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Investors Need to Get NAKED(R)

NAKED Restructures With \$7m Cash, Best in Class Management and Global Growth Plans

VANCOUVER, British Columbia, July 10, 2014 (GLOBE NEWSWIRE) -- A few years ago investors were reading articles about upstart, non-traditional apparel stocks such as True Religion or Lululemon. At the time, they might only have considered that these now lifestyle and fashion icons were merely unique. In reality, that uniqueness quickly translated into spectacular investments. True Religion, which traded at \$2 a share in 2005, was taken private in 2013 for \$32 a share or \$830 million. In 2009, Lululemon could have been purchased at roughly the \$3.50 level. Today it is more than \$40 a share with a \$6.2 billion market cap. Fashion is hot. To this day, these two companies pretty much dominate the jean and yogawear markets respectively.

So what category—or company—is next? Let's talk innerwear and intimate apparel.

Men and women's briefs make up 33% of the global \$70 billion intimate apparel industry. As with other apparel, the key to success is lifestyle branding and quality. The key 25-45 year old professional/affluent, male/female demographic want to look and feel good and will pay a premium for high quality products that utilize ethical manufacturing. As well, once embraced loyalty to a brand is extremely high both to current products and as first adopters of new branded offerings. One word: Apple.

[NAKED Brand Group](#) (OTCQB:NAKD) is rapidly emerging as the next major innerwear and intimate apparel brand. Conceived by Founder & President Joel Primus to revolutionize the inner and lounge wear market, NAKED has recently made transformational moves that will undoubtedly drive the Company to fulfill and exceed his vision.

"The brand's goal is to create a new standard for how apparel products worn close to the skin fit, feel and function," stated Primus in an exclusive interview with [Financial Press](#). "Key product attributes include seamless construction, lightweight fabrics, memory-stretch, moisture-wicking characteristics, 'wearing nothing at all' comfort, and fashion-forward, luxurious design."

In June, NAKED installed a powerhouse core management team around fashion visionary and intimate apparel icon Carole Hochman as CEO and Chief Creative Officer. Alongside Hochman are two proven men's apparel executives: Mike Flanagan, CFO/COO and Carlos Serra, VP of Sales & Merchandising (full bios follow). Having successfully

completed an oversubscribed \$7.3 million financing, a greatly enhanced NAKED is now on the runway to rapidly expand current and new product offerings both in North America and worldwide; never losing sight of the importance of quality and fit.

Primus notes: "The NAKED microfiber has bluesign® certification, which is one of the highest environmental standards in the textile industry. The quality of our NAKED fabrics won't be like anything consumers have ever felt before."

Carole Hochman is a key component to NAKED's enormous growth potential. A renowned designer and sleepwear pioneer, she is considered one of the single most influential women in the intimate apparel and sleepwear business in the United States. Carole has been creating intimate apparel for over 30 years. She was the driving force behind the Carole Hochman Design Group, which, under her leadership, manufactured the Carole Hochman brand of sleepwear, loungewear and daywear. Hochman also developed numerous global sleepwear collections including Christian Dior, Oscar de la Renta, Ralph Lauren, Jockey, Donna Karan, Tommy Bahama and Betsey Johnson.

"When I first heard of NAKED and saw what Joel had done in a very short time, the value and potential of the brand became extremely clear to me," stated Ms. Hochman who is widely considered an expert in translating brand identity into global intimate apparel businesses. She has an innate ability to identify opportunities, trends and forecast successful endeavors that the rest of the industry quickly follows. "The brand name lends itself to the creation of something dynamic and extraordinary, not only in the intimates industry, but beyond. NAKED can be translated into all products that touch your skin and interact with your body. The massive market of modern consumers looking for luxury brands that deliver exceptional comfort that speaks to their individuality is a perfect fit for NAKED. I look forward to being part of the burgeoning phenomenon that is NAKED."

Along with Carole Hochman, NAKED recently secured:

Michael Flanagan, Naked's new Chief Operating Officer and Chief Financial Officer brings more than 30 years of successful apparel experience in both finance and operations. Michael spent 13 years at Brooks Brothers Inc. serving as CFO and as Senior Vice President of Finance and Logistics where he helped grow the Company from less than \$200 million in sales to over \$650 million. In 2001, as CFO, Michael partnered with Morgan Stanley and helped lead the team, selling Brooks Brothers to Retail Brand Alliance in 2002. From 2003 to 2009, Michael served as the COO/CFO of luxury brand Nat Nast Inc., after which he became COO/CFO of Summit Golf Brands until 2013.

Carlos Serra, Naked's incoming Vice President of Sales and Merchandising is a senior sales, merchandising and marketing executive with over 18 years of experience in the intimate apparel industry. As Vice President, Sales & Marketing, Intimate Apparel & Sleepwear for Giorgio Armani from 2007 to 2013, Carlos was instrumental in the global launch of Emporio Armani men's underwear featuring David Beckham. Carlos is excited to be joining the Naked Brand Group and applying his knowledge and experience in building new businesses for both Naked and its strategic partners.

NAKED plans to expand into new product divisions beginning with women's intimate apparel, loungewear and sleepwear in Spring 2015 with men and women's offerings in

active and swim wear and possibly hosiery to follow later that year. The Company also intends to expand its growth in apparel as well as other categories such as Home and Fragrance.

While revenue growth includes securing more high-end and premium bricks and mortar sales, such as current customers Nordstrom's, Holt Renfrew and Hudson Bay, NAKED is also focused on rapidly increasing direct online sales. An aggressive social media branding campaign will drive significant and growing traffic to www.theNAKEDshop.com.

The Company has already seen exceptional online activity and rapid growth with 20,000 plus unique visitors converting into a 175% increase in online sales since launch. Over 2013, Primus saw the company grow by 64% and booked revenues of more than \$700k.

What should be compelling to investors is the unique mix of NAKED's proprietary and high quality products, exceptional growth prospects and the peerless management team.

NAKED trades at \$0.14 with a market cap of \$5.1 million.

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