

A person is running on a dirt path in a natural setting. The background shows a blue sky and some rocky terrain. In the foreground, there is a blue spherical object on the dirt path. The overall scene is bright and clear.

RIF

Recoup Fitness

INVESTOR
PRESENTATION

Introduction



“Recoup Fitness’
revolutionary new
product will
completely
transform the
recovery industry
as we know it.”

TAO SPORTS PODCAST, 2016

Rethink. Reuse. Recoup.

Recoup Fitness is an innovative company with a creative, cutting-edge product designed to help athletes, fitness enthusiasts, and everyday active people recover smarter and faster. Fundamentally outperforming every other product on the market, **The Stinger** has made waves across the athletics and fitness community as an easy-to-use, effective, no-mess therapy solution with an affordable price tag. Recoup aims to maintain this momentum by raising capital, expanding production of the Stinger, increasing sales, and developing new innovative, game-changing products.

Product Overview

“The Stinger”

is the name of Recoup Fitness’ revolutionary new product, a simply-designed, effective and easy-to-use cold massage roller. Its patented design features a ball which can be removed from the handle and placed in the freezer for just two hours, staying ice-cold for up to six. The cold steel surface reduces pain and inflammation while pressured massage simultaneously relaxes muscles, making it the ideal tool for everyday recovery as well as serious injury treatment. **The Stinger** is already transforming the recovery marketplace by being:

VERSATILE

- Can be used with or without the handle
- Is effective on feet, calves, hamstrings, hips, backs, shoulders, arms – literally any muscle group
- The Stinger is the first recovery product that can recoup the entire body

CLEAN, COMPACT

- Unlike ice packs, no need for plastic bags, ice, or any cleanup
- No mess compared to the popular “ice cup”, and much more effective
- Compact, light-weight design is portable and easy to use



INEXPENSIVE

- At \$39.95, The Stinger is affordable for all types of athletes and active people
- Less expensive than inferior competitor products
- Professional athlete-level recovery without the professional price tag

EFFECTIVE

- The Stinger relieves pain and improves the lives of thousands of customers
 - Offers a powerful solution in a market devoid of useful recovery products
- Hundreds of customers from all walks of life can attest to The Stinger’s abilities

CUSTOMER SATISFACTION

"I have told everyone I know about it!! Amazing product...as a triathlete training for Ironman, it is a life saver" Amber W.

"This is AMAZING!! From my neck to my feet, it helps with all my aches and pains. I highly suggest this for everyone looking for relief." Daniele P.

"It's GLORIOUS!! Absolutely in love with it. Thank you so much, and here's to recovery!" Justin F.

"This is by far the best product for icing any part of your body. I highly recommend it !! A +" Nora F.

"This roller ball is just what I've been looking for. BUY THIS product. It's easy to use and it works." Mark P.



AVERAGE RECOUPFITNESS.COM

RATING: ★ ★ ★ ★ ¾

AVERAGE AMAZON.COM

RATING: ★ ★ ★ ★ ½



PRAISE FOR PAIN RELIEF

"I could hardly walk! My plantar fasciitis was so bad on my left foot. After one night of rolling it out it felt WAY better the next day!! After second day of rolling...it hardly hurt!! I'm hoping this will continue to help rid all problems I've had for several years with my plantar fascia! Brandy S.

"A great addition to physical therapy. Simple, easy to use cold therapy. Perfect for my severe hand injury. Highly recommend the Stinger! Sue H.

"I have had Plantar Fasciitis for a long time and this has helped so much. The key is to use it regularly to get results. I love it." Nancy G.

I love the Stinger! I get shin splints a lot and this is really helpful in the healing process. I also do CrossFit and the Stinger does wonders on sore, locked up muscles! It is the best!! Kristy C.

Target Markets

Below are some major markets in which Recoup Fitness will focus their sales efforts in the near-term. These four segments represent only a portion of the truly massive sales potential for **The Stinger** across several other athletics and fitness markets:

1. Plantar Fasciitis/Running



- Some of **The Stinger's** biggest devotees are Plantar Fasciitis sufferers; many of them are runners
- Recent success with Facebook advertising: PF videos led to significant conversions
- Huge online and retail running products market; **The Stinger** will be sold in 10 running retailers in 2017

