



RESPECT YOUR  
UNIVERSE

## TAILORED INNOVATION FOR THE URBAN ATHLETE

A preliminary prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick and Nova Scotia. A copy of the preliminary prospectus, and any amendment, is required to be delivered with this document. The preliminary prospectus is still subject to completion. There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final prospectus has been issued. This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the preliminary prospectus, the final prospectus and any amendment for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

There is no minimum amount of funds that must be raised under the offering. This means that the corporation could complete the Offering after raising only a small proportion of the offering amount set out above. An investment in the securities offered by the preliminary prospectus is highly speculative and involves a high degree of risk. See "Risk Factors" and "Cautionary Note Regarding Forward-Looking Information" in the preliminary prospectus for a discussion of factors that should be considered by prospective investors and their advisors in assessing the appropriateness of an investment in the securities.

May 24, 2017

# INTRODUCTORY NOTES AND FORWARD-LOOKING INFORMATION

---

Units of RYU Apparel Inc. (the “Corporation”) will be offered for sale on a commercially reasonable efforts basis under the preliminary prospectus (the “Offering”).

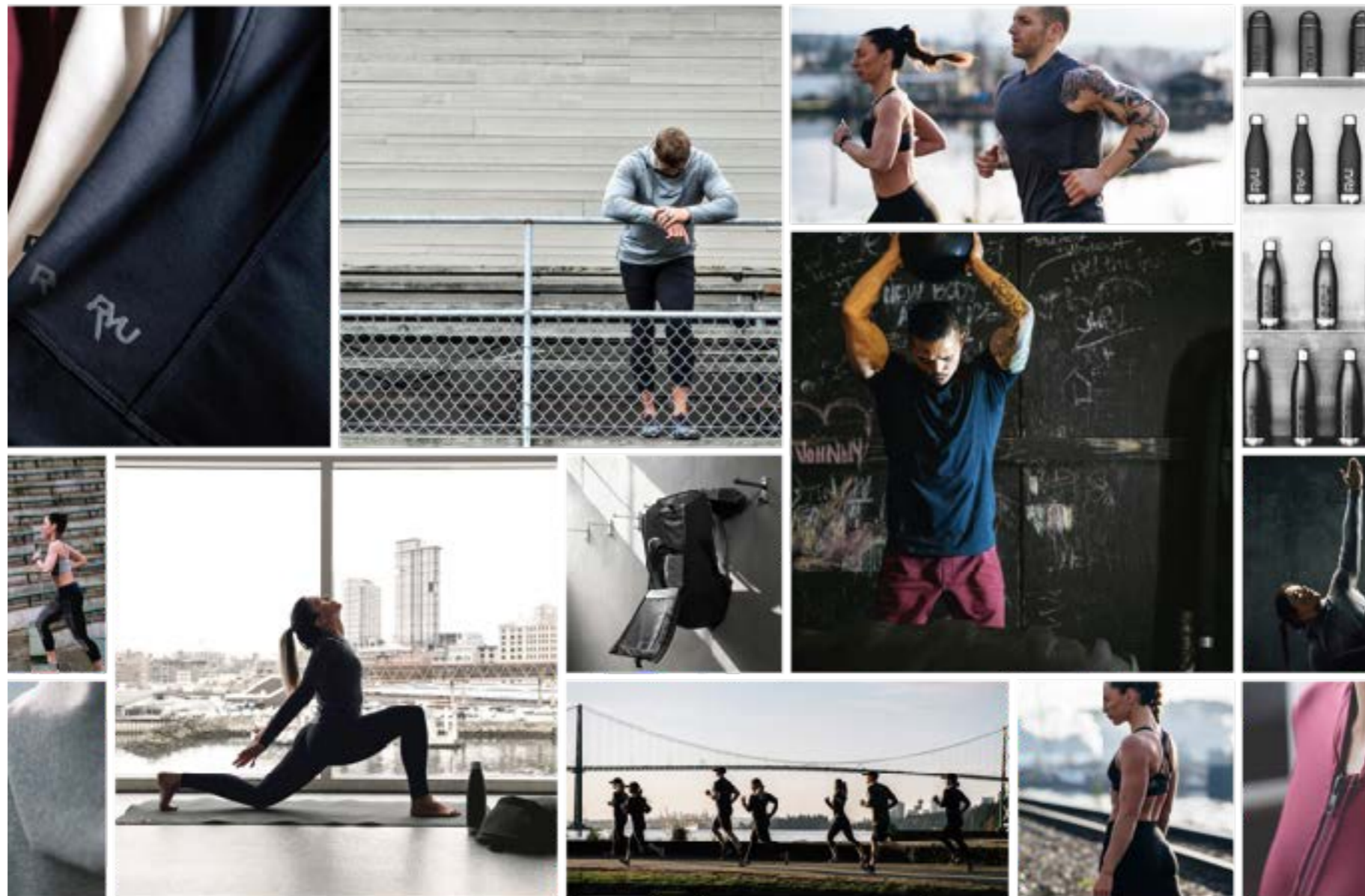
This presentation contain “forward-looking information” within the meaning of applicable securities laws, which includes, but are not limited to, statements with respect to the planned opening of the Corporation’s retail stores. Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “may”, “could”, “would”, “might”, “expects”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, “believes”, “guidance” or variations of such words and phrases. While the Corporation has based this forward-looking information on its expectations about future events as at the date that such information was prepared, the information is not a guarantee of the Corporation’s future performance and is subject to risks, uncertainties, assumptions and other factors which could cause actual results to differ materially from future results expressed or implied by such forward-looking information. The material assumptions supporting such forward-looking information include, among other things the Corporation’s ability to:

- obtain any necessary financing on acceptable terms;
- keep pace with changes in consumer demands;
- compete with other athletic apparel brands;
- rely on third party manufacturers;
- manage expansion effectively;
- enforce its intellectual property rights;
- launch additional product lines;
- retain its skilled personnel;
- manage current tax and regulatory regimes;
- manage the fluctuation in foreign currency exchange rates and interest rates; and
- follow general economic and financial market conditions.

These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks set out under the heading “Risk Factors” in the preliminary prospectus and other documents incorporated by reference therein, which may cause the Corporation’s actual results, levels of activity or performance to be materially different from any future results, levels of activity or performance expressed or implied by such forward-looking information. Further, although the Corporation has attempted to identify factors that could cause actual actions, events or results to differ materially from those described in such forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Subject to applicable securities laws, the Corporation undertakes no obligation to publicly update, reissue or revise any forward-looking information, whether as a result of new information, future events or otherwise. As there can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information, readers should not place undue reliance on forward-looking information. All forward-looking information in this presentation is qualified by this cautionary statement.

# WHAT IS RYU?

**RESPECT YOUR UNIVERSE** is the world's first tailored, urban athletic training brand engineered for the fitness, training and performance of the multi-discipline athlete.



