

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 December 31, 2016, the median 52-week share price return of the Specialty Bags/Luggage industry was 25.9%. Between December 31, 2015 and December 31, 2017, the median EV/EBITDA multiple increased from 11.4 to 14.3. Furthermore, the median price-to-earnings multiple increased from 23.0 to 40.6 over the same period. The median revenue growth and EBITDA margins for the industry for the quarter were 3.4% and 10.3%, respectively.

Public Company Key Statistics

Median 52-Week
Return

25.9%

Median 3-Year CAGR
Return

-2.0%

Median EV/Revenue
Multiple

1.4x

Median EV/EBITDA
Multiple

14.3x

Median Price/Earnings
Multiple

40.6x

Median EV/Gross CF
Multiple

29.3x

Comparable Public Company Market Price Returns as of December 31, 2017

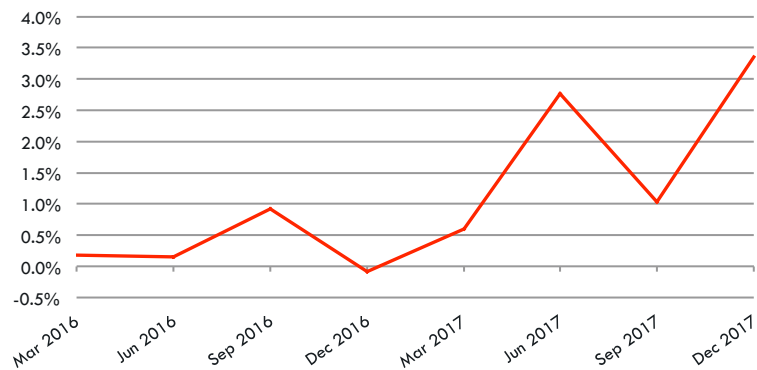
	YTD	3 Month	1 Year	2 Year	3 Year	2016	2015	2014
Callaway Golf Company	27.1%	15.4%	25.2%	19.6%	15.4%	16.3%	22.3%	-8.7%
Clarus Corporation	46.7%	22.0%	60.6%	-15.2%	-16.0%	21.0%	-49.5%	-34.4%
Gaia, Inc.	43.4%	12.6%	44.7%	30.9%	13.4%	38.6%	-12.5%	7.7%
G-III Apparel Group, Ltd.	24.8%	14.0%	-45.4%	-40.4%	-15.1%	-33.2%	-12.4%	36.6%
Lululemon Athletica Inc.	20.9%	15.0%	-19.2%	-4.4%	13.8%	23.9%	-6.0%	-5.5%
Ralph Lauren Corporation	14.8%	-9.6%	-17.7%	-25.3%	-22.8%	-19.0%	-39.8%	4.9%
V.F. Corporation	38.7%	4.8%	-6.3%	-9.1%	-2.9%	-14.3%	-16.9%	20.1%
Vera Bradley, Inc.	3.9%	5.0%	-31.0%	-6.8%	-23.5%	-25.6%	-22.7%	-15.2%
Median of Industry Public Companies	25.9%	14.0%	-6.3%	-6.8%	-2.9%	7.0%	-12.9%	-5.5%

Multiple year periods are calculated as the average annual return.

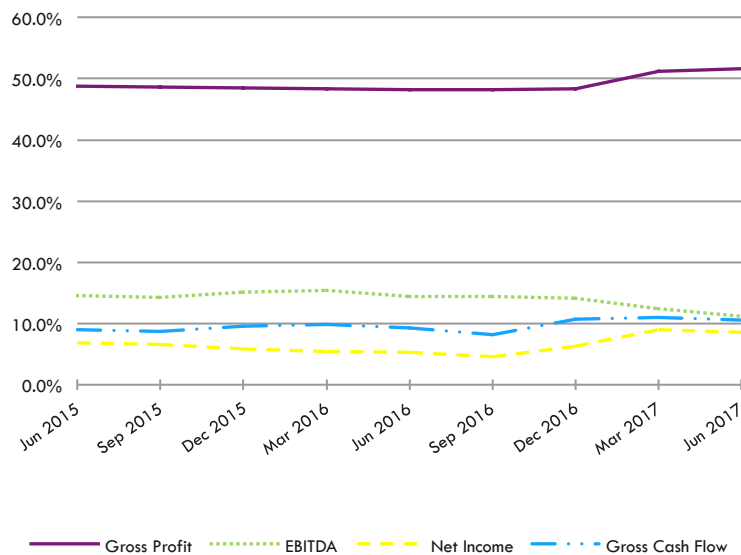
■ Highest Return
 ■ Lowest Return
 ■ Median Return

