

## Specialty Bags and Luggage

### INDUSTRY SUMMARY

COGENT VALUATION identified **Specialty Bags/Luggage** publicly traded companies, IPOs, and recent M&A transactions within the Specialty Bags/Luggage industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Over the last year since June 30, 2016, the median 52-week share price return of the Specialty Bags/Luggage industry was -6.3%. Between June 30, 2015 and June 30, 2017, the median EV/EBITDA multiple decreased from 14.9 to 13.1. However, the median price-to-earnings multiple increased from 22.1 to 25.6 over the same period.

### Public Company Key Statistics

Median 52-Week  
Return

**-6.3%**

Median 3-Year CAGR  
Return

**-2.9%**

Median EV/Revenue  
Multiple

**1.4x**

Median EV/EBITDA  
Multiple

**13.1x**

Median Price/Earnings  
Multiple

**25.6x**

Median EV/Gross CF  
Multiple

**18.1x**

## Comparable Public Company Market Price Returns as of June 30, 2017

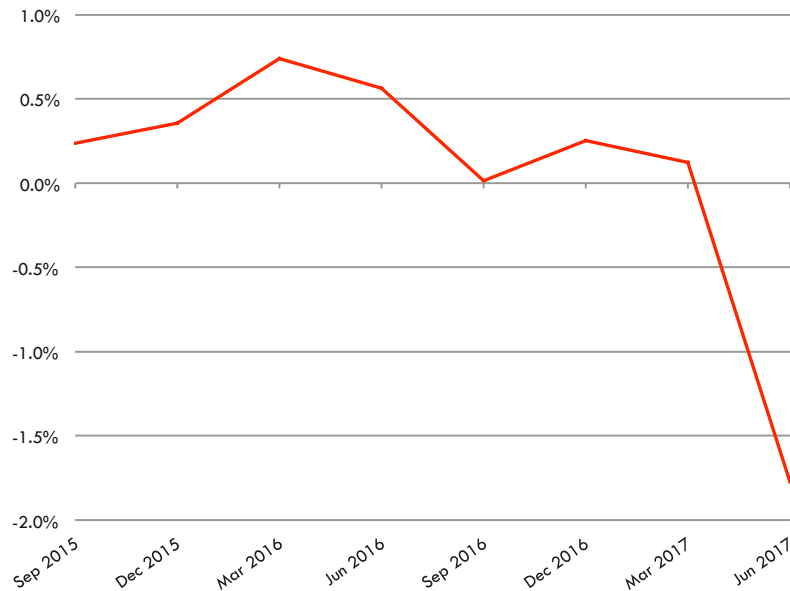
	YTD	3 Month	1 Year	2 Year	3 Year	2016	2015	2014
Callaway Golf Company	16.6%	15.4%	25.2%	19.6%	15.4%	16.3%	22.3%	-8.7%
Clarus Corporation	24.3%	22.0%	60.6%	-15.2%	-16.0%	21.0%	-49.5%	-34.4%
Coach, Inc.	35.2%	14.5%	16.2%	17.0%	11.5%	7.0%	-12.9%	-33.1%
Gaia, Inc.	29.5%	12.6%	44.7%	30.9%	13.4%	38.6%	-12.5%	7.7%
G-III Apparel Group, Ltd.	-15.6%	14.0%	-45.4%	-40.4%	-15.1%	-33.2%	-12.4%	36.6%
Lululemon Athletica Inc.	-8.2%	15.0%	-19.2%	-4.4%	13.8%	23.9%	-6.0%	-5.5%
Ralph Lauren Corporation	-18.3%	-9.6%	-17.7%	-25.3%	-22.8%	-19.0%	-39.8%	4.9%
V.F. Corporation	8.0%	4.8%	-6.3%	-9.1%	-2.9%	-14.3%	-16.9%	20.1%
Vera Bradley, Inc.	-16.6%	5.0%	-31.0%	-6.8%	-23.5%	-25.6%	-22.7%	-15.2%
<b>Median of Industry Public Companies</b>	<b>8.0%</b>	<b>14.0%</b>	<b>-6.3%</b>	<b>-6.8%</b>	<b>-2.9%</b>	<b>7.0%</b>	<b>-12.9%</b>	<b>-5.5%</b>

Multiple year periods are calculated as the average annual return.