# HIGHLIGHTS

---



## 2014

- DECEMBER - RYU APPAREL INC. IS BORN
- DECEMBER - NEW LEADERSHIP TEAM IS ASSEMBLED
- DECEMBER - RYU RE-BRANDING BEGINS

## 2015

- JANUARY - NEW VANCOUVER HEADQUARTERS OPENS
- NOVEMBER - FLAGSHIP STORE OPENS IN KITSILANO
- DECEMBER - ONLINE STORE OPENS
- DECEMBER - NEW RYU SALES FOR 2015: TOTAL \$245K

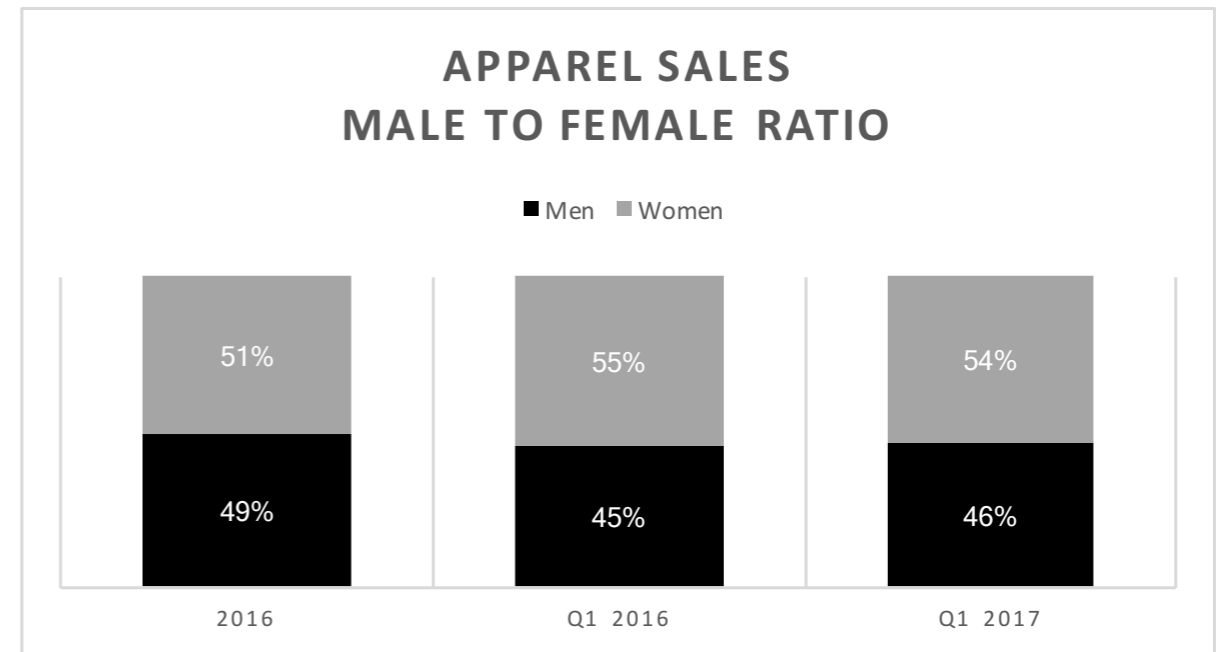
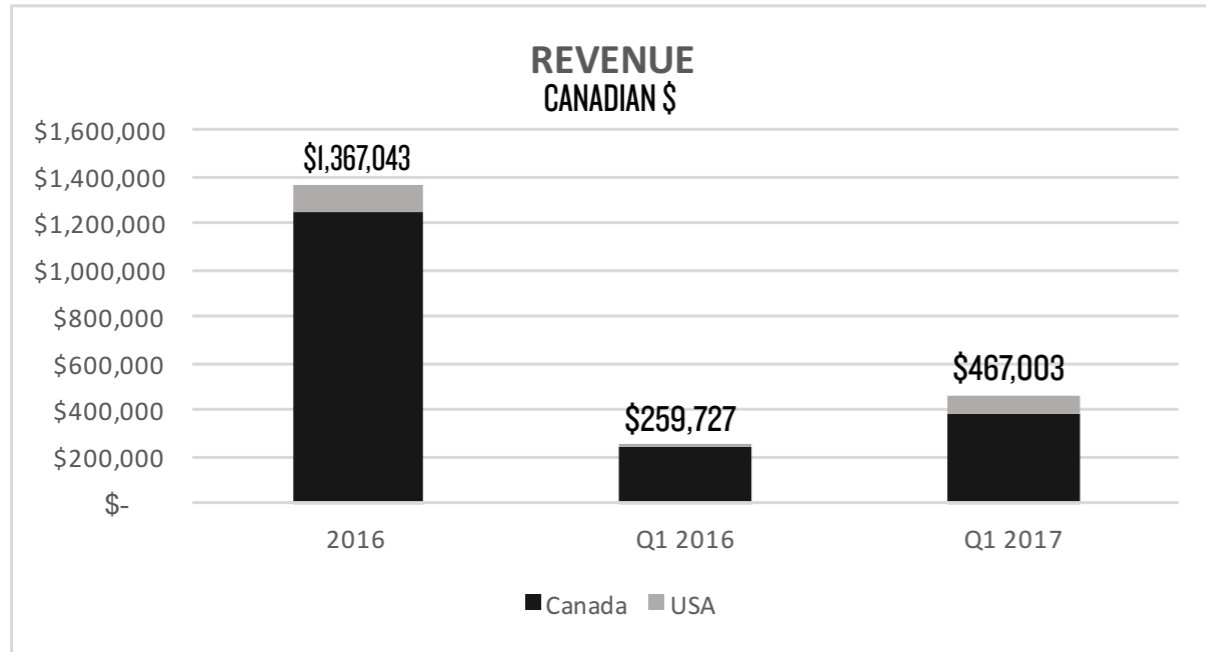
## 2016

- MAY - FLAGSHIP STORE WINS WGSN FUTURES AWARD FOR BEST STORE
- NOVEMBER - SECOND LOCATION OPENS IN DOWNTOWN VANCOUVER
- DECEMBER - RYU REVENUE FOR THE YEAR: \$1,367K

## 2017

- MARCH - THIRD LOCATION OPENS IN PARK ROYAL SOUTH
- MARCH - FIRST QUARTER REVENUE \$467K

# FINANCIAL HIGHLIGHTS



	F 2016	Q1 2016	Q1 2017
<b>Gross Profit</b>	46%	52%	47%
<b>% Online</b>	20%	13%	16%

# RETAIL STORES

RETAIL STORE EXPANSION PLAN	SQUARE FOOTAGE	OPENING DATE
-----------------------------	----------------	--------------

**EXISTING STORES**

Vancouver - West 4th Avenue (Flagship)	3,200	November 2015
Vancouver - Robson & Thurlow	1,100	November 2016
Vancouver - Park Royal South	3,957	March 2017

**NEW STORES UNDER CONSTRUCTION**

Vancouver - Metrotown Mall	2,002	Q3 2017*
Toronto - Queen Street West	2,220	Q3 2017*

