ANNUAL GENERAL MEETING MINUTES 2018

IC GROUP A/S - BUSINESS REGISTRATION NUMBER (CVR) 62 81 64 14

On 26 September 2018 at 10.00 a.m., IC Group A/S held its Annual General Meeting at 30 Bredgade, 1260 Copenhagen K, Denmark.

Pursuant to article 13 of the Company's Articles of Association, the Board of Directors had appointed attorney-at-law **Jørgen Kjergaard Madsen** as Chairman of the Annual General Meeting. The Chairman of the meeting ascertained that the Company's Board of Directors and Executive Board together with the shareholders represented a total of 73.6% (nominally DKK 111,762,530) of the share capital in the Company and that the corresponding share of votes attended or was represented at the Annual General Meeting.

The Chairman of the meeting, with the consent of the Annual General Meeting, ascertained that the Annual General Meeting had been duly convened and constituted a quorum in respect of the Agenda, and that the notice convening the meeting had been sent to all registered shareholders who had requested so. Further, the notice together with the information and documents required pursuant to the Company's Articles of Association were announced to NASDAQ OMX Copenhagen and had been made available at the Company's website on 31 August 2018.

The Chairman went through the Agenda which was as follows:

1. Report of the Board of Directors on the activities of the Company

2. Presentation of the Annual Report for the period 1 July 2017 - 30 June 2018 endorsed by the auditors and adoption of the audited Annual Report

3. Appropriation of the profits, including the declaration of dividends

4. Election of members of the Board of Directors

5. Approval of remuneration of the Board of Directors for the financial year 2018/19

6. Appointment of auditors

7. The Board of Directors has proposed the following resolutions;

    7.1 Approval to cancel secondary name

    7.2 Approval to reduce the Company's share capital

    7.3 Authority to the Board of Directors to acquire own shares

8. Any other business

IC GROUP

Re. Agenda item 1. Report of the Board of Directors on the activities of the Company, and

Re. Agenda item 2. Presentation of the Annual Report for the period 1 July 2017 – 30 June 2018 endorsed by the auditors and adoption of the audited Annual Report

The Agenda items 1 and 2 were dealt with as one.

Chairman of the Board of Directors **Peter Thorsen** and the CEO **Alexander Martensen-Larsen** presented the report on the activities of the Company and the annual report for the financial year 2017/18. Minutes of this presentation are attached as Appendix 1 hereto.

The Chairman of the meeting then inquired whether the Annual General Meeting had any comments to the presentation and the audited Annual Report which was not the case.

The Chairman of the meeting then ascertained that the Annual Report had been presented and adopted.

Re. Agenda item 3. Appropriation of the profits, including the declaration of dividends

The Board of Directors had proposed that the profit for the year as recorded in the adopted Annual Report was distributed as follows:

Proposed dividend (*DKK million*)	83
Extraordinary dividend and share buy-back (*DKK million*)	1,750
Transferred from the Company's distributable reserves *(DKK million)*	(600)
Profit for the year (*DKK million)*	1,233

The dividends proposed by the Board of Director were indicated excluding dividend on the Company's treasury shares, and the proposed ordinary dividend thus corresponded to a dividend of DKK 5.46 per share.

As communicated in the updated notice of Annual General Meeting announced on 18 September 2018, it is required, for technical reasons, that dividend is distributed on the Company's treasury shares, however, this will not have any effect on the accounting of the Company other than a dividend payment made out to the Company itself.

As no one requested to take the floor, the Chairman of the meeting ascertained that the proposal was adopted.

Re. Agenda item 4. Election of members of the Board of Directors

The Board of Directors had proposed that the following board members elected at the Annual General Meeting were re-elected:

- Peter Thorsen
- Henrik Heideby
- Niels Martinsen
- Michael Hauge Sørensen
- Jón Björnsson
- Conny Kalcher

The Chairman **Peter Thorsen** presented the individual board candidates' professional qualifications and experiences to the Annual General Meeting.

As no one had any comments to this Agenda item, the Chairman of the meeting ascertained that the proposal was adopted, and that the above-listed candidates were elected as members of the Board of Directors of the Company.

Re. Agenda item 5. Approval of remuneration to the Board of Directors for the financial year 2018/19

The proposed remuneration to the Board of Directors was presented with reference to the Chairman of the Board of Director's presentation of Agenda item 1 and with reference to the notice of the Annual General Meeting.

The Board of Directors had proposed that the total remuneration to the Board of Directors for the financial year 2018/19 amounts to DKK 4,370,000 of which DKK 400,000 constitutes separate remuneration to the Audit Committee.

