

Bagir Group Ltd.
("Bagir" or the "Company")

Proposed conditional grant of options and notice of EGM

Bagir (AIM: BAGR), a designer, creator and provider of innovative tailoring, announces that subject to the below described conditions it proposes to grant share options to the Company's CFO, Yehuda (Udi) Cohen, over a total of 1.5 million ordinary shares of NIS 0.04 each in the capital of the Company (the "Options") under the terms of its existing share option scheme dated 9 September 2013.

The Options to be granted shall vest in three equal annual instalments commencing on 30 November 2016 and are exercisable from the date of vesting until the tenth anniversary of the date of grant.

The Options will have an exercise price of the lower of the current mid-market price and the mid-market price at the time of grant.

When aggregated with his existing share options, and subject to the Options being granted and becoming unconditional as described below, Mr Cohen will hold options over 1,591,175 representing 3.17% of the current issued share capital of the Company.

The grant of the Options is conditional on both shareholder approval and the release of the potential shares to be issued under the Options from the charges over unissued share capital in favour of the Company's banks. In the event that these approvals are not given, a phantom share option plan (bonus plan under which the amount of the bonus is determined by reference to the increase in value of the shares subject to the option which is calculated according to the share price less the exercise price) will be established instead of the Options such that the total employee benefit will be the same.

Notice of EGM

The Company announces that an EGM will also be held at 10am on 22 December 2015 at Company's UK offices at Dean House Studios, 27 Greenwood Place, Kentish Town, London NW5 1LB:

1. to approve the Company to enter into an amendment to the employment agreement dated 11 April 2012 (and any amendments thereto) with Mr. Yehuda Cohen (the Company's CFO);
2. to appoint Mr. Samuel Vlodinger (who is currently serving as a Non-Executive Director) as an External Director with no change to his terms of service, including with respect to remuneration; and
3. to approve the Company to enter into an Indemnification agreement with Mr. Donald Stewart, who serves as an Independent Non-Executive Director and Mr. Eran Itzhak, the Company's CEO, who, subject to completion of the necessary due diligence checks under the AIM Rules, will be appointed as an Executive Director.

A notice of EGM will be posted shortly to shareholders, together with the proposed amendments to be made to Mr Cohen's employment contract, indemnification agreement, accompanying form of

proxy and form of direction, and these documents will be available shortly for download from the Company's website, www.bagir.com, in accordance with AIM Rule 20.

For further information, please contact:

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