

RYU Apparel Closes \$4.2M Milestone Private Placement

Vancouver, British Columbia--(Newsfile Corp. - October 29, 2020) - RYU Apparel Inc. (TSXV: RYU) (OTC Pink: RYPPF) ("**RYU**" or the "**Company**"), creator of urban athletic apparel, is pleased to announce that, it has closed a non-brokered private placement financing (the "**Financing**"). The Financing consisted of 97,165,000 units (each, a "**Unit**") of the Company at a price of \$0.05 per Unit for gross proceeds of \$4,858,250. Each Unit consists of one common share and one transferable common share purchase warrant (each, a "**Warrant**"). Each Warrant entitles the holder to purchase one additional common share at a price of \$0.055 per common share for a period of two (2) years from the closing of the Financing, subject to an acceleration provision of the Company whereby, in the event the Company's common shares have a closing price on the TSX Venture Exchange (the "**Exchange**") (or such other exchange on which the shares may be traded at such time) of greater than \$0.15 per share for a period of 5 consecutive trading days at any time after four months and one day from the closing date, the Company may accelerate the expiry date of the warrants by giving notice via news release to the holders thereof and, in such case, the warrants will expire on the 30th day after the date on which the news release is disseminated by the Company.

No finder's fees were issued in connection with the Financing.

The proceeds from the offering will be used to provide working capital for general corporate purposes and to support RYU's ongoing operations.

"I am thrilled with the exceptional support we have received from existing and new investors," said Cesare Fazari, the Chief Executive Officer of RYU. "In the face of the challenges 2020 presented to all business around the world this capital infusion shows the confidence shareholders have in our plan of profitable renewal for the RYU Brand. We anticipate that the year ahead will be even more exciting and fruitful for RYU as we focus on revenue growth, launching innovative marketing campaigns and delivering outstanding, new products to our customers."

All securities issued in the Financing are subject to a statutory hold period expiring March 1, 2021.

Insiders of the Company subscribed for a total of 16,520,000 Units under the financing, which is a "related party transaction" within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The issuance to the insiders is exempt from the valuation requirement of MI 61-101 by virtue of the exemption contained in section 5.5(b) as the Company's shares are not listed on a specified market and from the minority shareholder approval requirements of MI 61-101 by virtue of the exemption contained in section 5.7(a) of MI 61-101 in that the fair market value of the consideration of the shares issued to the related parties did not exceed 25% of the Company's market capitalization.

None of the securities issued in the Financing will be registered under the *United States Securities Act of 1933*, as amended (the "**1933 Act**"), and none of them may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act. This press release shall not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the securities in any state where such offer, solicitation, or sale would be unlawful.

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 fitness, performance and lifestyle. 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

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