The Chairman of the meeting called for other proposals from the floor. As no one wanted to take the floor, the Chairman of the meeting ascertained that the proposal was adopted.

Re. Agenda item 6. Appointment of auditors

The Board of Directors had proposed that PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab should be re-appointed as auditor.

As no one requested to take the floor, the Chairman of the meeting ascertained that the proposal was adopted.

Re. Agenda item 7. Resolution proposed by the Board of Directors

Re. Agenda item 7.1 Approval to cancel secondary name

The Board of Directors had proposed that the Company's secondary name "InWear Group A/S" was deleted and that article 1, second paragraph of the Company's Articles of Association would read as follows:

> *"The Company also carries on business under the secondary names of IC Companys A/S, Carli Gry International A/S and Brand Farm A/S."*

As no one requested to take the floor, the Chairman of the meeting ascertained that the proposal was adopted.

Re. Agenda item 7.2 Approval to reduce the Company's share capital

The Board of Directors had proposed to reduce the Company's share capital by nominally DKK 18,975,510 from nominally DKK 170,908,580 to nominally DKK 151,933,070.

The Chairman of the meeting informed that the proposed capital reduction comprised shares bought back from the Company's shareholders, and the capital reduction should thus be treated as payment to the shareholders, cf. section 188, subsection 2 of the Danish Companies Act, and it should be considered to be carried out at a share premium.

The capital reduction is carried out in respect of 1,448,494 shares corresponding to a nominal value of DKK 14,484,940, at a price of DKK 159 while the capital reduction in respect of the remaining 449,057 shares, corresponding to a nominal value of DKK 4,490,570, is carried out at the market price which is calculated based on the closing price of the Company's share on the date of the Annual General Meeting, i.e., at a price of DKK 68.40.

As no one had any objections or comments to this Agenda item, the Chairman of the meeting ascertained that the proposal was adopted, and at the same time the Chairman of the meeting informed that article 3, first paragraph of the Company's Articles of Association would be amended as follows:

"The Company's share capital is DKK 151,933,070 divided into shares of DKK 10 each or multiples thereof."

Before the capital reduction is completed, the Company's creditors will via the Danish Business Authority's IT systems be prompted to file potential claims against the Company within a time limit of four weeks, cf. section 192, subsection 1 of the Danish Companies Act.

Re. Agenda item 7.3 Authority to the Board of Directors to acquire own shares

The Board of Directors had proposed that the Board of Directors should be authorized for the period until the next Annual General Meeting to allow the Company to acquire own shares representing up to 10% of the share capital and at a price deviating by no more than 10% from the listed price at the time of the acquisition.

As no one had any comments, the Chairman of the meeting ascertained that the proposal was adopted.

Re. Agenda item 8. Any other business

No one requested to take the floor in respect of this Agenda item.

The Chairman of the meeting stated that all Agenda items had been dealt with and that all proposals were adopted.

The Annual General Meeting was adjourned.

Chairman of the meeting:

____

Jørgen Kjergaard Madsen

APPENDIX 1

REPORT OF THE BOARD OF DIRECTORS AND THE CEO ON THE ACTIVITIES AND PERFORMANCE OF THE COMPANY FOR THE FINANCIAL YEAR 2017/18.

The Company's Chairman of the Board of Directors **Peter Thorsen** and the CEO **Alexander Martensen-Larsen** presented the following report:

Peter Thorsen reported**:**

The financial year 2017/18 has in particular been marked by the divestment of Peak Performance, structural changes of the corporate functions and not least the strategical and management initiatives implemented to regain both revenue and earnings of the Company's remaining business units.

At the beginning of 2017, the Board of Directors initiated a strategic journey which was commenced by the dismissal of the Group's former CEO. By making a more decentralized structure with transfer of management and responsibility from corporate level to the individual business units, including realizing significant cost-saving measures in connection hereto combined with a higher degree of focus, the target was that this should contribute to an improved value creation for the Group as a whole.

Besides the immediate benefits of the cost-saving measures as well as the higher focus on the opportunities of the individual business units, the Board of Directors was given an additional tool which was the possibility of divesting IC Group's business units provided that it created value for the shareholders. A tool that demonstrated to be useful in the process of divesting Peak Performance.

The divestment of Peak Performance was announced on 30 April 2018, and the sale was closed on 29 June 2018 after having completed a strategic review process which initially had the purpose of identifying whether IC Group would serve as the best future owner of the brand. This review process was announced by the Company on 5 October 2017.

