RYU Apparel Reports First Quarter 2018 Results, 94% Revenue Increase

VANCOUVER, May 24, 2018 /CNW/ - RYU Apparel Inc. (TSXV: RYU) ("**RYU**" or the "**Company**"), creator of urban athletic apparel, is pleased to report its financial results for the three months ended March 31, 2018.

Revenue in the first quarter of 2018 was $907,915, 94% higher than revenue of $467,003 during the same period in 2017. RYU's financial results have been encouraging with continued sales growth in 2018 and a 46% gross profit for the quarter.

	Three months ended March 31, (unaudited)	
In Canadian dollars	**2018**	**2017**
Revenue	$907,915	$467,003
Gross profit	$419,890	$219,256
Gross profit %	46%	47%

"We started the year with exciting developments on all fronts of the business and we are pleased that first quarter results are consistent with our 2018 retail revenue target of 100% YoY growth," said Marcello Leone, CEO. "This is our ninth consecutive quarter of growth and we are especially proud, given that the first quarter in our industry is the slowest. Our brand continues to resonate as RYU was recently a finalist in the World Retail Awards. Our team is working hard to execute our business plan with the recent influx of capital, which in part will be used to open our three new US retail locations, which are under construction, launch our new ryu.com website, and kick-off our global advertising campaign in the second half of the year."

During the three months ended March 31, 2018, the Company achieved the following milestones:

- RYU's expansion plan is on target to have eight stores by the end of 2018 and to achieve +100% year over year growth in retail revenue. In the first quarter of 2018 the Company began construction planning at its retail store in Brooklyn, New York and secured the leases to its second and third US store locations in the state of California. This expansion gives RYU exposure in New York City and Los Angeles, the most important urban centers of both coasts of the United States. The three stores are under construction and have targeted openings in the third quarter of 2018.

- E-commerce revenue grew 50% against the same period in 2017 as traffic to ryu.com increased by 57% during the same comparative period.

- RYU secured new strategic wholesale accounts with Nordstrom, Equinox Canada and Rise by We that align with its brand value proposition.

- RYU was selected as a finalist for the World Retail Awards in two categories: Retail Start Up of the Year and Social Media Campaign of the Year (#RYUOneMoreRep). The Company was honoured that RYU was one of only two Canadian companies that qualified as finalists among many global retailers across all the World Retail Awards categories.

- RYU appointed THRSXTY/Exposure, as its new global Agency of Record for creative strategy and marketing services. THRSXTY/Exposure is a marketing services agency based in London, Tokyo, New York, and Paris, specializing in fashion, retail and lifestyle brands. A new global advertising and branding campaign will launch in conjunction with RYU's US retail store openings in the third quarter of 2018.

- The Jeremy Bieber Group is acting in a Global Chief Influencer role for RYU.

- The Company closed non-brokered private placements on January 19th and February 19th raising gross proceeds of $5,651,945 and $3,997,808 respectively.

- Shareholders exercised 52,060,615 warrants for total proceeds of $10,089,488. The Company is pleased to report that 84% of the $0.20 warrants subject to the acceleration of their expiry dates, as announced on February 20, 2018, were exercised by March 29, 2018.

Readers are encouraged to review the Company's condensed consolidated interim financial statements in their entirety, including the notes thereto, and corresponding MD&A on SEDAR. Full details of the Company's financial performance can be obtained by viewing the annual consolidated financial statements and corresponding MD&A available on SEDAR.

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 engineered for the fitness, performance and lifestyle of athletically minded men and women. Innovatively designed without compromise and tailored 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
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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release contains forward-looking information that involve various risks and uncertainties regarding future events. Such forward-looking information can include without limitation statements based on current expectations involving a number of risks and uncertainties and are not guarantees of future performance of the Company, such as statements that: (i) the expansion plan is to have eight stores open by the end of 2018 and to achieve +100% year over year growth in retail revenue; (ii) the intention to open its New York and California locations during the third quarter of 2018; (iii) that a new ryu.com will launch in the second half of 2018; and (iv) that a global branding and advertising campaign with THRSXTY/Exposure will begin in the third quarter of 2018. There are numerous risks and uncertainties that could cause actual results and the Company's plans and objectives to differ materially from those expressed in the forward-looking information, including the ability of the company to finance operations, the ability of the management team to execute on its business plan, risks in the apparel industry in general, and delays and risks associated with renovating and opening new store locations. Actual results and future events could differ materially from those anticipated in such information. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. Except as required by law, the Company does not intend to update these forward-looking statements.

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