

January 21, 2014



Naked CEO Provides Update to Shareholders

Focus on Providing Shareholder Value

VANCOUVER, BRITISH COLUMBIA -- (Marketwired) -- 01/21/14 -- Naked® Brand Group Inc. ("Naked" or the "Company") (OTCQB: NAKD), a global lifestyle brand, is pleased to provide the following message to shareholders:

I am proud to share some of the company's highlights for the past year. In 2013 Naked put in place both a strategic and equity financing to meet our vastly growing inventory demands and we have now reached full inventory capacity. Over and above this main objective, our team did a tremendous job further establishing the Naked brand throughout North America.

The points below highlight some of our most significant achievements and more importantly, the realization of many of our internal goals and objectives.

- Naked realized 174% increase in total sales, as well as a 174% increase in online sales, up to the end of our third fiscal quarter, year-over-year. We have continued to see an increase in online traffic through our fourth quarter as a result of website upgrades and online promotion, which to date has resulted in a 64% increase in online sales from our third to fourth quarter.
- We came to market with two new game changing products with Naked Silver and Naked Tencel in addition to a beautiful Pima cotton T-Shirt line.
- We successfully launched our entry level price point product, NKD, with Toronto and Montreal based department store HR2. To date, we have realized over \$50,000 in revenues from this product line, which includes undergarments, t-shirts and more recently, loungewear. The collection is now carried in select boutiques and ecommerce stores across North America and the company continues to work on new opportunities for the NKD line.
- We established an independent board of directors including capital markets investor relationship specialist Andrew Kaplan and Industry veteran Christopher Heyn, who is the former President of Nautica Sportswear.
- We introduced our Exposed campaign with T.V's Pretty Little Liar's star Tyler Blackburn and TNT's Dallas star Josh Henderson which generated over 1,000,000 unique

impressions.

- We implemented a strategic focus to online accounts and added some top underwear accounts in the United States including, Amazon.com, Huckberry.com, roozt.com, Internationaljock.com, Hisroom.com and boxers.com and have experience exponential growth both in traffic and conversions on our ecommerce site thenakedshop.com. As a result of these efforts, we have seen an increase in online conversion rates from our ecommerce website to an overall average of 1.07 per 100 visitors in our fourth quarter.

When I reflect on how far Naked has come in 18 months, I couldn't be more motivated or optimistic about our growth in 2014. As CEO, my primary responsibility is to deliver shareholder value and to envision the strategic ideas and plan to ensure the ongoing growth and success of Naked. We are excited about the foundation of distribution, product development, key talent and opportunities that we established this year. Our team is committed to bringing more public transparency and information by devoting more resources to investor relations and awareness. We fully expect these efforts, combined with the continued execution of our growth strategy and brand vision, to drive shareholder value and financial growth opportunities.

I would like to thank our investors and shareholders for their patience and continued loyalty to Naked as we build a foundation that will help ensure our long-term and sustained success.

About Naked® Brand Group, Inc.

Naked is one of the world's most luxurious and environmentally conscious underwear brands. Each smooth and lightweight garment seamlessly forms to your body making you feel like you're wearing nothing at all. Naked underwear and undershirts are sold in high-end boutiques department stores and ecommerce sites throughout North America including Nordstrom, Holt Renfrew, Boy's Co, HR2, Hisroom.com, Internationaljock.com, Freshpair.com and Amazon.com. A donation from every purchase helps to support Project World Citizen, a charity driven to empower and educate the children of Ghana. Naked has garnered tremendous media exposure having been featured on The View, Esquire, ABC, FOX LA, WWD, Men's Health, (ET) Canada and on The Dragons' Den.

Forward-Looking Statements

This news release contains "forward-looking statements". Statements in this news release, which are not purely historical, are forward-looking statements and include any statements regarding beliefs, plans, expectations or intentions regarding the future. It is important to note that actual outcomes and the Company's actual results could differ materially from those in such forward-looking statements. Actual results could differ from those projected in any forward-looking statements due to numerous factors. Such factors include, among others: (1) an economic downturn or economic uncertainty in the Company's key markets; (2) the Company's inability to timely develop and deliver its new product line to the market and to meet customer expectations due to unforeseen problems or delays with the design, development, manufacturing and distribution system; (3) the Company's inability to effectively manage the growth and the increased complexity of its business as a result of the launch of a new product line; (4) the company's highly competitive market including

increasing price competition and other business and competitive factors; (5) the Company's failure to maintain the value and reputation of its brand; (6) the Company's ability to retain the employees necessary to design and development its products; (7) the ability of the Company to control costs operating, general administrative and other expenses; (9) insufficient investor interest in the Company's securities which may impact on the Company's ability to raise additional financing as required and (10) and other risk factors detailed in the Company's public filings. You are urged to consider these factors carefully in evaluating the forward-looking statements contained herein and are cautioned not to place undue reliance on such forward-looking statements, which are qualified in their entirety by these cautionary statements. The forward-looking statements made herein speak only as of the date of this press release and, except as required by applicable laws, the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances. Readers should also refer to the risk disclosures outlined in the Company's quarterly reports on Form 10-Q, annual reports on Form 10-K and the Company's other disclosure documents filed from time-to-time with the Securities and Exchange Commission at www.sec.gov and the Company's interim and annual filings and other disclosure documents filed from time-to-time on SEDAR at www.sedar.com.

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