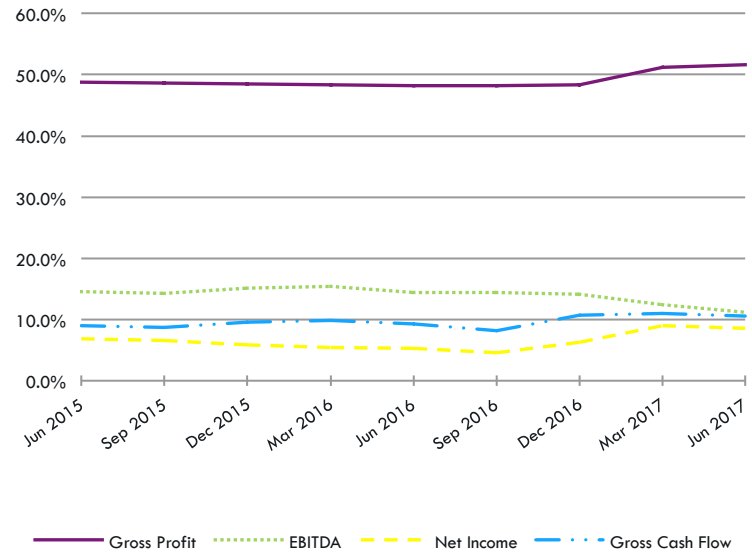
■ Highest Return
 ■ Lowest Return
 ■ Median Return

## Industry Revenue Growth and Profit Margins for the Past Two Years

Median Quarterly Revenue Growth of All Specialty Bags Companies



Median Gross Profit, EBITDA, Net Income, and Gross Cash Flow Margins



## Median Public Companies

The chart below illustrates Public Company Multiples.

	6/30/17	3/31/17	12/31/16	9/30/16	6/30/16	3/31/16	12/31/15	9/30/15
<b>EV/Revenues Multiple</b>	1.4x	1.1x	1.0x	1.1x	1.0x	1.0x	1.1x	1.2x
<b>EV/EBITDA Multiple</b>	13.1x	11.5x	11.1x	11.9x	13.8x	13.8x	12.3x	14.7x
<b>Price/Earnings Multiple</b>	25.6x	20.7x	20.0x	22.1x	21.3x	27.8x	22.2x	19.9x
<b>EV/Gross Cash Flows Multiple</b>	18.1x	14.4x	15.4x	14.5x	18.3x	18.7x	15.0x	16.0x

■ Highest Multiple    
 ■ Lowest Multiple    
 ■ Median Multiple

## Industry Initial Public Offerings—Industry: Specialty Bags and Luggage (dollars in millions, except share prices)

Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
2/1/16	<b>JS Corporation</b>	\$19.11	3.3	\$62.7	\$158,996.6	\$31,065.1	\$240,294.3	\$22,556.8	\$19,606.4	\$22,558.7
4/18/12	<b>Tumi Holdings, Inc.</b>	\$18.00	18.8	\$338.0	\$448.3	\$321.7	\$344.1	\$74.6	\$19.6	\$84.4
10/20/10	<b>Vera Bradley, Inc.</b>	\$16.00	11.0	\$176.0	\$178.5	\$140.2	\$322.9	\$69.8	\$56.0	\$77.9
7/26/07	<b>Lululemon Athletica Inc.</b>	\$18.00	18.2	\$327.6	\$69.0	\$1.5	\$165.5	\$29.4	\$8.0	\$34.1
<b>Median of all IPOs</b>		nm	nm	\$251.8	\$313.4	\$230.9	\$333.5	\$72.2	\$37.8	\$81.1

Multiple year periods are calculated as the average annual return.

■ Highest Return    
 ■ Lowest Return    
 ■ Median Return

## Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	EV/ Revenues
5/5/17	eBags, Inc.	Samsonite LLC	\$105.0	100%	\$158.5	0.7x
8/1/16	Tumi Holdings, Inc.	Samsonite International S.A.	\$1,828.8	100%	\$547.7	3.2x
6/3/16	Lee & Man Handbags	Sonic Tycoon Limited	\$96.2	50%	\$82.0	1.5x
2/11/16	Kurt Geiger Ltd	Cinven Limited	\$370.8	100%	\$393.5	0.9x
12/30/15	Sergio Rossi S.p.A.	InvestIndustrial	\$65.9	100%	\$90.1	0.7x
10/12/15	MD Inc. Limited	Silver Summit Investments	\$5.4	100%	\$3.9	1.4x
9/30/15	Chic Accent	Samsonite S.p.A.	\$9.6	100%	\$17.1	0.6x
7/1/15	Newton Manufacturing	HALO Branded Solutions	\$3.5	100%	N/A	N/A
6/30/15	Sino Golf Holdings Ltd.	N/A	\$54.6	61%	\$38.2	2.0x
6/1/15	Karmaloop, Inc.	CapX Partners	\$13.0	100%	N/A	N/A
5/31/15	Roberto Cavalli S.p.A.	Pantheon Ventures	\$0.0	90%	\$234.4	0.0x
5/20/15	Calzaturificio Valleverde	Silver 1 srl	\$10.0	100%	N/A	N/A
5/15/15	Fresh Produce Sportswear	Fresh Produce Holdings	\$7.1	100%	N/A	N/A
3/26/15	A.S.Adventure n.v.	PAI Partners	\$448.7	100%	\$456.6	1.0x
3/6/15	LogoSportswear, Inc.	Gladstone Investment Corp.	\$9.7	100%	N/A	N/A
2/16/15	The Rolling Luggage Co.	Samsonite GmbH	\$24.2	100%	\$41.0	0.6x
12/31/14	BHS Limited	Retail Acquisitions Limited	\$104.3	100%	N/A	N/A
12/8/14	Character World Ltd.	Palatine Private Equity	\$56.3	100%	N/A	N/A
11/25/14	Bank Fashion Limited	Hilco UK Limited	\$28.5	100%	N/A	N/A
9/12/14	Roberto Cavalli S.p.A.	VTB Bank	\$323.7	60%	N/A	N/A
8/1/14	David Jones Limited	Vela Investments Pty	\$2,061.7	100%	\$1,787	1.1x

## Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

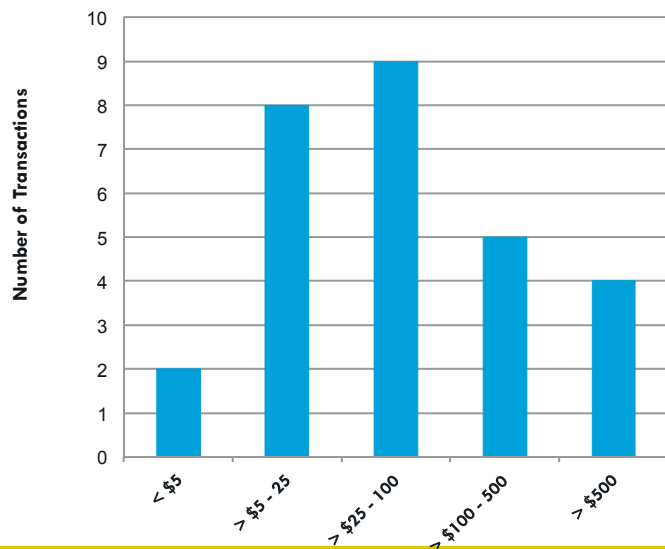
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Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	EV/ Revenues
4/1/14	<b>Distri Bagages Sarl</b>	<b>Samsonite Europe N.V.</b>	\$27.6	100%	\$9.0	3.1x
3/5/14	<b>Altrec Inc.</b>	<b>TruSnow.com</b>	\$3.3	100%	N/A	N/A
12/5/13	<b>Loro Piana S.p.A.</b>	<b>LVMH Moët Hennessy</b>	\$2,573.8	80%	\$810.8	4.0x
8/12/13	<b>Pro Hockey Life</b>	<b>FGL Sports Ltd.</b>	\$85.6	100%	\$95.7	0.9x
8/6/13	<b>JA Apparel Corp.</b>	<b>The Men's Wearhouse</b>	\$97.5	100%	N/A	N/A
7/31/13	<b>PRINTEMPS SAS</b>	<b>Divine Investments SA</b>	\$2,123.6	100%	\$1,925	1.1x
7/19/13	<b>Da Kine Hawaii, Inc.</b>	<b>Altamont Capital Partners</b>	\$64.6	100%	N/A	N/A
6/29/13	<b>Long Island National GC</b>	<b>N/A</b>	\$6.0	100%	N/A	N/A
4/1/14	<b>Distri Bagages Sarl</b>	<b>Samsonite Europe N.V.</b>	\$56.3	100%	\$127.1	1.0x
<b>Median of the 29 M&amp;A Transaction Targets</b>			<b>\$27.6</b>	<b>100%</b>	<b>\$128.2</b>	<b>1.0x</b>

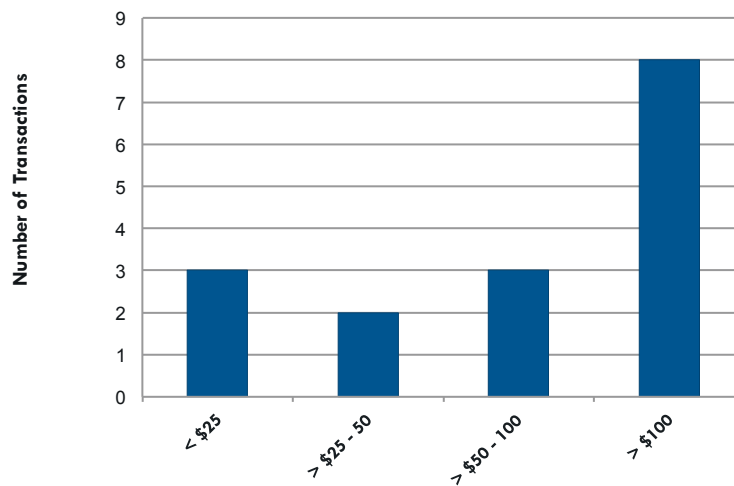
■ USA   
 ■ International   
 ■ Highest   
 ■ Lowest   
 ■ Median

## Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions) as of June 30, 2017

Size of M&A Transactions



LTM Revenues Reported





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**Definitions of Financial Terms Used in this Quarterly Industry Update:** Enterprise Value (EV): Market Value of Equity + Market Value of Debt  
—Cash Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): Profitability metric sometimes also referred to as operating profit or operating earnings.

**Gross Cash Flows:** Net Income + Depreciation and Amortization Expense Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

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