

Van de Velde

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VAN DE VELDE CONCLUDES JOINT VENTURE WITH GETZ TO JOINTLY RUN RETAIL OUTLETS IN HONG KONG AND CHINA

Van de Velde and Getz Bros. (Hong Kong) Ltd. ('Getz') have entered into a business agreement (Joint Venture) to run and further develop Private Shop. Van de Velde and Getz will each own 50% of the newly established Joint Venture (Private Shop Ltd.).

Private Shop is the leading multi-brand lingerie retail chain in Hong Kong and the People's Republic of China ('PRC'), offering premium and fashionable European and American brands, with an expected turnover for 2011 of about US\$ 8m. Private Shop has been active in lingerie retail in Hong Kong for 16 years and in PRC for 5 years. It operates 11 retail outlets in Hong Kong and 11 in PRC.

The strategic intent is to expand the business across Hong Kong, Macau and PRC, with a clear positioning on 'Lingerie Styling' while maintaining a multi-brand offering. 'Lingerie Styling' is a retail concept of Van de Velde that provides quality advice and service in the fitting room. The Van de Velde brands will be launched in Hong Kong, Macau and PRC through the Private Shop retail network.

Daily management of the Joint Venture will be carried out by Getz, which holds the majority in the Board of Directors of the Joint Venture. The strategic route and the market shares of Van de Velde brands have been clearly agreed.

The total investment for Van de Velde is around US\$ 7,5m based on certain milestone criteria being achieved, for which Van de Velde obtains 50% of the Joint Venture, a number of intangible assets and a distribution agreement for its brands in the Joint Venture. The Joint Venture will be operational as from early January 2012.

Ignace Van Doorselaere, CEO of Van de Velde states: "We have a lot of respect for what Private Shop has achieved in the last 16 years and are proud to be part of this venture. This is an important step for our group. We believe Chinese women are entitled to the fitting room concept as we develop it throughout the USA, the UK and in continental Europe. It might take some time to firmly establish the concept, but we are very convinced about its long term success".

Stephen Lee, Managing Director of Getz Hong Kong: "We see tremendous opportunities in China in the premium lingerie segment, which is fairly undeveloped at this stage. We believe this partnership will further strengthen Private shop's focus on customer service and allow us to truly establish a unique market proposition for Chinese women. Furthermore, the introduction of Van de Velde brands to our network will further improve and extend the quality product offering of European and American brands."

MARIE JO
—HAUTE LINGERIE—

ANDRES SARDA

PRIMA DONNA
1865

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Getz Bros. (Hong Kong) Ltd. is a member of the Getz group, which is a US group running diversified operations in international trading, marketing and manufacturing, primarily focused in Asia.

Van de Velde NV is a leading player in the luxury and fashionable women's lingerie sector. Van de Velde is convinced of a long-term strategy based on expanding and developing brands around the Lingerie Styling concept (fit, style and fashion), especially in Europe and North America.

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