After a period of internal preparatory work, the Company initiated a process of identifying prospective buyers in the market at the beginning of the year. A process which quickly revealed a large interest for Peak Performance, and after having received indicative offers from a number of prospective buyers, the Group then announced, following a process with parallel negotiations with several prospective buyers, that it had entered into an agreement to sell Peak Performance to Finnish, listed Amer Sports at an enterprise value of DKK 1.9 billion.

The agreement with Amer Sports was closed on 29 June 2018, and after having adjusted for certain debt and working capital items as well as transaction costs incurred, the Company received DKK 1.75 billion in net proceeds from the sale.

The Company has handed on these proceeds to the Company's shareholders as the Company bought back shares at an amount of DKK 230 million on 12 September 2018 while the remaining amount of the proceeds of DKK 1.52 billion corresponding to DKK 100 per share was distributed as extraordinary dividend to the shareholders on 20 September 2018.

The Board of Directors finds the sales price of Peak Performance very satisfactory.

At the same time as the ongoing sales process, IC Group has worked on implementing the structural changes of the corporate functions which were announced during the spring 2017. This has led to cost savings contributing to the Board of Directors being able to announce two upward revisions of the earnings forecast for the financial year 2017/18.

IC Group has downscaled the size and number of corporate functions and at the same time changed the legal structure of the Group to the effect that all subsidiaries are now owned by the brands to which their operations actually belong.

During the financial years 2018/19 and 2019/20, the Board of Directors will continue the decentralization of the corporate functions and complete a transformation of the Group with the result that the parent company IC Group A/S will solely operate as a listed holding company owning the shares of the Group's business units.

All of the remaining corporate functions, including IT and the Group's Financial Shared Service Center, will be decentralized and transferred to the Group brands. Consequently, the corporate costs are hereby reduced to an absolute minimum, while at the same time, brand operations become fully independent. Once this transformation has been completed, the corporate functions will solely consist of a small team managing the most necessary tasks relating to a listed company, including financial reporting.

The transformation is expected to be completed during the financial year 2019/20 and will lead to non-recurring costs for the next two financial years. In return, the final structure is expected to lead to annual savings of approx. DKK 25 million at Group level.

The Group's continuing operations consist of four business units of which Tiger of Sweden represents the largest unit.

The new management team in Tiger of Sweden has embarked on a significant redesign of the brand's visual identity and design expression of the products based on the brand's heritage which has its origin back from the foundation of the brand in 1903. Tiger of Sweden's target is to gain success with its international expansion which initially is focusing on Germany, England and France. The brand has registered positive indications in its wholesale channel in respect of the new measures, while the development in own physical channels still reflects a generally pressured retail business.

The wholesale distribution will continue to be a principal element of Tiger of Sweden's international strategy focusing in particular on the largest and most leading department stores as well as third party online distributors. Furthermore, own controlled channels, and in particular the interaction between physical stores and online sales channels, will also continue to be important in order to ensure the right positioning of the brand as well as a coherent brand experience with the consumers. The brand is working on a number of initiatives of which the most concrete initiative is the recent launch of an updated online platform.

By Malene Birger is also focusing on international expansion with the markets England, Germany and France having its top priority. Last year, the management appointed a new creative director with vast international experience, and since then, the creative team has worked on giving the brand products a more international expression. Just as Tiger of Sweden, the target for By Malene Birger is to increase the business with the largest and most leading department stores and third party online distributors as well as strengthening own e-commerce and the interaction to own physical stores. The development in own controlled channels – in particular e-commerce – has been positive while the desired growth in the wholesale channel has not materialized yet.

The Group's third largest brand is Saint Tropez. The new management team in this brand has revised the brand strategy which is in the process of being implemented. In this connection, the brand's visual identity has been updated which will gradually be reflected in the brand's own stores where new principles for space management and available products have also been implemented. At the same time, the brand's portfolio of stores has been reviewed, and in this connection several stores have been closed down while other stores will be closed in the future. Saint Tropez will focus on regaining revenue growth primarily driven by the wholesale channel.

The Group's smallest brand – Designers Remix – has suffered a setback in both the wholesale channel as well as the retail channel during the financial year 2017/18. The target for the brand is to reverse this trend.

As previously mentioned, the Board of Directors will continuously consider if and when it is in the best interest of the shareholders to divest the remaining brands. The Board of Directors will also review and consider the possibility of divesting the Group's Logistics function as a separate business unit.

The Group's financial performance for 2017/18 has generally been satisfying and in line with the most recent updated outlook. As expected, revenue declined by 3.9% measured in local currency while the operating profit was realized at an EBIT margin of 7.1%. The EBIT margin was higher than expected at the beginning of the financial year which is attributable to savings in the corporate functions.

