FORM 51-102F3
Material Change Report

1. Name and Address of Company

RYU Apparel Inc. (the "**Company**")
1672 West 2nd Avenue
Vancouver, BC V6J 1H4

2. Date of Material Change

March 8, 2018

3. News Release

The news release was disseminated through Stockwatch and Baystreet on March 8, 2018.

4 Summary of Material Change

Ratification of New LTIP and Approval of RSU Grants

The Company announced that, further to its ratification by shareholders of the Company at the annual general and special meeting held on December 12, 2017 (the "**Meeting**"), the new Long-Term Performance Incentive Plan (the "**LTIP**") of the Company dated November 9, 2017 had been approved by the TSX Venture Exchange (the "**TSXV**").

The Company also announcd that, following the LTIP's approval by the TSXV, the Company's board of directors had authorized an initial grant of 842,856 restricted share units (each, an "**RSU**") under the LTIP to certain key employees and consultants of the Company. The RSUs will vest in three months, in the case of 642,856 RSUs, and in twelve months, in the case of 200,000 RSUs.

Adoption of Shareholder Rights Plan

The Company also announced that, effective March 5, 2018, it had adopted a shareholder rights plan (the "**Rights Plan**"). The Rights Plan was approved by shareholders at the Meeting and was recently approved by the TSXV.

5. Full Description of Material Change

5.1 Full Description of Material Change

See Item 4 above and the attached news release for a full description of the material change.

5.2 Disclosure for Restructuring Transactions

Not applicable.

6. Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

7. Omitted Information

None.

8. Executive Officer

Marcello Leone, CEO, President and Chairman of the Board, 604.235.2880

9. Date of Report

March 14, 2018

RYU Apparel Provides Corporate Update

Vancouver, BC, March 8, 2018 – RYU Apparel Inc. ("**RYU**" or the "**Company**") (TSXV:RYU), creator of urban athletic apparel, is pleased to provide the following corporate update.

Ratification of New LTIP and Approval of RSU Grants

The Company announces that, further to its ratification by shareholders of the Company at the annual general and special meeting held on December 12, 2017 (the "**Meeting**"), the new Long-Term Performance Incentive Plan (the "**LTIP**") of the Company dated November 9, 2017 has been approved by the TSX Venture Exchange (the "**TSXV**").

The purpose of the LTIP is to further align the interests of directors, key employees and consultants with those of the Company and its shareholders and to assist in attracting, retaining and motivating directors, key employees and consultants by making a portion of their incentive compensation directly dependent upon the Company's achievement of key strategic, financial and operational objectives. The full text of the LTIP is available on the Company's profile on SEDAR at www.sedar.com.

Following the LTIP's approval by the TSXV, the Company's board of directors (the "**Board**") has authorized an initial grant of 842,856 restricted share units (each, an "**RSU**") under the LTIP to certain key employees and consultants of the Company. The RSUs will vest in three months, in the case of 642,856 RSUs, and in twelve months, in the case of 200,000 RSUs.

Adoption of Shareholder Rights Plan

The Company announces that, effective March 5, 2018, it has adopted a shareholder rights plan (the "**Rights Plan**"). The Rights Plan was approved by shareholders at the Meeting and was recently approved by the TSXV. The objectives of the Rights Plan are to ensure, to the extent possible, that all shareholders are treated fairly and equally in connection with any unsolicited take-over bid or other acquisition of control of the Company, and that the Board is provided with adequate time to consider and evaluate such a take-over bid or other acquisition and, if appropriate, identify, develop and negotiate any value-enhancing alternatives.

The Rights Plan was not adopted in response to any specific proposal to acquire control of the Company, nor is the Board aware of any pending or threatened take-over bid for the Company. The Rights Plan is similar in structure to shareholders rights plans adopted by, and approved by the shareholders of, many Canadian public companies. The full text of the Rights Plan is available on the Company's profile on SEDAR at www.sedar.com.

For regular updates on RYU Apparel visit: http://ryu.com

About RYU
Respect Your Universe is an award winning urban athletic apparel and accessories brand. Designed without compromise for fit, comfort, and durability, RYU exists to facilitate human performance. For more information, visit: http://ryu.com

On Behalf of the Board

RYU APPAREL INC.
"Marcello Leone"
Marcello Leone, CEO, President and Chairman of the Board
Tel: 604-235-2880

Investor Relations
Contact: Anna Brazier
Investor Relations
1-844-535-2880
investors@ryu.com
www.ryu.com

For Media inquiries, contact:
Kelsi Carleton
604-738-2220
kelsi@talkshopmedia.com