS ON ANY UNEXERCISED SHARES UP TO EUR ONE MILLION

FULFILMENTS OF THE BOARD OF DIRECTORS IN ACCORDANCE WITH ARTICLE 2343-QUATER CC REGARDING THE CONFERMENT IN KIND OF 35% OF THE CAPITAL OF WITHFOUNDERS

Milan, February 20, 2017 - Digital Magics SpA, *business incubator* listed on AIM market of Italian Stock Exchange (symbol: DM), hereby announces that today, with reference to the rights option capital increase (see Press Releases of January 31 and February 8 2017), Tamburi Investment Partners SpA (relative majority shareholder with approximately 18% of the capital of Digital Magics SpA) communicated that it has subscribed to the rights option capital increase of approximately EUR 900 thousand and to have exercised its preemptive rights on any unexercised shares, up to a maximum of EUR 1 million (on the basis of the number of shares held, in compliance with Article 2441, par. 3, of the Civil Code).

In this regard, it should be recalled that the rights option paid capital increase will involve the issue of a maximum number of 1,232,459 ordinary shares of Digital Magics SpA., without nominal value, with the same characteristics of the shares in circulation, with regular dividend, for a total maximum amount of EUR 4,972,972.07. The subscription price was set at EUR 4,035 (inclusive of share premium) in a ratio of 1 new ordinary share for every 4 ordinary shares possessed. The period of option and pre-emption offer runs from February 13 2017 to March 3 2017, instead, it is possible to trade option rights on the market from February 13 2017 to February 27 2017.

Again with reference to the aforementioned rights option capital increase, Multiversity SpA – *the holding company of Danilo Iervolino that controls the telematic universities Pegasus and Universitas Mercatorum* – undertook to subscribe to a capital increase for EUR 1.9 million through the purchase of option rights from some Digital Magics' members.

For more information on the paid rights option capital increase, it suffices to visit www.digitalmagics.com in the section Investors/Capital Increase.

Furthermore, Digital Magics hereby announces that, with reference to the subscription of the reserved capital increase (see Press Release of February 9 2017) and in particular, to the release in kind of the aforementioned capital increase - approved by the Shareholders' Meeting on last January 31 2017 - through the transfer of shares representing 35% of the share capital of Withfounders Srl, the Board of Directors, assembled this day, after taking note of the completion of all the conditions laid down in the agreement with Innogest SGR SpA and some shareholders of Withfounders Srl, has completed the activities required by Article 2343-quater CC.

Pursuant to Article 2343-quater, par. 3, of the Civil Code, the Board of Directors has therefore stated that:

1. The subject of the contribution is 35% of the share capital of Withfounders Srl;
2. In compliance with the report, conducted and certified on January 14 2017 by the

independent expert, Dr. Maria Giovanna Fossa (the "Expert"), in accordance with Article 2343-ter, par. 2, letter b) CC, the value attributed to 35% of the share capital of Withfounders Srl is not less than EUR 1,122,000.00;

3. The value assigned to the object of the conferment is at least equal to the value assigned to it for the purposes of the establishment of the nominal amount of the capital increase and the related share premium, to be paid in kind, and determined in EUR 1.050.00,00;
4. After the date of the aforementioned assessment, no exceptional or significant events occurred, which affect the value of investments, to such an extent to make the value significantly less than the one allocated for the purpose of determining the increase in capital and the related share premium;
5. The requirements of professionalism and independence of the Expert are met and that they are eligible under the aforesaid legislation.

Pursuant to Article 2343-*quater*, par. 4 CC, with effect from the inclusion of the statement approved today by the Company's Board of Directors – after specific instructions transmitted to Monte Titoli – the shares deriving from the capital increase will be freed from the constraint of unavailability provided for by *law* and therefore they will be issued and allocated to the persons entitled.

In confirmation of what was communicated on February 9 2017, the no. 410,815 new shares issued under the capital increase with exclusion of subscription rights in question, despite having the same ISIN of the ordinary shares Digital Magics (currently under negotiation) have no preemption rights to adhere to the rights option capital increase (see Press Release of February 8 2017).

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 73 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 Blt Market Services, a subsidiary of the London Stock Exchange Group.

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