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

	12/31/17	9/30/17	6/30/17	9/30/16	6/30/16	3/31/16	12/31/15	9/30/15
EV/Revenues Multiple	1.4x	1.5x	1.0x	1.1x	1.0x	1.0x	1.1x	1.2x
EV/EBITDA Multiple	14.3x	13.2x	12.4x	11.9x	13.8x	13.8x	12.3x	14.7x
Price/Earnings Multiple	40.6x	30.1x	24.8x	22.1x	21.3x	27.8x	22.2x	19.9x
EV/Gross Cash Flows Multiple	29.3x	19.2x	19.6x	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	JS Corporation	\$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	Tumi Holdings, Inc.	\$18.00	18.8	\$338.0	\$448.3	\$321.7	\$344.1	\$74.6	\$19.6	\$84.4
10/20/10	Vera Bradley, Inc.	\$16.00	11.0	\$176.0	\$178.5	\$140.2	\$322.9	\$69.8	\$56.0	\$77.9
7/26/07	Lululemon Athletica Inc.	\$18.00	18.2	\$327.6	\$69.0	\$1.5	\$165.5	\$29.4	\$8.0	\$34.1
	Median of all IPOs	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	TravisMathew LLC	Samsonite LLC	\$105.0	100%	\$158.5	0.7x
5/5/17	eBags, Inc.	Samsonite International S.A.	\$1,828.8	100%	\$547.7	3.2x
8/1/16	Tumi Holdings, Inc.	Sonic Tycoon Limited	\$96.2	50%	\$82.0	1.5x
6/3/16	Lee & Man Handbags	Cinven Limited	\$370.8	100%	\$393.5	0.9x
2/11/16	Kurt Geiger Ltd	InvestIndustrial	\$65.9	100%	\$90.1	0.7x
10/12/15	Sergio Rossi S.p.A.	Silver Summit Investments	\$5.4	100%	\$3.9	1.4x
9/30/15	MD Inc. Limited	Samsonite S.p.A.	\$9.6	100%	\$17.1	0.6x
7/1/15	Chic Accent	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)

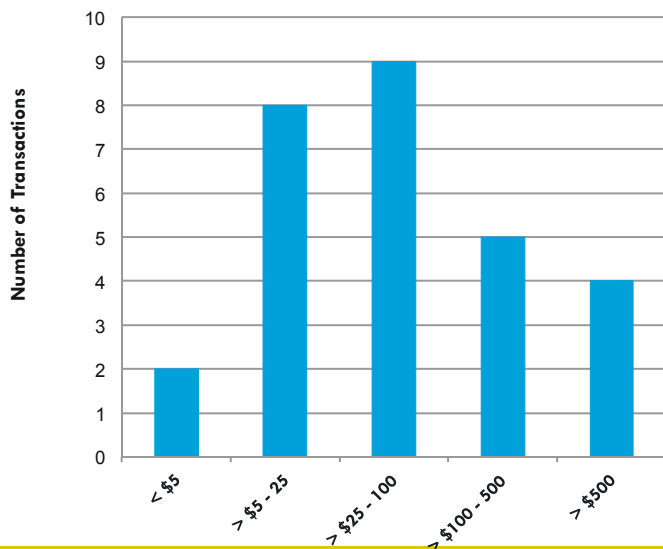
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Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	EV/ Revenues
4/1/14	Distri Bagages Sarl	Samsonite Europe N.V.	\$27.6	100%	\$9.0	3.1x
3/5/14	Altrec Inc.	TruSnow.com	\$3.3	100%	N/A	N/A
12/5/13	Loro Piana S.p.A.	LVMH Moët Hennessy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

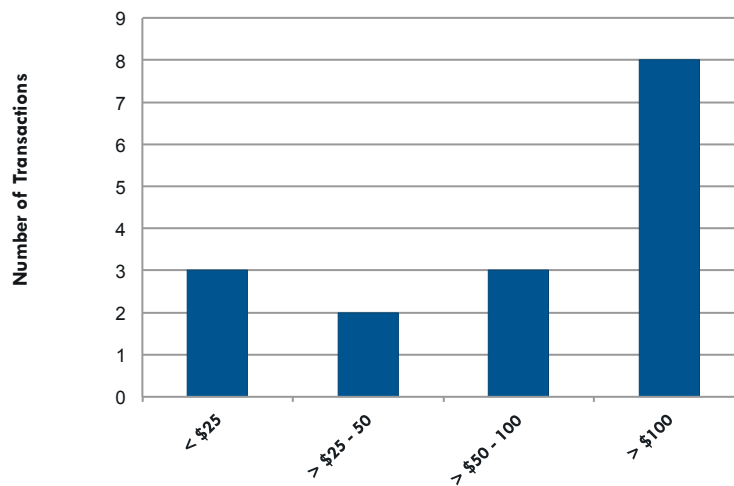
■ USA
 ■ International
 ■ Highest
 ■ Lowest
 ■ Median

Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions) as of December 31, 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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