The Group expects a flat revenue development for the financial year 2018/19 as both Tiger of Sweden and By Malene Birger expect revenue growth while Saint Tropez and Designers Remix expect revenue declines. The Board of Directors expects earnings to be realized at an EBIT margin of 0-1% as a flat nominal EBIT development is expected in Tiger of Sweden and By Malene Birger, earnings improvement is expected in Saint Tropez and Designers Remix is expected to report reduced earnings.

Then **Peter Thorsen** gave the floor to **Alexander Martensen-Larsen** in order for him to give a more detailed presentation of the results of the annual report for the financial year 2017/18.

Alexander Martensen-Larsen reported:

The Group realized a total revenue of DKK 2.602 billion for the financial year 2017/18 corresponding to a revenue reduction of 3.9% measured in local currency. Measured in the reporting currency DKK, the revenue declined by 5.3%.

The Group's gross margin amounted to 56.5% which is an increase of 1.2% compared to last financial year primarily attributable to the fact that the financial year 2016/17 was negatively impacted by extraordinary inventory write-downs.

The capacity costs declined by DKK 107 million to DKK 1.287 billion of which DKK 44 million is attributable to non-recurring costs for the financial year 2016/17 while the remaining part of the cost reduction is attributable to a lower cost level in the corporate functions as well as in the Group brands' distribution channels, among other factors due to store closures and lower agent commissions.

The consolidated operating profit amounted to DKK 184 million corresponding to an EBIT margin of 7.1%.

Consolidated profit after tax for the financial year 2017/18 amounted to DKK 1.606 billion including the net proceeds deriving from the divestment of Peak Performance of DKK 1.475 billion. After having adjusted for these proceeds, the profit for the year amounted to DKK 131 million compared to DKK 92 million for 2016/17.

The Group's total free cash flow for the financial year 2017/18 amounted to DKK 1.969 billion. After having adjusted for the net proceeds deriving from the divestment of the Peak Performance, the free cash flow amounted to DKK 219 million. By comparison, the free cash flow for the financial year 2016/17 amounted to DKK 87 million. This significant improvement is primarily attributable to operations – both as a consequence of an improved operating profit for 2017/18, but in particular as a consequence of freed-up working capital due to reduced inventories across all Group brands. Additionally, a small part of the improved free cash flow is attributable to a lower investment level compared to last financial year. Investments for the financial year 2017/18 amounted to DKK 61 million compared to DKK 87 million for 2016/17.

Revenue from Tiger of Sweden for the financial year 2017/18 declined by 9% measured in local currency compared to last financial year. The total revenue amounted to DKK 860 million. The reduced revenue level was in particular driven by the wholesale channel due to less in-season selling but also generally lower order intake. Revenue also declined in the retail channel which in particular is attributable to physical stores while the development in the online channel was flat.

Geographically, revenue declined primarily in the Nordic region while the revenue reduction in Rest of Europe was primarily driven by France. Revenue from the strategically important markets England and Germany was at the same level as last financial year. The brand is now operating both of these markets itself through own sales set-ups in order to have the largest possible control of the development in these markets.

Tiger of Sweden realized an operating profit of DKK 47 million compared to DKK 67 million for 2016/17, and the EBIT margin declined to 5.5% compared to 7.0% for 2016/17. The gross margin was at the same level as last financial year, and the lower EBIT margin is consequently attributable to an unchanged cost level combined with a lower revenue.

For the financial year 2018/19, the Group expects that Tiger of Sweden will realize revenue growth driven by a continued international expansion. However, earnings are expected to attain the same level as last financial year as costs for, among others, management and marketing are expected to increase.

During the financial year 2017/18, By Malene Birger realized a revenue reduction of 4% measured in local currency compared to last financial year. Revenue amounted to DKK 333 million. This reduction was driven by lower order intake and in-season selling in the wholesale channel. On the other hand, revenue from the retail channel increased due to higher reported sales in physical stores as well as in the brand's own e-commerce channel.

Geographically, the reduced revenue from the Nordic region is mainly attributable to a revenue setback in Norway while revenue from the other Nordic markets was at the same level as last financial year. Outside the Nordic region, the reduced revenue is primarily attributable to the termination of the agency agreements in Dubai and Japan. In the future, By Malene Birger will operate and develop these markets itself.

By Malene Birger realized an operating profit of DKK 18 million and an EBIT margin of 5.4% compared to 0.9% last financial year. However, it should be noted that the low operating profit for 2016/17 was impacted by non-recurring costs for an extensive brand and positioning analysis as well as write-downs for store closures in London and Paris.

By Malene Birger will focus on growing in the Nordic region where Sweden has top priority as well as continuing its international expansion.

