

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, 2017, the median 52-week share price return of the Specialty Bags/Luggage industry was 59.4%. Between June 30, 2016 and June 30, 2018, the median EV/EBITDA multiple decreased from 11.8 to 11.2. However, the median price-to-earnings multiple increased from 20.1 to 48.0 over the same period. The median revenue growth and EBITDA margins for the industry for the quarter were 4.8% and 12.8%, respectively.

Public Company Key Statistics

Median 52-Week
Return

59.4%

Median 3-Year CAGR
Return

6.5%

Median EV/Revenue
Multiple

1.5x

Median EV/EBITDA
Multiple

11.2x

Median Price/Earnings
Multiple

48x

Median EV/Gross CF
Multiple

22.2x

Comparable Public Company Market Price Returns as of June 30, 2018

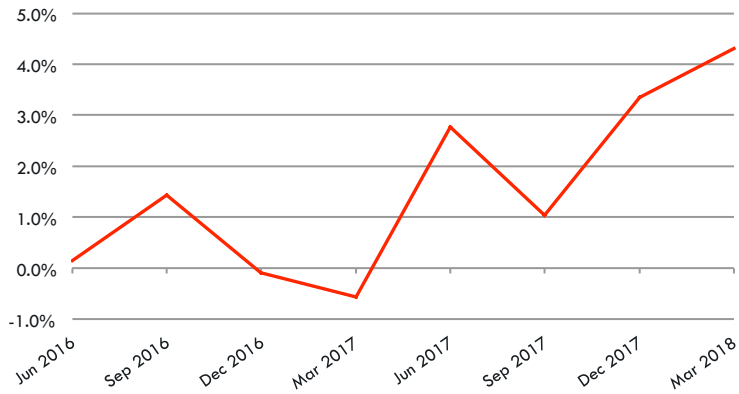
| | YTD | 3 Month | 1 Year | 2 Year | 3 Year | 2016 | 2015 | 2014 |
|--|--------------|-------------|------------|--------------|--------------|-------------|---------------|--------------|
| Callaway Golf Company | 73.1% | 16.0% | 48.4% | 19.6% | 15.4% | 16.3% | 22.3% | -8.7% |
| Clarus Corporation | 54.2% | 22.2% | 24.1% | -15.2% | -16.0% | 21.0% | -49.5% | -34.4% |
| Gaia, Inc. | 134.1% | 30.6% | 80.8% | 30.9% | 13.4% | 38.6% | -12.5% | 7.7% |
| G-III Apparel Group, Ltd. | 50.2% | 17.8% | 78.0% | -40.4% | -15.1% | -33.2% | -12.4% | 36.6% |
| Lululemon Athletica Inc. | 92.1% | 40.1% | 109.2% | -4.4% | 13.8% | 23.9% | -6.0% | -5.5% |
| Ralph Lauren Corporation | 39.2% | 12.5% | 70.4% | -25.3% | -22.8% | -19.0% | -39.8% | 4.9% |
| V.F. Corporation | 52.8% | 10.0% | 41.5% | -9.1% | -2.9% | -14.3% | -16.9% | 20.1% |
| Vera Bradley, Inc. | 19.8% | 32.3% | 43.6% | -6.8% | -23.5% | -25.6% | -22.7% | -15.2% |
| Median of Industry Public Companies | 53.5% | 5.0% | 59% | -6.8% | -2.9% | 1.0% | -12.9% | -5.5% |

Multiple year periods are calculated as the average annual return.

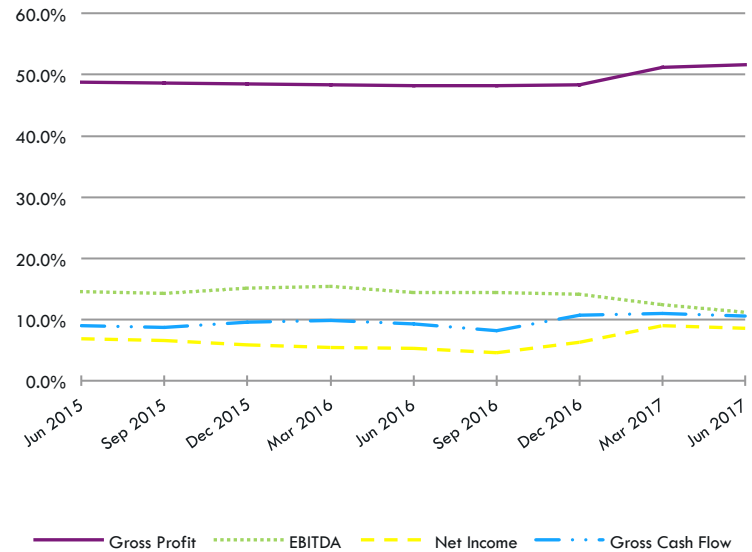
■ Highest Return
 ■ Lowest Return
 ■ Median Return

