



January 14, 2015

Naked's CEO, Carole Hochman, issues New Years Letter To Shareholders

Naked Brand Group, Inc. (OTCQB:NAKD) ("Naked" or "the Company") provides a personal review of the past six-months and a look at what is to come in 2015 to its shareholders from Chief Executive & Creative Officer Carole Hochman.

Dear Shareholders,

The past six months have been thrilling for me and the Naked team as we have focused on new products, new branding and new opportunities! We are intent on making Naked a global lifestyle brand for both men and women who desire to be free, comfortable and unencumbered to fully realize their best self. As many of you know, we announced Naked's new logo and brand identity in November with highly positive feedback. This exciting new visual identity coupled with the innovative marketing campaigns we will launch in 2015 will be key components of taking Naked to the next level, driving the success of our retail partners, and ensuring that Naked speaks to our customers' lifestyle needs. With this dynamic foundation in place, I am truly excited about what we can accomplish in 2015 and wanted to share some of the important milestones we have already achieved and plan to achieve in the year ahead.

NEW, EXPANDED MEN'S COLLECTION WITH OPTIMIZED PRICING

One of our major announcements in late 2014 was the launch of our new men's collection (the Fall 2015 collection). This cutting edge collection, which includes cotton and cotton blend fabrics and a greatly expanded array of underwear, loungewear, and sleepwear styles, marks a major milestone in Naked's strategic launch and product offerings. Premium fabrics, newly tailored designs, and additional product groupings are all part of the launch for Naked's men's collection in 2015. Moreover, our new men's collection showcases Naked's new visual identity in all of its products, packaging, and hangtags. Under the direction of Carlos Serra, VP of Sales & Merchandising, we are delighted that we will be able to deliver all of these extraordinary new products at affordable, premium price points. For underwear, we have brought our price range down to \$28 to \$38 per pair of underwear, including our first ever two-pack offerings at \$40. Our key retail partners and we believe this price range will make our products even more appealing and accessible by a larger consumer audience.

WOMEN'S COLLECTIONS READY TO BRING TO MARKET IN FIRST HALF OF 2015

In my first letter to shareholders, I mentioned our commitment to growing Naked from a men's underwear brand into a global lifestyle brand. The first major step in that journey is expanding into women's apparel and I am delighted to report that we made tremendous progress during 2014 in developing Naked's first collections for women. These new collections encompass sleepwear, loungewear and intimate apparel that leverage and express the power and promise of our brand, building on the strong foundation of our men's products. Naked's women's products, the design and development of which I am personally driving, are being specifically crafted for today's empowered woman. She is active, she is confident and she wants to look and feel great without sacrificing comfort and performance. We can't wait to share these designs with new customers and have already begun discussions with major retailers



about these lines. We look forward to formally announcing the launch of our women's collections in market in the coming months.

NEW SOURCING, MANUFACTURING & SOFTWARE

Powerful new sourcing and manufacturing relationships have given us the ability to bring our men's underwear price range down while maintaining our margins and improving the quality and consistency of our products. I have personally visited our new partners' overseas facilities to work with their teams on product development for both our men's and women's collections. These facilities and the products they are producing for us are best in class.

Lead by our CFO & COO, Michael Flanagan, we have chosen RLM, a leading developer of software designed to address the needs of global fashion brands by streamlining process from concept-to-design-to-manufacture-to-distribution-to consumer cycle, as our apparel software partner.

INNOVATIVE MARKETING CAMPAIGNS

Throughout 2015, we will launch a series of integrated marketing campaigns for traditional and digital platforms. These campaigns will be built on the strong, creative and innovative brand promises expressed in our new logo and brand visual identity as well as the concepts and themes built into our new men's collection packaging such as our "Naked Truths." These campaigns have been specifically designed to leverage the power of social media to optimize the capital efficiency and yield of our marketing program. Further, they will be executed in collaboration with our retail partners in the USA and Canada to help drive product sell-through in store and online. In addition, we will be launching a fully updated Naked online store at www.TheNakedShop.com in February, which will compliment our new corporate site launched in November (nakedbrands.com).

