

19 January 2017

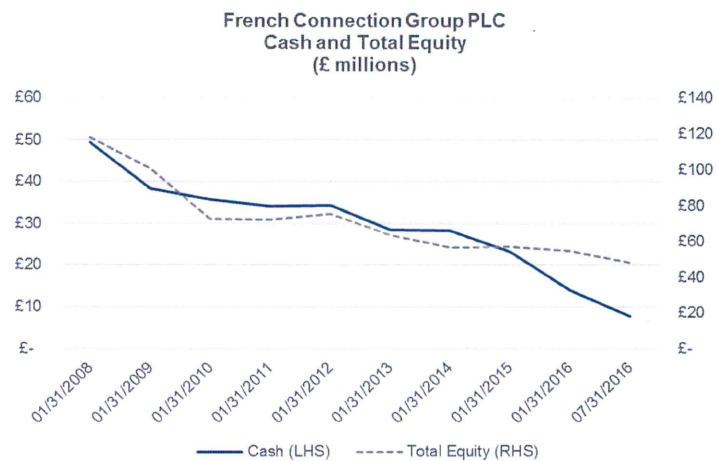
The Board of Directors
French Connection Group PLC
Centro 1
39 Camden Street
London NW1 0DX

Dear Sirs

Together, as of today, we control approximately 15% of the ordinary shares of French Connection Group PLC ("French Connection" or the "Company"). We write solely in our capacities as shareholders in the Company.

This communication follows on from multiple letters we have individually sent the Company's Board of Directors ("you" or the "Board"), requesting you take measures to accelerate the turnaround plan and enhance corporate governance with the aim of increasing French Connection's share price.

Unfortunately, you have largely ignored our requests, carrying on as if the Company were achieving its targets. We are deeply concerned about the Company's utter lack of progress on improving its operating performance. Since 2008 the Company's cash reserves and total equity have declined precipitously as seen in the chart below.



Source: Bloomberg

Unless decisive action is taken immediately, we believe the Company could approach a zero or even negative cash balance by this summer – and will be forced to sell some of its most valuable assets such as the lease on its flagship store on Oxford Street in London.

Time is not on our side, and it has become obvious that the current Board is not fit for task. As such we demand the following two changes to be made as soon as possible.

- Replace Two Non-Executive Directors.** Christos Angelides, former Group Product Director at Next and former President of Abercrombie & Fitch, who joined the Board in March 2016, should be appointed to lead a process to identify two candidates to replace Dean Murray and Claire Kent. Mr Murray and Ms Kent have been on the Board since 2008 and have overseen a tremendous decline in value of the

Company during their time as directors. Furthermore, as they complete their ninth year on the Board they will be losing their status as independent directors as defined by The UK Corporate Governance Code. It is clearly time for both to step down.

- 2. Split the Chairman and CEO Roles.** Stephen Marks serves as both Chairman and CEO, which is not acceptable for modern-day governance practices. In fact, the UK Corporate Governance Code clearly states that “[t]he roles of chairman and chief executive should not be exercised by the same individual.” While we appreciate the role Mr Marks has played in developing a globally recognised brand, we have not heard any good reasons as to why he should continue to serve as both Chairman and CEO. The fact that Mr Murray and Ms Kent have allowed him to hold both roles for so long only further demonstrates their lack of independence.

To be clear, at this stage we are not seeking any seats for ourselves on the Board, nor are we looking to influence who would be nominated to the Board. We simply want an experienced set of directors who can act independently in the interest of all shareholders – not just the founder. We demand the Board move immediately to implement these governance changes and would like to see announcements indicating progress on this in the coming months.

As an alternative, we would welcome the Board to engage an investment bank to run a sale process and seek the highest possible bidder for the Company. Such a process should be announced publicly and run in a transparent manner with appropriate input from the largest shareholders.

We hope you accept all our points above with the understanding that we share a common purpose with the Board – to rejuvenate a fantastic brand and to achieve maximum value for all shareholders.

Thank you for your time and consideration.

Sincerely



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Liad Meidar
Managing Partner
Gatemoore Capital Management LLP



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Ole T. Krogsgaard
President & CEO
OTK Holding A/S



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Ib Sønderby
CEO
Zoar Invest Aps