2. Yoga



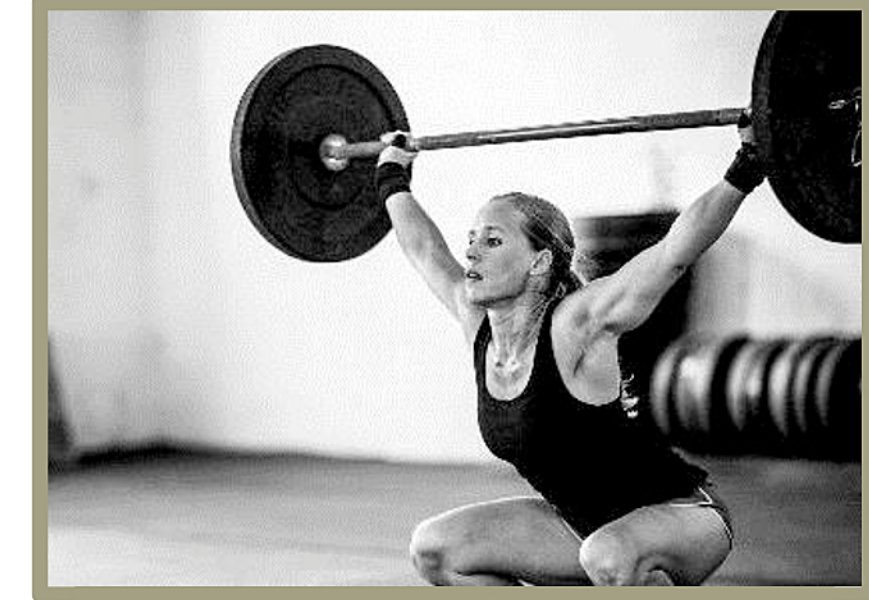
- 36 million U.S. Yoga practitioners
- Over \$16 billion spent on Yoga-related products in 2016
- Online focus: influencers, bloggers, social media advertising, specialty sales outlets
- Retail focus: Yoga studios, retail outlets, Core Power

3. College Athletics



- Several athletics programs with dozens of athletes at hundreds of colleges – all in need of recovery
- Target trainers at sports programs: get **Stingers** in training rooms/locker rooms to gain traction via word of mouth
- Existing contracts/relationships with 15 NCAA programs

4. CrossFit



- Rapidly growing specialty fitness market: roughly \$4 billion in 2015
- Practitioners are particularly injury prone and seek out recovery products
- Focus on major gyms and Crossfit companies; already selling through Rouge Fitness, the largest CrossFit products company in the world

*Other significant sales targets for **The Stinger** include winter sports (skiing and snowboarding), hiking, physical therapy, biking, UFC, and general fitness. Recoup will use raised capital partly to develop and execute sales strategies for these other markets.*

Online Marketing

Online marketing is a crucial part of Recoup Fitness' overall sales strategy. Utilizing targeted ads and content via various online and social media platforms has proven overwhelmingly successful as well as extremely cost effective; here are some of Recoup's main strategies:



Facebook

Picture and video content targeted toward users' interests and injuries



Interaction Averages

Stinger Action Shots	Plantar Fasciitis Videos
2,000 likes	150,000 views
1,400 shares	1,800 shares
600 comments	700 comments
5% conversion	15% conversion



Blogging

Weekly blog about targeted "tribe": other bloggers covering Recoup increase conversions by 15%



Instagram

Discovery of/contact with influencers, generate posts featuring product



Impact Averages

25k	Average followers of targeted influencers
10%	Average conversion increase after posts



Pinterest

Targeted ads aimed at generating "pins" – Pinterest drives 55% of total social media sales traffic



Google Ads

Remarketing, building SEO credits, backlinking – maintaining customer interest



Conversion Averages

Activity	Cost/Rate per Conversion
Google AdWords	\$3.00 cost
	10-15% rate
Google Shop	\$0.78 cost
	25% rate