# RETAIL STORES



**RYU Flagship**  
Kitsilano, Vancouver  
Opened November 2015



**Park Royal**  
South West Vancouver  
Opened Q1 2017



**Thurlow + Robson**  
Downtown Vancouver  
Opened November 2016

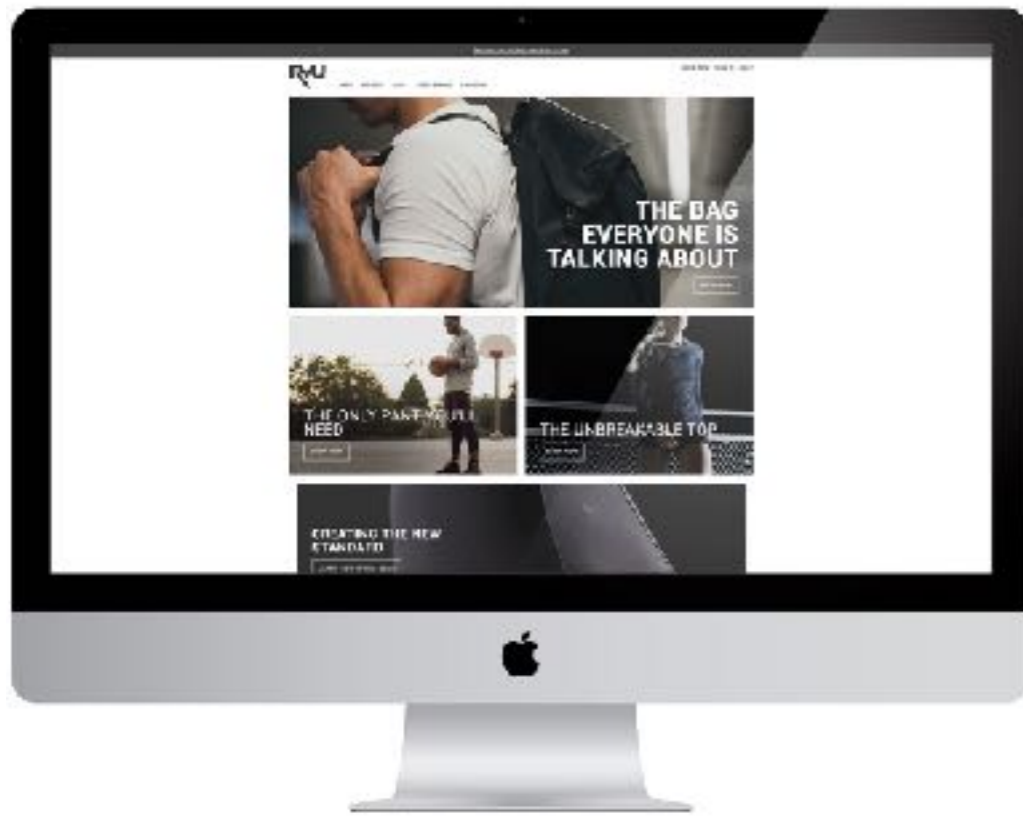


**Queen Street West**  
Toronto  
Opening Q3 2017\*



**Metrotown**  
Burnaby  
Opening Q3 2017\*

# eCOMMERCE



**ONLINE STORE**  
RYU is an omni-channel retailer of apparel, bags and accessories for men and women.

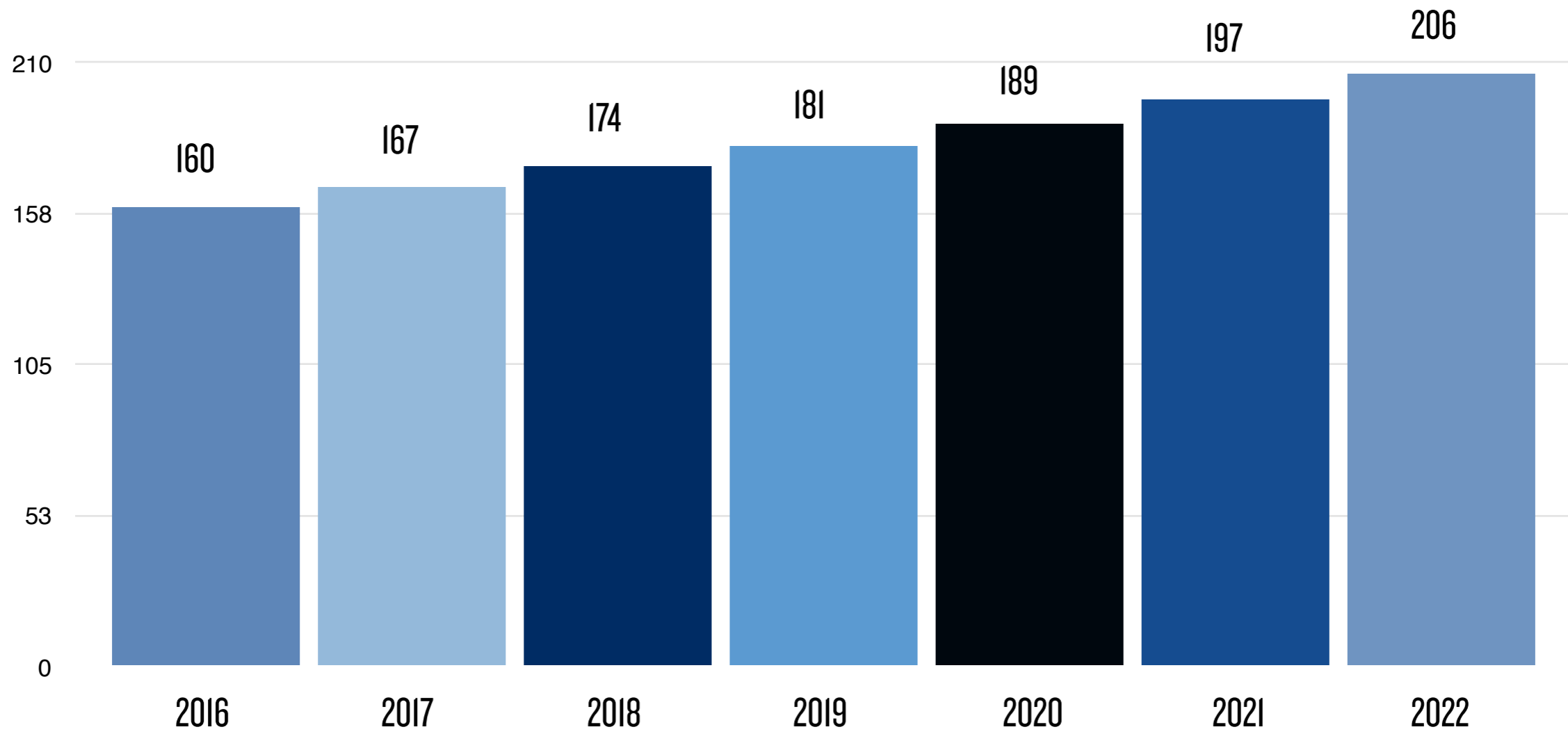


## E-NEWSLETTERS



# THE RAPIDLY INCREASING ATHLETIC APPAREL CATEGORY

Projected development of the global sports apparel market from 2016 to 2022 (in billion US dollars)