2015 CONFERENCES & INVESTOR RELATIONS

Throughout 2015, our team will be traveling the country to attend tradeshows, investor meetings, and meet with retailers. Beginning this week, Joel presented Naked at the ICR XChange conference, one of the largest investment conferences of the year, and considered to be the premier investment conference for consumer-oriented growth companies. [A week later], on January 19, we will be attending the Noble Financial Conference, exposing the company to additional investors who seek out emerging growth companies. At the Noble Conference, Naked will produce a fashion show during which Naked will highlight both its men's and women's collections.

SUMMARY

Overall, I am delighted with what we have accomplished during my first six months as CEO and Chief Creative Officer of Naked. Our progress is the result of the hard work and dedication of our amazing team. The excitement at our newly opened showroom in New York grows with each day. The exceptional men's and upcoming women's collections, driven by our remarkable in-house leadership and design team, and supported by our exceptional branding and PR/marketing partners, give us the opportunity to take the Naked brand to the next level in 2015 and beyond. We look forward to sharing



announcements on a regular basis through social media platforms and traditional consumer and business media outlets.

We wish you a very happy and prosperous 2015. Thank you for your support and belief in Naked as we grow bigger, better, and more successful in the years ahead!

Sincerely,

Carole Hochman

CEO & Chief Creative Officer

FORWARD LOOKING STATEMENTS

This letter contains forward-looking statements, which reflect the expectations of management of Naked Brand Group Inc. (the “Company”) with respect to potential future events. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such forward-looking statements include, but are not limited to: (i) statements regarding the Company’s intention to make Naked a global lifestyle brand for both men and women; (ii) statements that the Company’s new visual identity coupled with the innovative marketing campaigns that the Company will launch in 2015 will be key components of taking the Company to the next level; (iii) statements that the Company will launch a series of integrated marketing campaigns for traditional and digital platforms and a fully updated Naked online store; (iv) statements that new sourcing and manufacturing relationships will give Naked the ability to bring down its men’s underwear price range while maintaining or improving margins and maintaining the quality and consistency of its products; (v) statements that the new price points will drive broader adoption by new customers; (vi) statements that in the coming months, Naked plans to announce the launch of its women’s collection; (vii) statements regarding attendance at tradeshow, investor meetings and meetings with retailers; and (viii) statements that the men’s and women’s collections will take Naked to the next level in 2015 and beyond. These forward-looking statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. Actual results and the timing of events could differ materially from those anticipated in the forward-looking statements as a result of such risks and uncertainties, which include, without limitation: the continued service of the Company’s senior management; failure by third parties used for our manufacturing, inventory management and shipping; that an economic downturn or economic uncertainty in the Company’s key markets will negatively affect consumer discretionary spending and demand for our products; the Company’s inability to effectively manage the growth and the increased complexity of its business; the Company’s highly competitive market and increasing competition in the market; the Company’s inability to deliver its products to the market and to meet customer expectations; the Company’s inability to anticipate consumer preferences and successfully develop and introduce new, innovative and updated products; the Company’s failure to maintain the value and reputation of its brand; the Company’s failure to raise the capital necessary to carry out its business plan and operations; and other risk factors detailed in the Company’s reports filed with the Securities and Exchange Commission



and available at www.sec.gov. These forward-looking statements are made as of the date of this news release, and the Company disclaims any intent or obligation to update the forward-looking statements, or to update the reasons why actual results, performance or developments could differ from those anticipated in the forward-looking statements, except as required by applicable law, including the securities laws of the United States. Although the Company believes that any beliefs, plans, expectations and intentions contained in this letter are reasonable, there can be no assurance that any such beliefs, plans, expectations or intentions will prove to be accurate.

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