Major Sales Routes

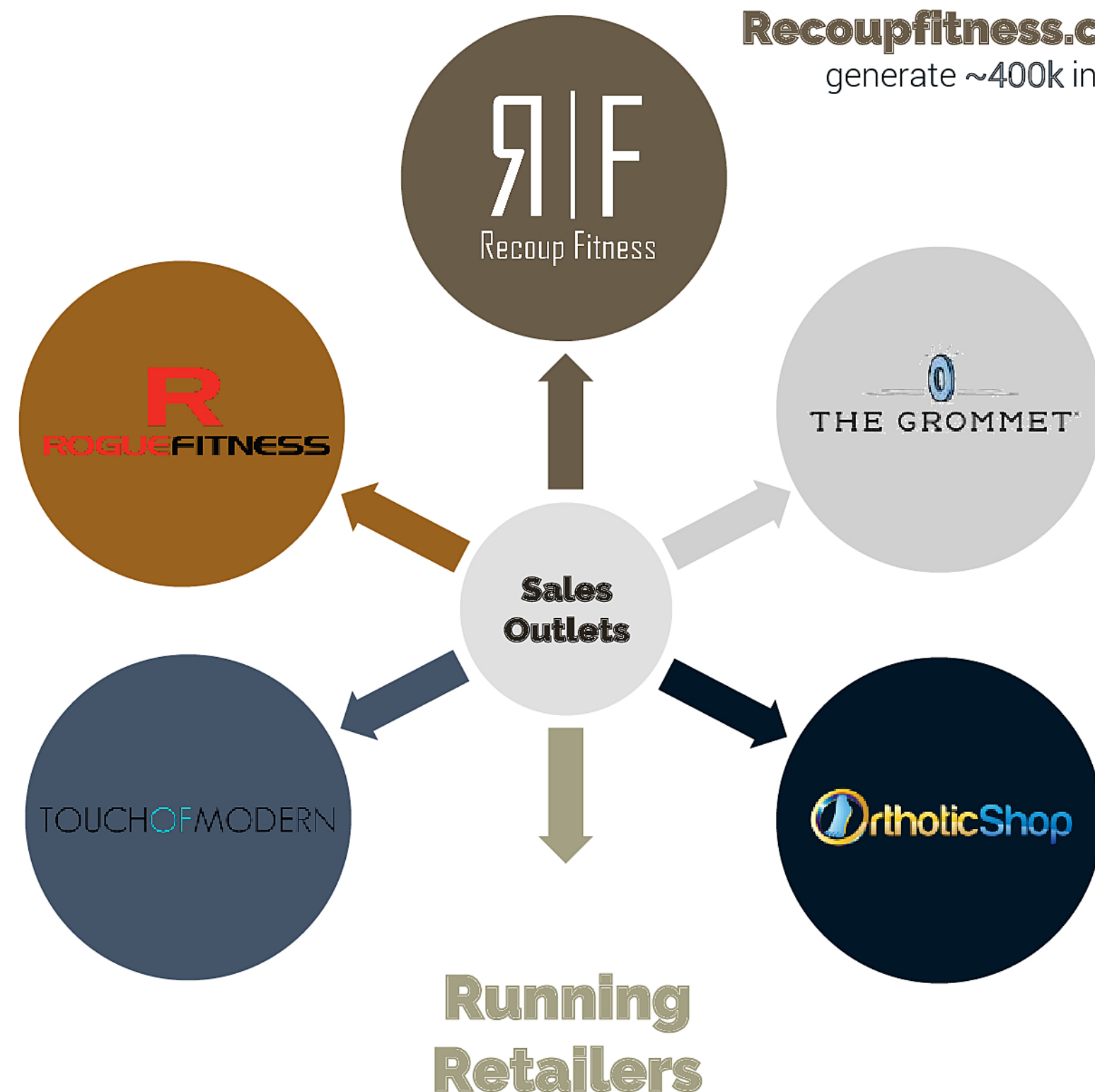
Below are some of the outlets that will carry **The Stinger** in 2017, some of which were already significant sales drivers in 2016. Recoup's sales outlets are an ideal mixture of general and specialty stores, and are expected to complement growing sales made via their website:

Rogue Fitness

- Online retailer of workout equipment, largest Crossfit products supplier
- The Stinger has been available on the site since mid-2016
- ~\$80k in sales expected for 2017

Touch of Modern

- Largest online marketplace in the world
- The Stinger currently holds the #24 rank for massage products, and as a 29% "abandoned cart" completion rate
- Generated \$15k in sales in late 2016, ~\$100k in sales expected for 2017



Recoupfitness.com is expected to generate ~400k in sales in 2017

The Grommet

- Online seller of unique and innovative gifts and gadgets
- Supports entrepreneurs and makers of interesting products
 - ~\$80k in sales expected for 2017

Ortho Shop

- Online marketplace offering orthotics and other specialty recovery products
 - Fulfills all orders placed through Amazon
 - ~\$150k in sales expected for 2017



- The Stinger will be available in 15 new running specialty retail stores in 2017
- Includes online and physical retail stores, list expected to grow throughout 2017
- Expected ~\$250k in total sales in 2017





LAUREN SESSELMANN

Canadian Olympic Bronze medalist, MLS Defender

Olympic medalist soccer player Lauren Sesselmann credits the Stinger with getting her back on the playing field after an ACL injury in 2014, utilizing it for daily total body recovery in addition to serious injury rehabilitation. She is a fan and active promoter of the company: “with new products on the way, Recoup Fitness is definitely changing the recovery game”

KENNY ANUNIKE

Super Bowl Champion, Denver Broncos Defensive End

Denver Broncos defender Kenny Anunike has high praise for The Stinger: “As a professional football player, my body is constantly taking the highest level of punishment and the demand for quick, effective recovery is essential. These guys have seen a need and created the most effective, low-maintenance recovery tool I have ever used.”