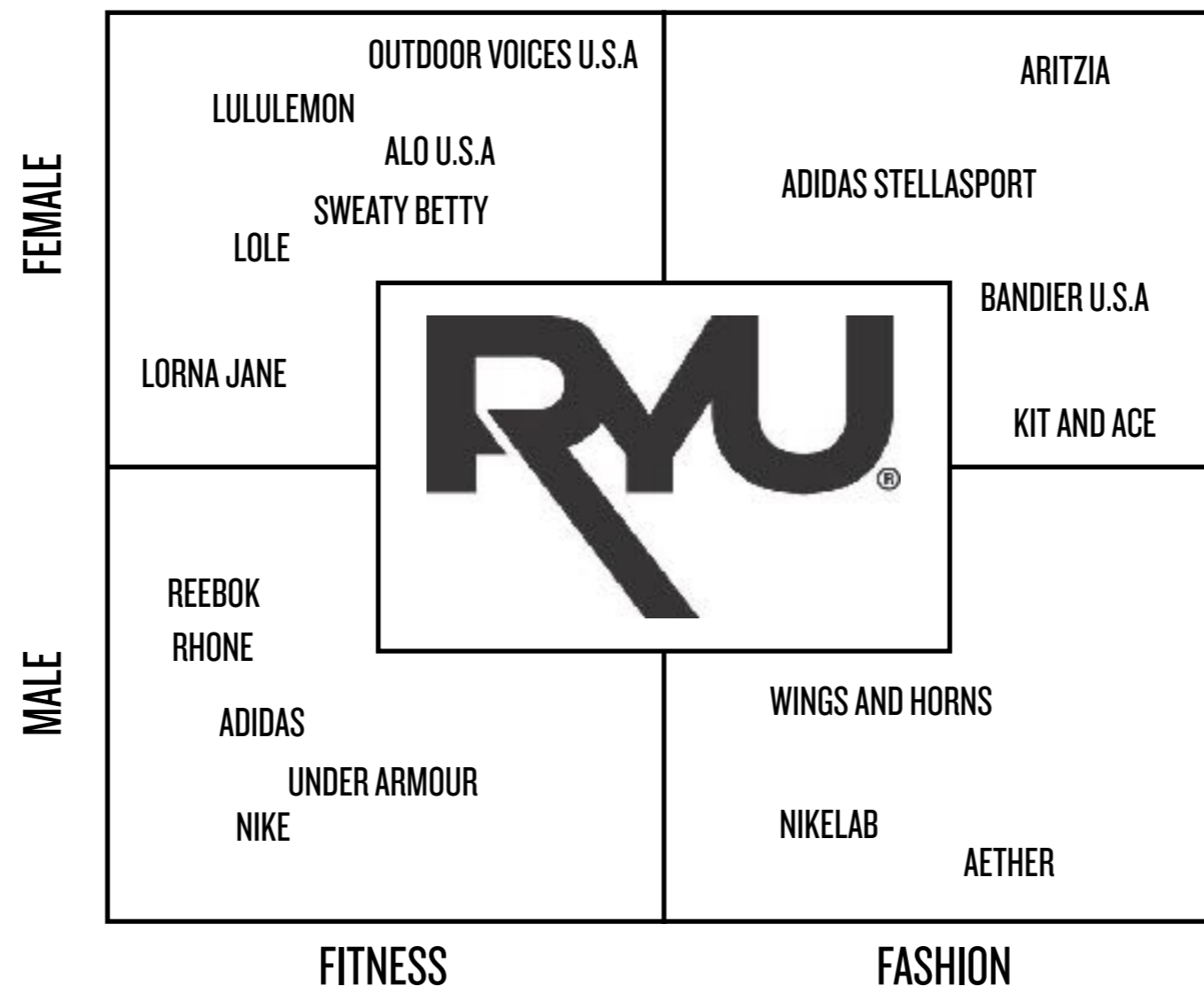
Statista 2016  
source: [trefis.com](http://trefis.com)

# FILLING THE VOID | TAILORED INNOVATION FOR THE URBAN ATHLETE

The male athlete market is underserved.

The female athlete market is awash in a sea of sameness.

There is a void in athletic bags that organize an athlete's life. Gym, office, home, there + back.



# CREATING A NEW CATEGORY

## TAILORED INNOVATION. URBAN ATHLETIC.

---



### TAILORED

We are refined contrast.  
We are precision fit.  
We are modern style.



### INNOVATION

We are innovative solutions to athlete problems.  
We are performance fabrics.  
We are forefront construction methods.



### URBAN ATHLETIC

We live in a city.  
We live in a gym.  
We are athletes

#BEAUTIFULTOUGH  
#THISISAGYM

# CREATING A NEW CATEGORY | URBAN ATHLETICS

## MEN'S EVERYWEAR PANT Everything. Everyday. Everywear.



**EVERYWEAR PANT.** It is the toughest.

The toughest fabric. Dense knit nylon fiber will withstand abrasion.  
The most movement. 30% of the fabric is lycra fiber. Strategically designed gussets. Tailored cut.  
Built in Vancouver. Fabric milled in the USA.

