

19 December 2016

**Bagir Group Limited**  
**("Bagir" or the "Company")**

**Result of Fundraising**

Bagir (AIM: BAGR), a designer, creator and provider of innovative tailoring, is pleased to announce that, following its earlier announcement, the Company has raised £1.97 million (approximately \$2.51 million) through the successful subscription of 46,226,220 Subscription Shares and placing of 10,100,000 Placing Shares, in aggregate 56,326,220 New Ordinary Shares, at the Issue Price of 3.5 pence per New Ordinary Share.

The net proceeds of the Fundraising (being approximately US\$2.4million) will be used to invest in the further development and growth of the Ethiopian operations as announced earlier this morning.

Eran Itzhak, Chief Executive Officer, said "We are very pleased to have raised the new funds and we are grateful to our shareholders for their continued support. Our Ethiopian manufacturing site only began production recently and is already attracting the attention of some of the world's leading retailers. This additional investment is therefore timely and should help generate significant returns."

**Shareholder interests**

The following Shareholders who are participating in the Fundraising, holding, directly or indirectly 10 per cent. or more of the Existing Ordinary Shares as at the date of this Announcement, are detailed below:

	<i>As at the date of this Announcement</i>		<i>Immediately following Admission</i>	
	<i>No. of Ordinary Shares</i>	<i>Percentage of Existing Share Capital</i>	<i>No. of Ordinary Shares*</i>	<i>Percentage of Enlarged Share Capital*</i>
Miton Asset Management	45,758,492	18.00%	55,858,492	17.99%
Barinboim PropertiesLtd.**	54,630,950	21.49%	64,916,670	20.90%

\* Assuming that no further Ordinary Shares are issued following the date of this Announcement

\*\* Barinboim Properties Ltd. also owns the entire issued share capital of Siverboim Holdings Ltd. which in turns owns 86 per cent. of S.G. Textile Holdings Ltd.. S.G. Textile Holdings Ltd. owns 0.23 per cent. of the issued share capital of the Company. The remaining 14 per cent. of S.G. Textile Holdings Ltd is owned by Man Capital Holdings Ltd., a company wholly owned by Marc Zalcman a Director of the Company.

The participation in the Fundraising by Miton Asset Management and Barinboim Ltd. constitutes related party transactions for the purposes of the AIM Rules. The independent Directors (comprising those Directors unconnected to such substantial Shareholders being Tessa Laws, Samuel Vlodinger, Donald Stewart, Udi Cohen and Eran Itzhak), having consulted with the Company's nominated adviser, N+1 Singer, consider that the terms of the related party transactions are fair and reasonable insofar as Shareholders are concerned.

**Admission**

The New Ordinary Shares to be issued and allotted as part of the Fundraising are within the authorities granted to the Board as part of the resolutions passed at the recent Extraordinary General Meeting held on 21 October 2016. Application has been made for the New Ordinary Shares to be admitted to AIM and Admission is expected to take place on 22 December 2016. The New Ordinary Shares issued pursuant to the Fundraising will rank pari passu with the Existing Ordinary Shares.

### **Total voting rights**

Following Admission the number of ordinary shares of 0.04 New Israeli Shekels each in the capital of the Company in issue and number of voting rights will be 310,542,881. The above figure may be used by Shareholders as the denominator for the calculations by which they will determine whether they are required to notify their interest in, or a change to their interest in, the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

### **Enquiries:**

<b>Bagir Group Limited</b>	+44 (0) 1483 751577
Eran Itzhak, Chief Executive Officer	
Udi Cohen, Chief Financial Officer	
<b>N+1 Singer (Nominated Adviser &amp; Broker)</b>	+44 (0)20 7496 3000
Alex Price	
Sandy Ritchie	
<b>Novella Communications (Financial PR)</b>	+44 (0)20 3151 7008
Tim Robertson	
Toby Andrews	

### **About Bagir Group**

A global innovative tailoring provider, Bagir Group specializes in developing, manufacturing and marketing of high quality men and women's tailored fashions. Bagir Group leverages their Global Presence, Vertical Structure & Innovation in order to provide consumers with the ultimate wearing experience combining fashion, comfort, performance and value.

At Bagir Group, focus on excellence in design and innovation throughout the entire value chain is a fundamental platform for achieving their goals. Strategic partnerships with retail customers keep Bagir Group in tune with the latest industry needs and trends while helping ensure their customers' competitiveness and consumer satisfaction.

Bagir Group markets their suits, jackets and trousers under retail private labels as well as world renowned brands such as AR-RED, and Jay Godfrey. From fiber to fabric, from design to display, Bagir Group is among the world's most innovative tailoring providers. The latest innovations introduced by Bagir Group include stylishly designed concepts from flexible and stretchable clothes to machine washable suits and airy all-climate garments. At Bagir Group, innovation means delivering consumers with clothes and suits that offer perfect performance backed by an experience of pure comfort and style.

Bagir Group was established in 1961 and was admitted to AIM on 15th April 2014 (ticker:BAGR).  
<http://www.bagir.com/index.html>

## DEFINITIONS

In this Announcement:

"Admission" means the admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules for Companies;

"AIM" means the market of that name operated by the London Stock Exchange;

"AIM Rules" means the provisions of the London Stock Exchange AIM Rules for Companies as amended from time to time governing, inter alia, admission to AIM and the continuing obligations of AIM companies;

"Announcement" means this announcement;

"Directors" means the directors of the Company;

"Enlarged Share Capital" means the issued share capital of the Company immediately following Admission comprising the Existing Ordinary Shares and the New Ordinary Shares;

"Existing Ordinary Shares" means the 254,216,661 Ordinary Shares in issue at the date of this Announcement, all of which are admitted to trading on AIM and being the entire issued ordinary share capital of the Company;

"Fundraising" means the Placing and the Subscription;

"Issue Price" means 3.5 pence per Placing Share and Subscription Share;

"London Stock Exchange" means London Stock Exchange plc;

"New Ordinary Shares" means the Placing Shares and the Subscription Shares;

"Ordinary Shares" means the ordinary shares of 0.04 New Israeli Shekels each in the capital of the Company;

"Placing" means the conditional placing of the Placing Shares by N+1 Singer, as agent on behalf of the Company, pursuant to the Placing Agreement, further details of which were set out in the Company's previous announcement;

"Placing Agreement" means the conditional agreement dated 19 December 2016 made between N+1 Singer and the Company in relation to the Placing;

"Placing Shares" means the 10,100,000 new Ordinary Shares to be issued pursuant to the Placing;

"Shareholders" means holders of the Existing Ordinary Shares;

"Subscribers" means Barinboim Properties Ltd., Noked Equity Limited Partners and The Phoenix Holdings Ltd;

"Subscription" means the conditional subscription by the Subscribers for the Subscription Shares;  
and

"Subscription Shares" the 46,226,220 new Ordinary Shares to be issued to the Subscribers.