New Products

Recoup is currently developing several new and innovative products that will soon make up a diverse line of specialty recovery products. The **Scorcher** and **The Sleeve** will be the next two products to hit the recovery products market, set for release in 2017:

Hot Ball (“The Scorcher”)

- **The Scorcher** will be the ideal heat complement to the **Stinger’s** cold therapy
- Currently in development by a U.S. engineering firm, set for release in mid-late 2017
- Heat levels will be controllable via a specialized smartphone app
- Expected to have a major impact in the recovery products market as an effective tool for easing pain, treating tight muscles, and increasing flexibility
- Will likely retail at \$50, and will be sold alongside **The Stinger** as a two-part therapy solution



Cold Compression Sleeve (“The Sleeve”)

- Designed for those seeking the cold therapy benefits of **The Stinger** with the stationary nature of an ice pack
- Will be released in mid-2017 and will retail at an affordable \$10



Retractable Stick (“The Hammer”)

- An alternative to the ubiquitous “foam roller”, this retractable stick will aid in joint and muscle pain relief and injury recovery
- Currently in development and slated for a mid-2018 release



Product Economics

Recoup's cost structure is particularly amenable to rapid profit growth as sales pick up pace in 2017. Recoup's products are produced at a low cost, and relatively low overhead contributes to high margins. Below are analyses of the economics for each of their products:

The Stinger

Sale Price	\$39.95
Production Cost	(\$2.50)
Shipping Cost	(\$6.00)
Overhead	(\$3.50)
NET PROFIT	\$27.95

70%

Profit
Margin

\$735k

Expected 2017
Profit (\$1.05m
in Sales)

The Scorcher

Sale Price	\$49.95
Production Cost	(\$9.00)
Shipping Cost	(\$6.00)
Overhead	(\$4.50)
NET PROFIT	\$30.45

61%

Profit
Margin

The Sleeve

Sale Price	\$10.00
Production Cost	(\$1.00)
Shipping Cost	(\$1.00)
Overhead	(\$2.00)
NET PROFIT	\$6.00

60%

Profit
Margin

\$90k

Expected 2017
Profit (\$150k
in Sales)

\$825k

Expected Total
2017 Net Profit

The Offering

\$250k

Recoup Fitness intends to raise \$250,000 via an offering of preferred equity units with a 10% annual coupon to accredited and sophisticated investors. This equity capital will allow the Company to expand their sales and marketing efforts, bring on additional staff, and develop and launch new products as detailed herein

11.1%

\$250,000 in equity units offered translates to an approximate 11.1% ownership share in Recoup Fitness, which represents a total pre-money company valuation of \$2.0 million. Given the near-term and long-term growth prospects for the Company, investors are able to obtain equity at a valuation with considerable upside potential.

Planned Uses of Raised Capital



BRING ON ESSENTIAL STAFF

Hire marketing specialist full time, add crucial marketing and administrative hires



EXPAND ONLINE MARKETING

Develop targeted online marketing on core sites, expand to YouTube, Twitter and other platforms



BUILD RETAIL SALES FORCE

Construct on-the-road sales force to target retail outlets and universities



LAUNCH NEW PRODUCTS

Finalize The Sleeve for release, develop The Scorcher (Hot Ball) for late-2017 launch

Key Clients and Promoters

	<p>TIM HOWARD</p> <p>U.S. World Cup and Colorado Rapids Goalie, Stinger user & promoter</p>		<p>LAUREN SESSELMANN</p> <p>Olympic medalist soccer payer, Stinger user & promoter</p>		<p>MALIK JACKSON</p> <p>Super Bowl champ NFL Defensive Lineman, Stinger user</p>
<p>ROBERT TURBIN</p> <p>Super Bowl champ NFL running back, Stinger user</p>		<p>JACK SKILLE</p> <p>NHL Winger for the Vancouver Canucks, Stinger user & promoter</p>		<p>DARRIAN STEWART</p> <p>NFL Free Safety for the Denver Broncos, Stinger user</p>	

CURRENT PROFESSIONAL CLIENTS:

