

ANNUAL GENERAL MEETING MINUTES 2011

IC COMPANYS A/S, REGISTRATION NO. (CVR) 62 81 64 14

On 26 September 2011 at 3 pm., IC Companys A/S held its Annual General Meeting at Den Sorte Diamant/Det Kongelige Bibliotek, Søren Kierkegaards Plads 1, 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 67.5% (corresponding to nominally DKK 110,820,600 out of DKK 169,428,070) of the share capital in the Company and that the corresponding share of votes attended or was represented at the Annual General Meeting.

Furthermore, 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 having requested such notice. Further, the notice together with the information and documents required pursuant to the Company's Articles of Association had been made available at the Company's website on 2 September 2011.

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 2010 – 30 June 2011 endorsed by the auditors and adoption of the audited Annual Report
3. Appropriation of the profits, including the declaration of dividends, or provision for losses as recorded in the adopted Annual Report
4. Election of members of the Board of Directors
5. Approval of remuneration of the Board of Directors for the financial year 2011/12
6. Appointment of auditors
7. Authority to the Board of Directors to acquire own shares
8. Any other business

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 2010 – 30 June 2011 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, Niels Martinsen, and the Chief Executive Officer, Niels Mikkelsen, presented the Agenda items 1 and 2:

Niels Martinsen reported as follows:

IC Companys' vision is to be one of the best developers of sports and fashion brands.

IC Companys has a strong international presence and a leading position in the Nordic region. The 11 Group brands are sold through more than 450 retail and franchise stores and in more than 11,000 multi-brand stores as well as through a rapidly expanding e-commerce business.

During 2010/11 extensive organisational changes were implemented in IC Companys which provided all 11 brands with the full responsibility of their entire value chain. With the new structure, the Group has achieved increased responsibility and transparency as well as enhanced execution power and flexibility.

The world we live in today is characterised by considerable challenges within the sports and fashion industries - but also many new possibilities. The new structure improves IC Companys' ability to capitalise on these possibilities while at the same time offering efficient solutions to the challenges.

IC Companys strives at becoming one of the best developers of sports and fashion brands. Value must be added to each brand in the brand portfolio. The key element to fulfil this target is to create the right environment encouraging creativity and innovation while at the same time having a clearly defined set of rules, guidelines and tools ensuring a strong business expertise in all brands. These skills are developed continuously and IC Companys learns from the best inside and outside the industry.

The Management has set up specific goals for all 11 brands and expects them to achieve these goals within a clearly defined set of rules and through the expanded powers given to them.

IC Companys' mission is to build successful brands by uniting business expertise with creativity and innovation.

IC Companys announced its Annual Report 2010/11 on 17 August 2011.

Consolidated revenue for the financial year 2010/11 rose by 12% to DKK 3,925 million which historically represents the highest growth and revenue in the Group's existence. This improvement is attributable to a revenue growth rate of 13% to DKK 2,395 million in the wholesale segment and a revenue growth rate of 11% to DKK 1,534 million in the retail segment.

The Group's gross margin has been under pressure and was thus reduced by 1.7 percentage points to 59.1%. The Group has experienced a more fierce competition in the wholesale market. Furthermore, the Group's sourcing has been influenced by external factors such as inflation in the production countries, pressure on supplier capacity and rising raw material prices.

Consolidated costs increased by 9% to DKK 2,000 million, however, the cost rate improved for the second year in a row which was primarily attributable to enhanced marketing efforts and new retail activities.

Total operating profit thus amounted to DKK 321 million which corresponds to an increase of 14% compared to last financial year.

Profit for the year amounted to DKK 246 million and was historically the best achievement in the Group's existence. When taking into account the challenging market conditions, the profit was satisfactory and the Board of Directors therefore proposed to distribute a dividend of DKK 4.50 per eligible share.

During the financial year 2010/11 IC Companys has set out clearly defined targets for growth and profitability for the Group. However, at the same time it has been important for the Group to invest in the future with the most important investment being the implementation of a new organisational structure which provides the brands with a higher degree of ownership over their value chain. This also provides the Group with a higher degree of flexibility and transparency. With these measures, all 11 brands had full line organisations implemented with identical structures.

This structure facilitates a more efficient prioritisation in the individual brands which leads to an improved earnings potential. Furthermore, the less complex structure offers enhanced synergies throughout the entire Group service platform.

The Group still has a solid financial stability. The Group's net debt in relation to EBITDA has been reduced from 1.7 to 0.7 over the last two years. During the same period the Group also acquired 49% of the shares in the brand By Malene Birger A/S - a brand with a high international potential. When taking into account the challenging economic climate, it is satisfactory that IC Companys is still able to distribute a dividend corresponding to 30% of the consolidated net profit. A dividend of DKK 4.50 per share is the highest distributed dividend per share in the Group's history.

The Group is still expected to generate growth in both revenue and earnings in the future; however, the economic climate gives rise to a significant revenue uncertainty. The Group will focus on growth through controlled revenue with emphasis on franchise. This growth is based on stores opened in 2010/11 and planned openings in 2011/12. In addition to this, a total order intake increase of 7% in the wholesale channel for the autumn and winter collections has been realised.

Difficult market conditions will continue to exert pressure on the gross margin. However, the new structure is expected to lead to cost efficiency as well as improved reaction capability and thereby increased profitability.

In connection with the announcement of the interim report for Q3 2010/11 the Management already at that stage reported the Group's expectations for the financial year 2011/12.

Since then, however, a number of economic indicators have worsened which have given rise to an increased revenue uncertainty.

The Management still expects that the consolidated revenue for the financial year 2011/12 to attain a level of DKK 4.1 – 4.3 billion.

The Group's new structure is expected to lead to improved transparency, adaptability and resource prioritisation.

Based on this, the Management thus expects the consolidated operating profit for the financial year 2011/12 to attain a level of DKK 360 – 410 million.

Investments for the financial year 2011/12 are expected to attain a level of DKK 90 - 120 million primarily for an expansion of the distribution and sales promoting improvements of the IT platform.

In respect of remuneration to executives, the Board of Directors ensures that the total individual remuneration to the members of the Executive Board reflects their performance and the value added to the Company. The remuneration paid to the members of the Executive Board consists of a cash salary, an annual bonus, a company car, warrants programmes and the usual other benefits. Remuneration and incentive pay for the Executive Board comply with the guidelines approved by the General Meeting.

With the purpose of promoting common interests between shareholders, the Executive Board and other executives and creating a working environment where focus is on meeting the Group's targets, IC Companys has established bonus and share-based incentive programmes.

Pursuant to the authorisation granted at the Annual General Meeting 2010, the Board of Directors has resolved to grant 147,294 warrants to the Executive Board of which 60,949 warrants were granted to the Chief Executive Officer. The warrants granted represent the right, against payment in cash, to subscribe for 147,294 shares during the next 5 years.

For further details regarding these programmes, please see the Annual Report.

In respect of the remuneration to the Board of Directors, the Board of Directors proposes that the remuneration for the current financial year constitutes DKK 2,885,000 of which DKK 375,000 constitutes separate remuneration to the Audit Committee and DKK 185,000 constitutes separate remuneration to the Remuneration Committee.

The proposed remuneration is increased by DKK 738,000 compared to the remuneration paid to the Board of Directors for the financial year 2010/11 which is attributable to increased committee work, enlargement of the Board of Directors as well as adjustment of board fees for the individual members. Last time the board fees were adjusted was in 2008.

The Board of Directors has decided that an annual self-evaluation is conducted in order to, systematically and based on unequivocal criteria, evaluate the performance of the Board of Directors, the Chairman and the individual members.

At present the Board of Directors finds that its competences represent a broad spectrum.

When assessing the nomination of new candidates, the need for integration of new talent and the need for diversity in relation to, e.g., international experience, gender and age are considered.

Consequently, IC Companys has signed "Recommendation for more women on supervisory boards" by which it undertakes, over the coming years, to work consistently to develop and recruit more female managers to the supervisory boards of Danish limited liability companies.

As a final remark Niels Martinsen on behalf of the Board thanked the employees and their families for their great commitment during the year.

On behalf of the Board Niels Martinsen also took the opportunity to thank the shareholders for their loyalty and support during a period marked by economic turmoil and uncertainty for the industry.

Finally, Niels Martinsen thanked the Board of Directors for a good co-operation.

Niels Martinsen then gave the floor to Chief Executive Officer Niels Mikkelsen who reported on the operational performance of the Group and the future development.

Niels Mikkelsen reported as follows:

IC Companys has both increased its controlled revenue significantly and generated double-digit growth rates in the retail and franchise segments by adhering to the knowledge and principles which are gathered in the knowledge centre IC Companys. The Group has generated same-store growth in spite of difficult market conditions. This has not been an easy task and has required more campaign activities and larger discounts than usual – however, this demonstrates that IC Companys' implemented measures work. These measures have also proven efficient in countering the substantial gross margin pressure to which the Group has been exposed.

Furthermore, IC Companys has expanded its controlled space. Primarily, 60 new stores have been opened with clearly defined guidelines in respect of clustering and return on investment. In addition to this, 70 unprofitable stores and concessions have been closed down. In total this gives a store net influx of 300 square metres resulting in growth as well as improved earnings for IC Companys.

IC Companys has also improved its cost rate which is largely attributable to focus on cost efficiency. The implementation of the new organisational structure with more responsibility to the brands has also contributed positively to this development and this development is thus expected to continue. All things considered, this indicates high potential operational gearing in the Group.

Order intake is under pressure and the wholesale customers have reacted as would be expected in a market with economic indicators worsening. Whereas a growth rate of 11% was reported for the autumn collection, a setback of 5% is expected for the winter collection. However, a growth rate of 7% is expected for the two collections in total.

During November 2010 a new organisational strategy based on a new corporate strategy was implemented in IC Companys.

IC Companys is a knowledge centre. This knowledge centre is of great importance as it creates the foundation for development of the brands. The Group's Management has thus defined 7 key business disciplines which play a central role in order to achieve success in the sports and fashion industries; wholesale, retail/franchise, e-commerce, distant markets, collection development, sourcing, brand building and marketing.

The Executive Management has in cooperation with the 11 brands developed business models, frames and principles which define go-to-market strategies and best practice processes within each of these seven business disciplines.

This also involves clear and well-documented structures and processes for implementing, innovating and sharing this knowledge.

IC Companys' mission is to use this knowledge to build successful brands by uniting business expertise with creativity and innovation. Active ownership and development of our brand portfolio constitute a central part of IC Companys' multi-brand strategy.

The target of the portfolio strategy, which is currently being updated, is eventually to create value for the shareholders of the Company. The key factor is that each brand is added value by being a part of IC Companys'

portfolio. In other words, all brands must contribute to the Group's total growth and earnings in order to be a part of the Group's portfolio.

The portfolio strategy identifies the market segments where the Group holds the largest potential. Furthermore, the portfolio strategy defines the framework for when a brand should place focus on earnings through growth and expansion of the activities or when a brand should place focus on earnings from the existing activities.

The portfolio strategy thereby sets the priorities for the efforts being used between and in the Group brands. It is expected that the work with the portfolio strategy will be concluded in 2011 after which the Management will be ready to review the implications on the Group.

An essential prerequisite to the Group's success is the shared service platform which consists of the non-brand specific functions such as; production companies, logistics, shared service center, IT, corporate business development, corporate finance, legal department and HR.

