

## 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 September 30, 2016, the median 52-week share price return of the Specialty Bags/Luggage industry was 7.7%. Between September 30, 2015 and September 30, 2017, the median EV/EBITDA multiple decreased from 15.0 to 14.3. However, the median price-to-earnings multiple increased from 20.8 to 26.4 over the same period. The median revenue growth and EBITDA margins for the industry for the quarter were 1.7% and 10.0%, respectively.

### Public Company Key Statistics

Median 52-Week  
Return

-7.7%

Median 3-Year CAGR  
Return

-0.8%

Median EV/Revenue  
Multiple

1.2x

Median EV/EBITDA  
Multiple

14.3x

Median Price/Earnings  
Multiple

26.4x

Median EV/Gross CF  
Multiple

20.1x

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

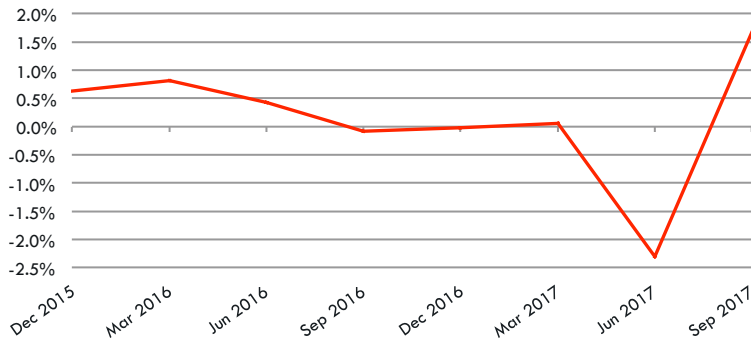
|  | YTD         | 3 Month      | 1 Year       | 2 Year       | 3 Year       | 2016        | 2015          | 2014         |
|--|-------------|--------------|--------------|--------------|--------------|-------------|---------------|--------------|
| Callaway Golf Company                      | 16.6%       | 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.

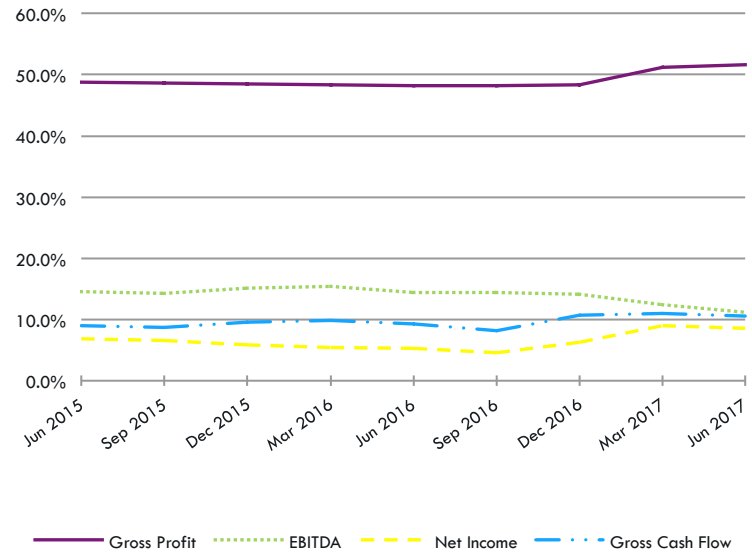
■ Highest Return
 ■ Lowest Return
 ■ Median Return

