

DIGITAL MAGICS: SUCCESSFULLY CONCLUDED THE CAPITAL INCREASE WITH FULL SUBSCRIPTION OF THE OFFER FOR A TOTAL OF EUR 4.97 MILLION

- *Total subscriptions of EUR 4,972,972,070,000, including the exercise of stock options and the shares requested under the exercise of preemptive rights*
- *The shares not taken up will be assigned under the proportional allotment mechanism to all those who have exercised their preemptive right*
- *Tamburi Investment Partners SpA has subscribed to the rights option capital increase of approximately EUR 900 thousand and has exercised its preemptive rights up to a further EUR 1 million*
- *Garage Start Up Srl - A financial vehicle fully owned by Multiversity Group SpA of Danilo Iervolino - becomes a shareholder. Multiversity SpA subscribed to the capital increase of EUR 1.9 million, with a share of 7.16% of the new share capital*

Milan, March 3, 2017 - Digital Magics SpA, *business incubator* listed on AIM market of Italian Stock Exchange (symbol: DM) – with reference to the capital increase by option shares, approved by the Extraordinary Shareholders' Meeting on January 31 2017, concerning total no. 1,232,459 ordinary shares of Digital Magics SpA, offered under option at EUR 4,035 – hereby announces that during the offer period (February 13, 2017 - March 3, 2017) no. 4,603,944 option rights were exercised, and thus a total of no. 1,150,986 ordinary shares of Digital Magics SpA – newly issued, amounting to 93.39% of the total shares offered, for a total amount of EUR 4,644,228.51 - were subscribed.

On the basis of the shares requested under the exercise of Pre-emption Rights, a further no. 81,473 ordinary shares of Digital Magics SpA, that had not been subscribed at the end of the offer period, will be allocated through the proportional allotment mechanism, for an amount of EUR 328,743.56.

In view of the overall results of the offer, as of today, the capital increase is fully subscribed. The share capital of Digital Magics SpA will amount to EUR 6,573,113, divided into 6,573,113 ordinary shares of no nominal value.

Alberto Fioravanti, Founder and Executive Chairman of Digital Magics and one of the incubator's significant shareholders, said: *"We would like to thank all the shareholders for the trust placed in us, that enabled us to successfully close the capital increase, and with which we will shortly start new and important projects in favour of innovation Digital Made in Italy. In particular, we shall begin the new project 'Digital Magics Startup University', which aims to select talents and train a new generation of entrepreneurs with the tools and methodologies typical of the startup world."*

Since the unallocated shares have not been sufficient to satisfy all the applications received, the Issuer will carry out the assignment on the basis of a mechanism of proportional allotment to securities already owned by applicants, given that those subscribed as a result of the exercise of the option rights are also to be considered. The new shares allotted following the exercise of Pre-

emption rights will be credited to the accounts of the intermediaries participating in the centralised management system run by Monte Titoli SpA at the end of the accounting day of March 6 2017 and will therefore be available by the next settlement day.

Tamburi Investment Partners SpA (TIP) has fully subscribed to its share of the capital increase by option shares, for about 900,000 EUR and has exercised the right of first refusal on unsold shares up to a maximum of an additional one million EUR. Following the exercise of the option, TIP will hold 1,116,162 shares, representing 16.98% of the new share capital. The actions requested under the exercise of Pre-emption Rights will instead be assigned following the aforementioned allocation.

Garage Start Up Srl – controlled by Multiversity SpA, the *holding company* of Danilo Iervolino that controls Universitas Mercatorum and Pegaso Telematic University – has exercised no. 1,883,520 option rights, acquired by some members of Digital Magics SpA, by subscribing to the capital increase for EUR 1.9 million. Following the capital increase, Garage Start Up Srl will hold 470,880 shares, representing 7.16% of the new share capital of the Issuer.

It is to be noted that, as announced on December 13, 2016, the shareholders of Digital Magics SpA – Alberto Fioravanti, Marco Gay (Webworking Srl), Patrizia Cavallini, Alessio Gasperini, Manuel Gasperini and Gabriele Ronchini – have sold all their option rights, to which they are entitled, with the specific aim of facilitating the entry into the shareholding structure of Danilo Iervolino's group, which is functional to the development of the Company.

The Company will publish the statement of change in the share capital following the deposit of the successful execution of the capital increase with the Companies' Register in accordance with law, and will give prompt notification of the shares of all significant shareholders as a result of the notices received from them.

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 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.

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