The service platform is mandatory for all brands and provides the brands with a far more efficient and service-minded set-up that they could obtain on their own or source outside the corporation. Efficient refers to a set-up which is flexible and transparent, and consequently offers competitive prices.

As a consequence of the Group's new structure, a new sourcing structure for the Group's has also been implemented. The key element of this new structure is to systematise the Group's sourcing while at the same time adapting it to the efficiency and flexibility required by the new organisational set-up.

The new structure will first and foremost result in a reduction of the number of suppliers which will consequently also lead to a less complex Group sourcing. Management expects that the number of suppliers is reduced by 20-25% within the next 12 months and subsequently even further.

Secondly, the new structure will result in increased trade with specific suppliers which is consequently expected to lead to improved sourcing prices as well as supply stability for the Group.

In the third place, more strict requirements imposed on IC Companies' suppliers will result in only the best and most responsible suppliers and thereby better compliance control of the Group's business and ethical standards.

In the fourth place, increased focus on the co-operation within key categories between brands is created. IC Companies will place emphasis on enhanced co-operation between brands within the largest categories where deemed expedient.

Finally, a new structure will also result in a strategic approach to the Group's long-term geographical presence on the global sourcing markets.

Scalability of the Group's sourcing and service platform as a whole generates significant gearing and provides the brands with the ability to focus on their core business - achieving sales growth.

During the financial year 2010/11 IC Companies acquired 49% of the shares in By Malene Birger A/S which holds a large international potential. Even though the brand has won a number of fashion awards, the brand strength is, however, best illustrated by the example of the British princess wearing a dress from By Malene Birger and thereby disregarding social conventions. Subsequently, the brand's web page almost crashed due to the massive demand for this dress.

It is the Management's responsibility to ensure that the Group capitalises in the best possible way on the attractive position which By Malene Birger holds through its affordable luxury. Management is confident that they will succeed in achieving this.

Another brand which deserves being mentioned is InWear which has experienced a remarkable comeback.

The Management is very pleased that InWear was awarded the prize Guldknappen as it underpins the trend seen in the sales figures. InWear has succeeded in turning the trend of setbacks into growth and thereby generated sound earnings. The brand has generated notable growth rates by focusing on the product and working stringently in accordance with the Group's principles.

The committee stated the reason for awarding the prize to InWear as; "Lene Borggaard has succeeded in renewing the well-established brand with respect for the original values". This is in line with how IC Companies works

with all its brands. Brands should seek innovation, however, it is important to understand and respect the DNA of each individual brand. All brands are different and should therefore also work in different directions.

During the summer the issue of corporate social responsibility has been debated much in the media and IC Companys has also been in focus. Since the findings of too high levels of chemical residues in some of IC Companys' products, the Company has reviewed all relevant procedures to ensure that such incidents will not occur again.

The number of tests will be increased in such a way that those products with a potential risk of too high levels of chemical residues will be tested. Furthermore, spot tests will be conducted on the remaining products.

The tests will be transferred to the production countries meaning that the products will never reach the consumers should findings indicate chemical residues above the permitted values. Until the new procedures have been implemented in, e.g., India or China, the test products will be transported to Denmark by plane in order to have the tests performed before the product lines leave the production countries.

New strict requirements on IC Companys' suppliers will be enforced. As mentioned earlier, the sourcing project will lead to the number of suppliers being reduced resulting in IC Companys working with only the best and most responsible suppliers. This means that we will have a close relationship with few, large suppliers, thereby enhancing even better quality assurance.

IC Companys finds it very important that its products are both safe and of high quality. The Company has therefore also expanded its CSR function. The Company can of course not guarantee that no errors may occur, however, it can guarantee that it works intensively to reduce the number of errors.

Niels Mikkelsen hereby concluded his report.

The Chairman of the meeting then inquired whether the Annual General Meeting had any comments to the audited Annual Report and the presentation of the Annual Report.

Jacob Johansen ("JJ") from ATP wished to take the floor:

JJ congratulated IC Companys on its good performance for 2010/11.

JJ furthermore concluded that IC Companys is heading in the right direction and there is every reason to have optimistic expectations for IC Companys' future results.

Finally, JJ raised the following questions to the Management:

- 1) In connection with the announcement of the Annual Report 2010/11 the outlook for the financial year 2011/12 was adjusted, which was understandable, however, the global financial crisis has worsened since then and IC Companys has historically been affected severely in times of macroeconomic difficulties. What pose the largest risks in respect of fulfilling the outlook for the financial year 2011/12?
- 2) When is IC Companys ready to announce a long-term strategy?

Niels Mikkelsen answered the questions.

Re. question 1)

Niels Mikkelsen explained that the largest challenges are linked to the general financial situation which the world economy is experiencing at the moment.

In return, the implementation of the new organisational structure will lead to a significant increase in respect to the Group's flexibility and transparency which makes it possible to react more swiftly to external factors and thereby continuously adapt the operations of IC Companys to the changed conditions.

Re. question 2)

Niels Mikkelsen explained that the prerequisites for announcing a long-term strategy are not present at the moment which, among other things, is attributable to the uncertain situation of the world economy.

Jacob Johansen had no further questions.

Then Christian Reinholdt ("CR") from Smallcap Danmark wished to take the floor:

CR expressed great satisfaction with the fact that IC Company is primarily financed by own capital at present, not least when taking the general world economy into consideration.

CR furthermore expressed great satisfaction in respect to the implementation of the new organisational structure as it will be a good tool for countering those challenges caused by the macroeconomic conditions.

CR had no further remarks.

The Chairman of the meeting then inquired whether anyone else would like to take the floor which was not the case.

The Chairman of the Board hereby ascertained that the Annual Report had been presented and that the Annual Report had been adopted unanimously.

Re Agenda item 3. Appropriation of the profits, including the declaration of dividends, or provision for losses as recorded in the adopted Annual Report.

It was proposed that the profit for the year of the Parent Company was distributed as follows:

Proposed dividend (DKK million)	73.8
Retained earnings (DKK million)	<u>257.8</u>
Profit for the year (DKK million)	<u>331.6</u>

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

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

It was proposed to re-elect the existing Board of Directors.

Niels Martinsen presented the individual Board Members' professional qualifications and experiences.

The Chairman of the meeting called for other candidates from the floor. No request was made.

The Chairman of the meeting then ascertained that the existing Board of Directors was unanimously re-elected.

The Board of Directors is then composed of the following members elected at the Annual General Meeting:

- Niels Martinsen
- Henrik Heideby
- Ole Wengel
- Per Bank
- Annette Brøndholt
- Anders Colding Friis

Re Agenda item 5. Approval of remuneration of the Board of Directors for the current year

It was proposed that the remuneration to the Board of Directors for the current financial year constitutes DKK 2,885,000 of which DKK 375,000 constitutes separate remuneration to the Audit Committee and DKK 185,000 constitutes separate remuneration to the Remuneration Committee.

The proposed remuneration is increased by DKK 738,000 compared to the remuneration paid to the Board of Directors for the financial year 2010/11 which is attributable to increased committee work, enlargement of the Board of Directors as well as adjustment of board fees for the individual members. Last time the board fees were adjusted was in 2008.

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

Re. Agenda item 6. Appointment of auditors

It was proposed to re-elect Deloitte Statsautoriseret Revisionsaktieselskab as auditor.

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 unanimously.

Re Agenda item 7. Authority to the Board of Directors to acquire own shares

It was proposed that the Board of Directors should be authorised 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 wanted to take the floor, the Chairman of the meeting ascertained that the proposal was adopted unanimously.

Re. Agenda item 8. Any other business

There were no other proposals to be dealt with.

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

The Annual General Meeting was adjourned.

Chairman of the meeting:

Jørgen Kjergaard Madsen