# 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



## Public Company Median Multiples by Quarter

|                                     | 9/30/17 | 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>         | 1.2x    | 1.1x    | 1.0x     | 1.1x    | 1.0x    | 1.0x    | 1.1x     | 1.2x    |
| <b>EV/EBITDA Multiple</b>           | 14.3x   | 11.5x   | 11.1x    | 11.9x   | 13.8x   | 13.8x   | 12.3x    | 14.7x   |
| <b>Price/Earnings Multiple</b>      | 26.4x   | 20.7x   | 20.0x    | 22.1x   | 21.3x   | 27.8x   | 22.2x    | 19.9x   |
| <b>EV/Gross Cash Flows Multiple</b> | 20.2x   | 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 |
|------------------|----------------------------------|------------------------------|------------------|-------------|----------------|--------------|
| 8/18/17          | <b>TravisMathew LLC</b>          | Samsonite LLC                | \$105.0          | 100%        | \$158.5        | 0.7x         |
| 5/5/17           | <b>eBags, Inc.</b>               | Samsonite International S.A. | <b>\$1,828.8</b> | <b>100%</b> | <b>\$547.7</b> | <b>3.2x</b>  |
| 8/1/16           | <b>Tumi Holdings, Inc.</b>       | Sonic Tycoon Limited         | \$96.2           | 50%         | \$82.0         | 1.5x         |
| 6/3/16           | <b>Lee &amp; Man Handbags</b>    | Cinven Limited               | \$370.8          | 100%        | \$393.5        | 0.9x         |
| 2/11/16          | <b>Kurt Geiger Ltd</b>           | InvestIndustrial             | \$65.9           | 100%        | \$90.1         | 0.7x         |
| 10/12/15         | <b>Sergio Rossi S.p.A.</b>       | Silver Summit Investments    | \$5.4            | 100%        | \$3.9          | 1.4x         |
| 9/30/15          | <b>MD Inc. Limited</b>           | Samsonite S.p.A.             | \$9.6            | 100%        | \$17.1         | 0.6x         |
| 7/1/15           | <b>Chic Accent</b>               | HALO Branded Solutions       | \$3.5            | 100%        | N/A            | N/A          |
| 6/30/15          | <b>Sino Golf Holdings Ltd.</b>   | N/A                          | \$54.6           | 61%         | \$38.2         | 2.0x         |
| 6/1/15           | <b>Karmaloop, Inc.</b>           | CapX Partners                | \$13.0           | 100%        | N/A            | N/A          |
| 5/31/15          | <b>Roberto Cavalli S.p.A.</b>    | Pantheon Ventures            | \$0.0            | 90%         | \$234.4        | 0.0x         |
| 5/20/15          | <b>Calzaturificio Valleverde</b> | Silver 1 srl                 | \$10.0           | 100%        | N/A            | N/A          |
| 5/15/15          | <b>Fresh Produce Sportswear</b>  | Fresh Produce Holdings       | \$7.1            | 100%        | N/A            | N/A          |
| 3/26/15          | <b>A.S.Adventure n.v.</b>        | PAI Partners                 | \$448.7          | 100%        | \$456.6        | 1.0x         |
| 3/6/15           | <b>LogoSportswear, Inc.</b>      | Gladstone Investment Corp.   | \$9.7            | 100%        | N/A            | N/A          |
| 2/16/15          | <b>The Rolling Luggage Co.</b>   | Samsonite GmbH               | <b>\$24.2</b>    | <b>100%</b> | <b>\$41.0</b>  | <b>0.6x</b>  |
| 12/31/14         | <b>BHS Limited</b>               | Retail Acquisitions Limited  | \$104.3          | 100%        | N/A            | N/A          |
| 12/8/14          | <b>Character World Ltd.</b>      | Palatine Private Equity      | \$56.3           | 100%        | N/A            | N/A          |
| 11/25/14         | <b>Bank Fashion Limited</b>      | Hilco UK Limited             | \$28.5           | 100%        | N/A            | N/A          |
| 9/12/14          | <b>Roberto Cavalli S.p.A.</b>    | VTB Bank                     | \$323.7          | 60%         | N/A            | N/A          |
| 8/1/14           | <b>David Jones Limited</b>       | Vela Investments Pty         | \$2,061.7        | 100%        | \$1,787        | 1.1x         |

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

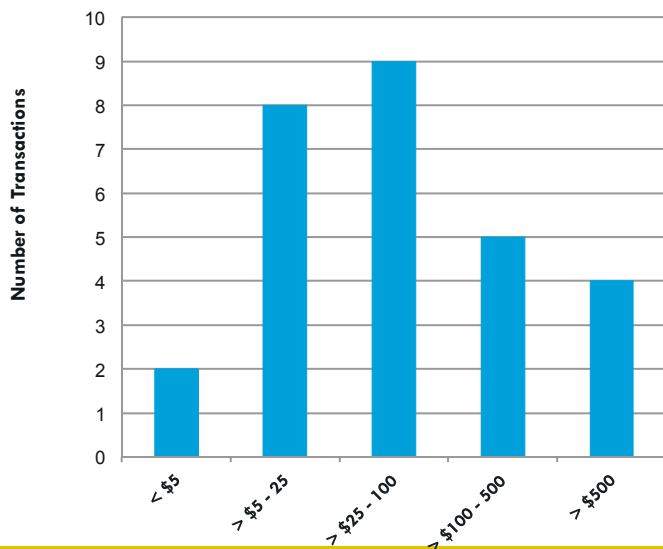
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| Transaction Date                                    | Target                         | Acquirer                         | Transaction Size | % Bought    | LTM Revenues   | EV/ Revenues |
|---|--------------------------------|----------------------------------|------------------|-------------|----------------|--------------|
| 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>  |

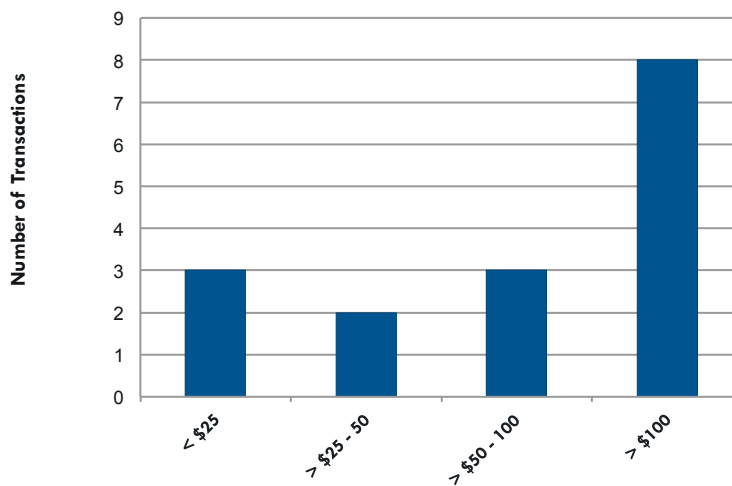
■ USA   
 ■ International   
 ■ Highest   
 ■ Lowest   
 ■ Median

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