# CREATING A NEW CATEGORY | URBAN ATHLETICS

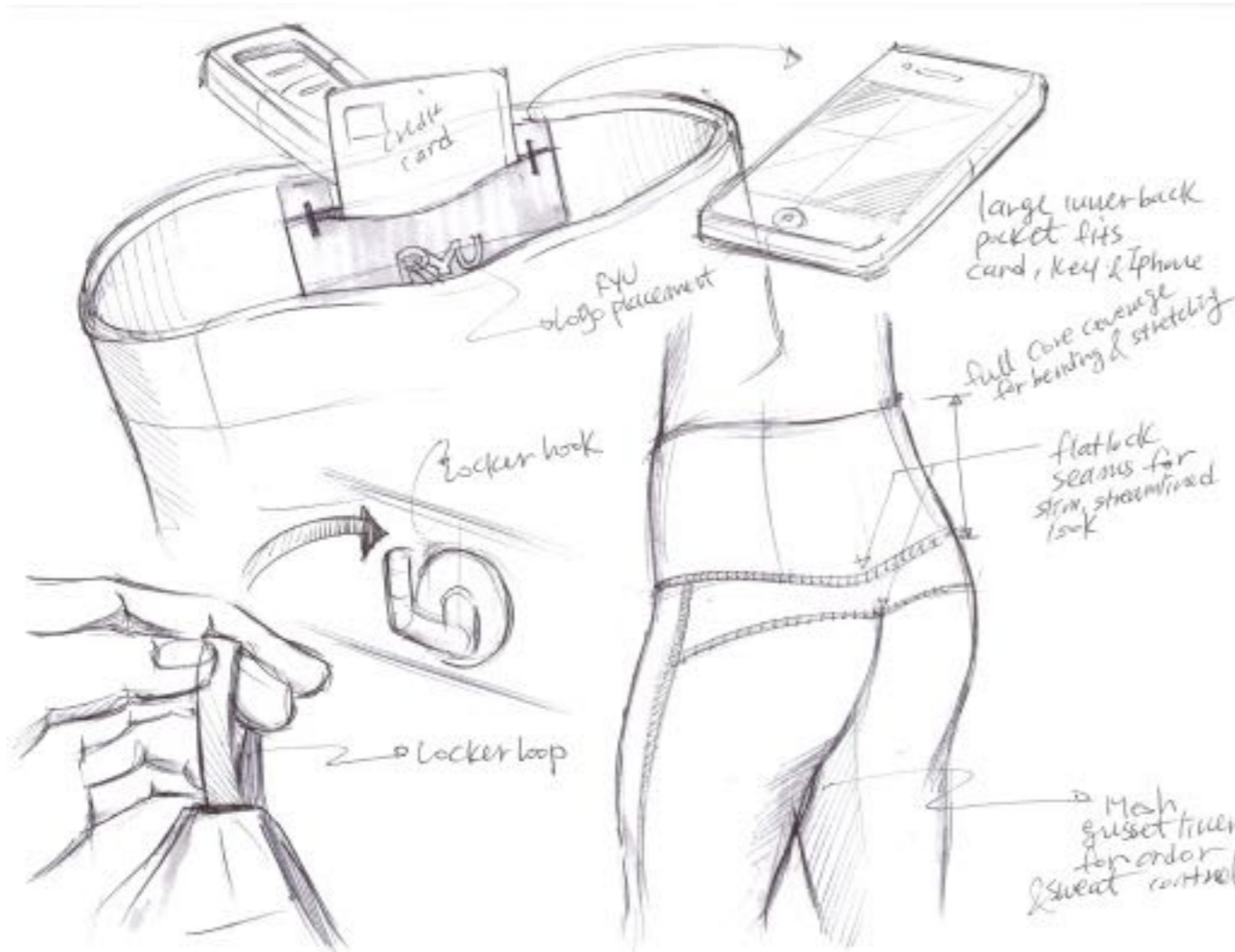
MEN'S EVERYWEAR PANT Everything. Everyday. Everywear.

---



# CREATING A NEW CATEGORY | URBAN ATHLETICS

## WOMEN'S TOUGH TIGHT Put them on and forget about them.



### TOUGH TIGHT.

Supports all that you do. TriLayr Technology waistband.  
No distractions. Cut so it stays in place. No readjusting needed. Active seam and flat lock construction.  
Bacteriostatic carbon mesh lined gusset. Go commando.

# CREATING A NEW CATEGORY | URBAN ATHLETICS

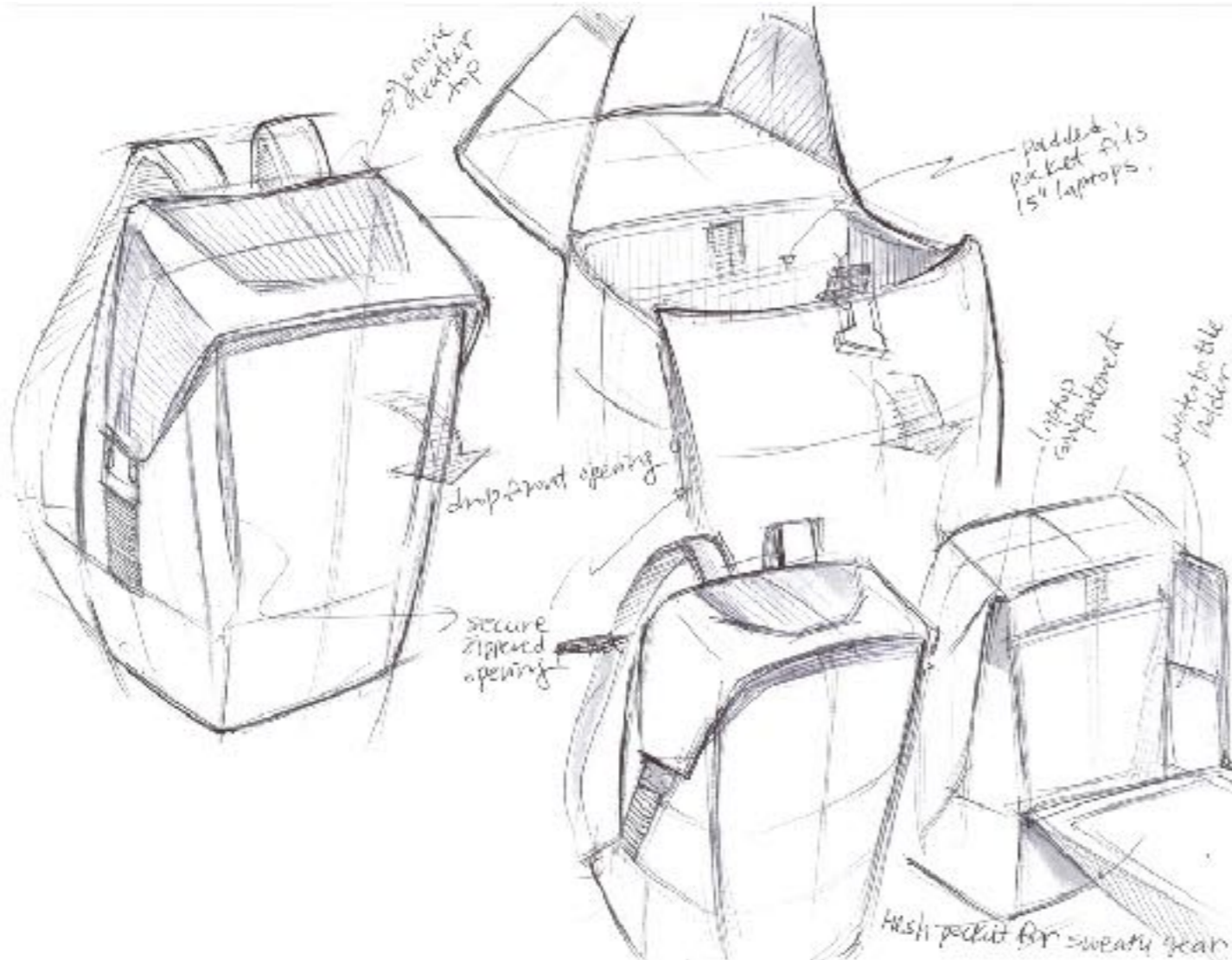
**WOMEN'S TOUGH TIGHT** Put them on and forget about them.