Revenue for the financial year 2018/19 is expected to increase driven by pre-order growth as well as e-commerce. At the same time, nominal earnings are expected at an unchanged level compared to the financial year 2017/18 as staff costs are expected to increase.

During the financial year 2017/18, Saint Tropez realized a revenue of DKK 265 million which is 15.3% lower compared to last financial year measured in local currency. This negative development was driven by both the wholesale channel as well as the retail channel, in particular in the Nordic region where the brand has its main part of its business. The brand realized minor revenue growth outside the Nordic region.

Saint Tropez reported an operating loss of DKK 20 million for 2017/18 compared to a profit of DKK 2 million for 2016/17. The management of Saint Tropez reduced costs significantly during the financial year 2017/18, however, it was not enough to compensate for the reduced revenue. In Saint Tropez, revenue is expected to continue to decline while earnings are expected to improve for the financial year 2018/19.

The Group's smallest brand; Designers Remix, realized a revenue of DKK 73 million for the financial year 2017/18 which is a reduction of 14.1% measured in local currency. Earnings were also reduced as EBIT amounted to DKK 5 million for 2017/18 compared to DKK 8 million last financial year. In Designers Remix, both revenue and earnings are expected to continue to decline for the financial year 2018/19.

In closing, **Alexander Martensen-Larsen** presented the Company's expectations for the total financial results of the Group for the financial year 2018/19.

The transformation and decentralization process of IC Group's corporate functions is expected to result in non-recurring costs of DKK 55 million for the financial years 2018/19 and 2019/20. In specific terms, the financial year 2018/19 is expected to be impacted by non-recurring costs of DKK 35 million whereas the financial year 2019/20 is expected to be impacted by non-recurring costs of DKK 20 million. Once the transformation has been completed, i.e. as of the financial year 2020/21, the Company expects to realize annual savings of DKK 25 million.

For the financial year 2018/19, it is expected that the Group will realize a flat revenue development in total whereas earnings are expected to be realized at an EBIT margin level of 0-1% prior to non-recurring costs in respect of the transformation of IC Group's corporate functions. As previously mentioned, both Tiger of Sweden and By Malene Birger are expected to realize revenue growth while Saint Tropez and Designers Remix are expected to report revenue declines.

In respect of earnings, both Tiger of Sweden and By Malene Birger are expected to realize nominal earnings at the same level as in 2017/18 while improved earnings are expected for Saint Tropez and reduced earnings are expected for Designers Remix.

The item line unallocated items and eliminations is expected to be negative as it will be affected by changed allocation principles in respect of costs in the corporate functions as well as idle costs in respect of the head office after the divestment of Peak Performance. Combined, these will have a negative impact of approx. DKK 30 million.

Investments for the financial year 2018/19 are expected to amount to approx. 4% of annual revenue primarily driven by Tiger of Sweden.

Then **Alexander Martensen-Larsen** gave the floor to **Peter Thorsen** who presented the Board of Directors' proposals in respect of dividend distribution and remuneration to the Board of Directors and the Executive Board.

Peter Thorsen reported:

Based on the profit after tax for the financial year 2017/18, the Board of Directors proposes to distribute an ordinary dividend of DKK 83 million calculated excluding dividend on treasury shares. The proposed dividend corresponds to DKK 5.46 per share.

In respect of remuneration to the Executive Board, the Board of Directors ensures that the total remuneration to the Executive Board reflects their performance and the value added to the Company. The remuneration paid to the Executive Board consists of a cash salary, annual bonus, share-based payment and the usual other benefits. Remuneration and incentive pay for the Executive Board comply with the guidelines approved by the General Meeting.

Both short-term and long-tern bonus programmes have been established with the purpose of promoting common interests between shareholders, the Executive Board and other executives and to incentivize that everyone is focusing on achieving the Group's targets. The members of the Board of Directors do not participate in any of the Group's incentive programmes.

In respect of remuneration to the Board of Directors, the Board of Directors proposes that the annual basis fee to the board members is reduced from DKK 350,000 to DKK 300,000 whereas the annual basic fee to the Chairman and the Deputy Chairman of the Board of Directors is reduced from DKK 1,050,000 to DKK 900,000 and from DKK 700,000 to DKK 600,000, respectively.

However, the total annual remuneration to the Board of Directors for the financial year 2018/19 increases by DKK 330,000 compared to last financial year as payment of extraordinary remuneration to the Chairman of the Board of Directors has been proposed in respect of his work in connection with the divestment of Peak Performance.

As a final remark, **Peter Thorsen** informed that it has been proposed to dissolve the Remuneration Committee and the Nomination Committee after this Annual General Meeting.