---



# CREATING A NEW CATEGORY | URBAN ATHLETICS

**LOCKER PACK LUX** The bag that works as your gym locker.



## LOCKER PACK LUX.

Drop front opening for easy access to all your gear.  
Open mesh pockets inside for water bottles, wraps, tape, etc.  
Tough wearing Australian loomed canvas that looks better with age.

# CREATING A NEW CATEGORY | URBAN ATHLETICS

**LOCKER PACK LUX** The bag that works as your gym locker.

---



# THE NEW STANDARD | TAILORED INNOVATION.



**RYU**

**OTHER**



**RYU**

**OTHER**

# AWARDS + RECOGNITION

---

A'DESIGN AWARD  
WINNER 2016  
SILVER



**QUICK PACK LUX**  
Silver A Design Award Winner

Official Carry  
AWARDS IV - CARRYOLOGY  
Nominee 2016



**LOCKER PACK LUX**  
Nominated by Carryology for best work backpack in 2016.  
Nominated and "Highly Commended" by Carryology in 2017.

WGSN  
Future Awards 2016 Winner  
BEST STORE  
RYU



**KITSILANO FLAGSHIP STORE**  
Futures Awards 2016 winner - Best Store

MEN'S FITNESS



**MEN'S EVERYWEAR PANT**  
"Sports Performance Clothes You Can Wear To Work"

# SOCIAL MEDIA

---



## INSTAGRAM

[INSTAGRAM.COM/RYU\\_APPAREL](https://www.instagram.com/ryu_apparel)

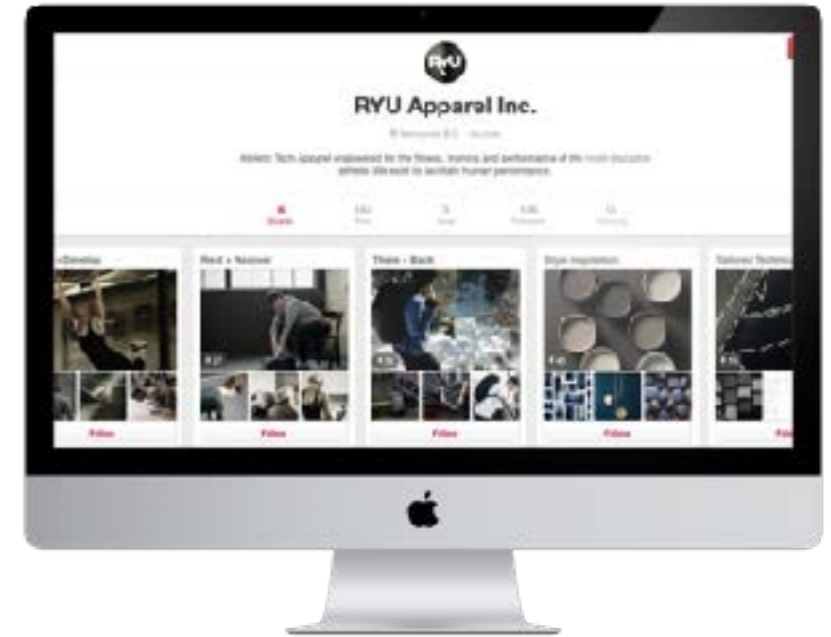
- Main focus on conversation and athlete interaction
- 20+ tags/mentions in user posts each day
- #Beautifultough campaign - 11,000+ posts, 95% user generated.



## FACEBOOK

[FACEBOOK.COM/RYU APPAREL INC.](https://www.facebook.com/ryu_apparel_inc)

- Community hub for our athletes
- Lists all engaging events to bring new customers into our store every day
- Lists all RYU media mentions & company updates.
- Platform for blogs, playlists and content marketing.



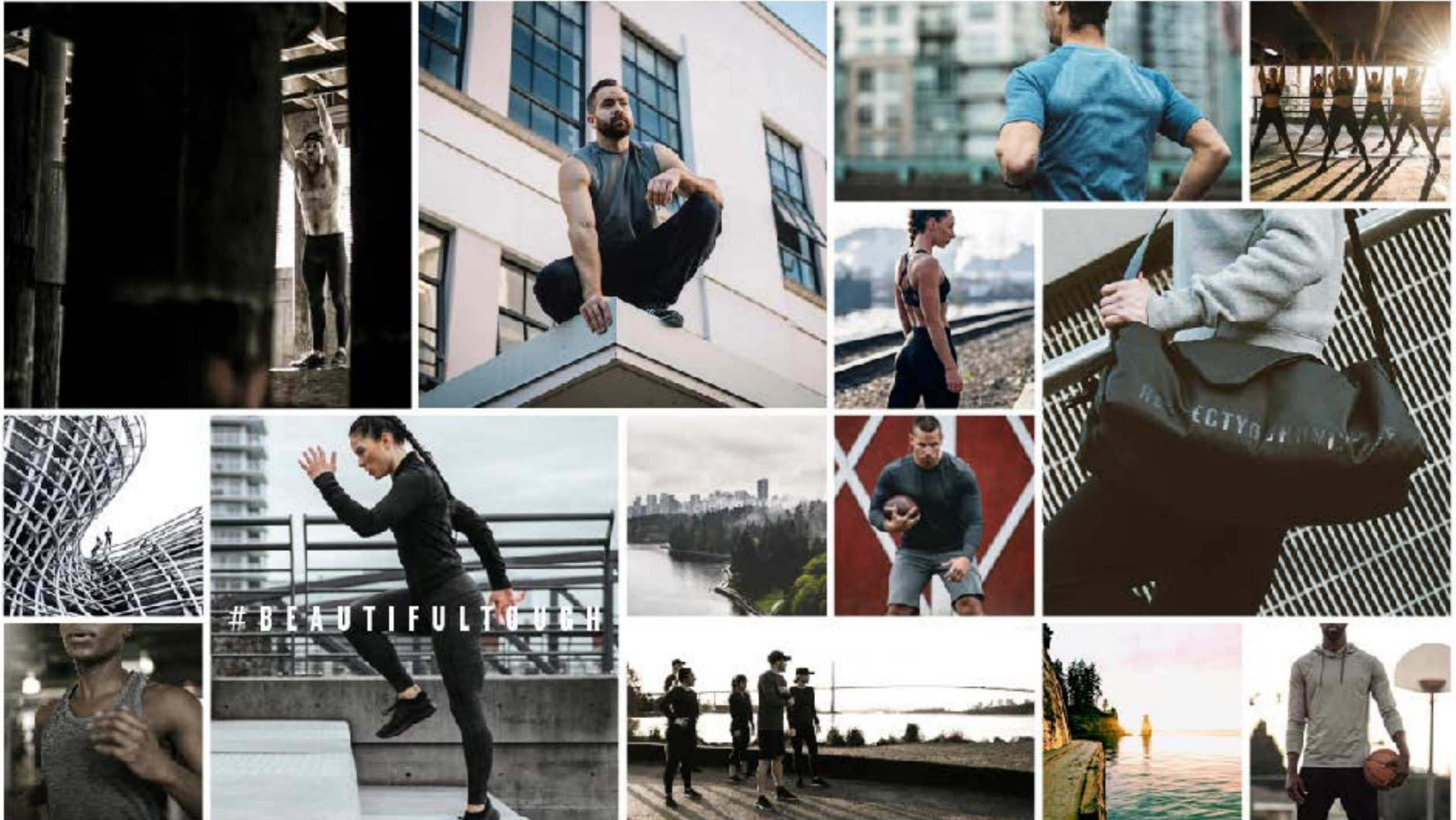
## PINTEREST

[PINTEREST.COM/RYU APPAREL INC.](https://www.pinterest.com/ryu_apparel_inc)

- Platform to share design inspiration, new collections, and athlete stories

# SOCIAL MEDIA

#beautifultough | #thisisagym



# COMMUNITY

## Snapshot of RYU events

RYU + SPIN SOCIETY | BATTLE RIDES



RYU + FOUR SEASONS + GLOBAL WELLNESS DAY



NATALIE LANGSTONS' FITNESS ON THE RUN



TREVOR BIRD'S NUTRITION SEMINAR



THE GET UP | 3 VS 3 HIP HOP BATTLE



# RYU CONNECTOR PROGRAM

---

The RYU Connectors Program is building a community of influential leaders that represent, and live, the values of RYU: aliveness, bold expression, curiosity, discipline and respect. Our goal is to facilitate human performance for one million athletes around the globe.

An RYU Connector's objectives are, first and foremost, to continue being leaders in the athletic community, to support others in their health, fitness and performance goals, to respect others at all times, and to be actively engaged in community events, charities and volunteer efforts.

Facility owners, trainers, nutritionists, physiotherapists and competitive athletes are enrolled in the Connectors Program from across Canada and the US.



Alexandra Ianculescu  
Canadian National Team  
Olympic Speed Skater



Ben Carr  
Professional Trainer  
Innovative Fitness



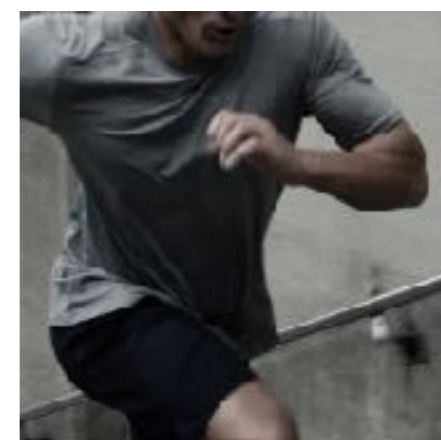
Tori Katongo  
Personal Trainer | Steve Nash  
Dancer | Singer | Actor



Simon "Thor" Damberg  
Head Coach | Director  
Raincity Athletics



Cassie Hawyrsh  
Canadian National Team  
Skeleton Racer



Dai Manuel  
Coach | Lifestyle Mentor  
Author of The Whole Life Manifesto

# LEADERSHIP TEAM

---

## MARCELLO LEONE

CEO & PRESIDENT

2 YEARS

From December 4, 2014 until present, Mr. Leone has been a director and CEO of the Company. From March 26, 2012 until present, Mr. Leone has been a director and CEO of Naturo Group Investments Inc., a private British Columbia corporation that holds the Trace and Blackwater brands of nutritional water beverages. Mr. Leone is also the founder of Naturo Group. From 2009 to 2015, Mr. Leone served as VP Operations and President with LEONE, an independent specialty store. LEONE is located in Vancouver, British Columbia, representing over 30,000 square feet of luxury brands. LEONE'S contemporary division known as L2 represented contemporary designers. Mr. Leone was responsible for the development of new product lines, guiding the buying team, and daily operational duties for LEONE and L2.

## PEDRO VILLA

CHIEF FINANCIAL OFFICER

January 2016

Mr. Villa is a Chartered Professional Accountant (CPA, CA) with seven years of post—designation professional experience, five of which he spent helping to transform finance departments. Prior to joining RYU, he held controllership and financial reporting roles in three Vancouver based mining companies with operations in North America. Mr. Villa began his professional career at Deloitte in the audit and assurance practice serving notable Canadian public companies in the IT and mining industries for four years. Mr. Villa has a Bachelor of Science in Business Management with concentrations in entrepreneurship and marketing from Babson College in the United States.

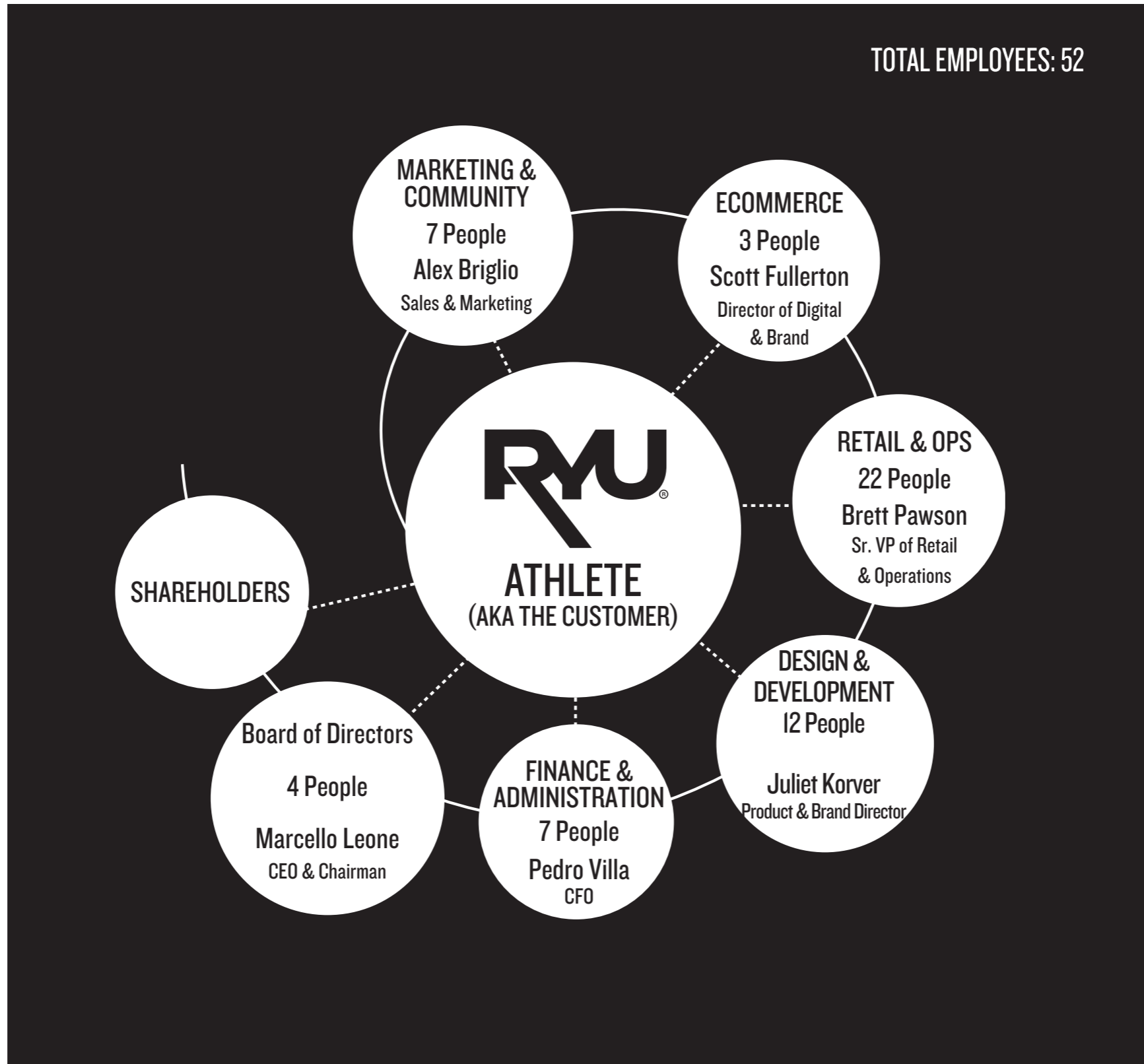
## BRETT PAWSON

SR. VP OF RETAIL & OPERATIONS

2 YEARS

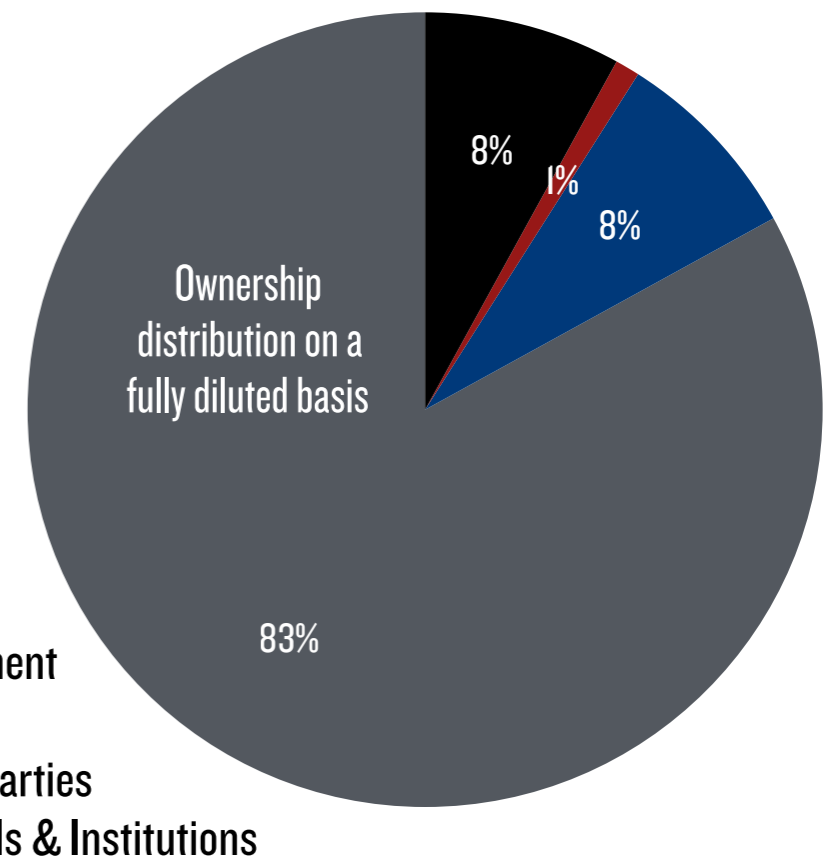
Mr. Pawson is an entrepreneur, executive and manager with over 15 years of sales and operations experience in the retail, consumer goods and wellness sectors. He has extensive experience in the athletic apparel space and his past experiences include successful franchise roles with lululemon athletica, The Body Shop and national distribution for pluggz Footwear. He was instrumental in establishing lululemon athletica in Saskatoon, Saskatchewan as one of the top performing stores in the company.

# THE RYU TEAM as at December 31, 2016



# SHARE OWNERSHIP - May 24, 2017

	Number	Price*	Number x Price
Common shares	186,024,368	\$ 0.10	\$ 18,602,437
Warrants	85,075,630	\$ 0.30	\$ 25,670,865
Stock options	12,908,750	\$ 0.26	\$ 3,308,788



# Stock Options & Warrant Breakdown - May 24, 2017

## Warrant Breakdown

Expiry	Weighted Average Exercise Price	Warrants Outstanding	Value
Jun-17	\$ 0.50	1,400,000	\$ 700,000
Jul-17	\$ 2.40	50,000	\$ 120,000
Oct-17	\$ 2.40	50,000	\$ 120,000
Jan-18	\$ 1.70	100,000	\$ 170,000
Mar-18	\$ 1.00	1,250	\$ 1,250
Sep-18	\$ 0.20	7,511,408	\$ 1,502,282
Oct-18	\$ 0.30	17,749,456	\$ 5,349,891
Nov-18	\$ 0.21	37,495,480	\$ 7,847,096
Jan-19	\$ 0.50	1,810,000	\$ 905,000
Feb-19	\$ 0.20	1,698,739	\$ 339,748
Mar-19	\$ 0.50	3,450,626	\$ 1,725,313
Apr-19	\$ 0.50	1,595,850	\$ 797,925
May-19	\$ 0.50	12,155,321	\$ 6,077,661
Feb-22	\$ 1.96	7,500	\$ 14,700
<b>TOTAL:</b>	<b>\$ 0.30</b>	<b>85,075,630</b>	<b>\$ 25,670,865</b>

## Stock Options Breakdown with Warrants

Expiry	Weighted Average Exercise Price	Warrants Outstanding	Value
Aug-17	\$0.25	17,500	\$4,375
Sep-17	\$0.25	67,500	\$16,875
Dec-17	\$0.25	6,250	\$1,563
Feb-18	\$0.25	48,750	\$12,188
Mar-18	\$0.25	6,250	\$1,563
Apr-18	\$0.25	22,500	\$5,625
Mar-19	\$0.15	300,000	\$45,000
Mar-20	\$0.15	200,000	\$30,000
May-20	\$0.39	600,000	\$232,000
Jun-21	\$0.25	1,910,000	\$477,500
Nov-21	\$0.20	150,000	\$30,000
Mar-22	\$0.15	800,000	\$120,000
Mar-23	\$0.80	25,000	\$20,000
Sep-23	\$0.42	5,000	\$2,100
Aug-24	\$0.30	4,450,000	\$1,335,000
Mar-25	\$0.30	2,200,000	\$660,000
Mar-27	\$0.15	2,100,000	\$315,000
<b>TOTAL:</b>	<b>\$0.26</b>	<b>12,908,750</b>	<b>\$3,308,788</b>