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

| | 6/30/18 | 3/31/18 | 9/30/17 | 6/30/17 | 6/30/16 | 3/31/16 | 12/31/15 | 9/30/15 |
|-------------------------------------|---------|---------|---------|---------|---------|---------|----------|---------|
| EV/Revenues Multiple | 1.5x | 1.4x | 1.5x | 1.0x | 1.0x | 1.0x | 1.1x | 1.2x |
| EV/EBITDA Multiple | 11.2x | 11.8x | 13.4x | 12.3x | 13.8x | 13.8x | 12.3x | 14.7x |
| Price/Earnings Multiple | 48.0x | 38.2x | 30.1x | 24.8x | 21.3x | 27.8x | 22.2x | 19.9x |
| EV/Gross Cash Flows Multiple | 22.2x | 23.0x | 19.2x | 19.6x | 18.3x | 18.7x | 15.0x | 16.0x |

 Highest Multiple

 Lowest Multiple

 Median Multiple

Industry Initial Public Offerings—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 |
|------------|-------------------------------------|-------------|----------------|---------------|--------------|---------|--------------|------------|----------------|----------------|
| 1/15/18 | Sling Group Holdings Limited | \$0.05 | 140.0 | \$7.7 | \$16.2 | \$4.1 | \$32.1 | \$22,556.8 | \$19,606.4 | \$22,558.7 |
| 2/1/16 | JS Corporation | \$19.11 | 3.3 | \$62.7 | \$135.1 | \$26.4 | \$204.2 | \$74.6 | \$19.6 | \$84.4 |
| 4/18/12 | Tumi Holdings, Inc. | \$18.00 | 18.8 | \$338.0 | \$448.3 | \$321.7 | \$344.1 | \$69.8 | \$56.0 | \$77.9 |
| 10/20/10 | Vera Bradley, Inc. | \$16.00 | 11.0 | \$176.0 | \$178.5 | \$140.2 | \$322.9 | \$29.4 | \$8.0 | \$34.1 |
| | Median of all IPOs | nm | nm | \$176.0 | \$135.1 | \$26.4 | \$204.2 | \$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 |
|------------------|----------------------------------|------------------------------|------------------|-------------|---------------|--------------|
| 6/29/18 | NAF NAF SAS | La Chapelle Enterprise | \$125.5 | 100% | \$258.3 | 0.2x |
| 8/17/17 | travisMathew, LLC | Callaway Golf Company | \$105.0 | 100% | N/A | N/A |
| 5/5/17 | eBags, Inc. | Samsonite LLC | \$1,828.8 | 50% | \$158.5 | 0.7x |
| 8/1/16 | Tumi Holdings, Inc. | Samsonite International S.A. | \$96.2 | 100% | \$547.7 | 3.2x |
| 6/3/16 | Lee & Man Handbags | Sonic Tycoon Limited | \$370.8 | 100% | \$82.0 | 1.5x |
| 2/11/16 | Kurt Geiger Ltd | Cinven Limited | \$65.9 | 100% | \$393.5 | 0.9x |
| 12/30/15 | Sergio Rossi S.p.A. | InvestIndustrial | \$5.4 | 100% | \$90.1 | 0.7x |
| 10/12/15 | MD Inc. Limited | Silver Summit Investments | \$9.6 | 100% | \$3.9 | 1.4x |
| 9/30/15 | Chic Accent | Samsonite S.p.A. | \$3.5 | 61% | \$17.1 | 0.6x |
| 6/1/15 | Newton Manufacturing | HALO Branded Solutions | \$54.6 | 100% | N/A | N/A |
| 5/31/15 | Sino Golf Holdings Ltd. | N/A | \$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)

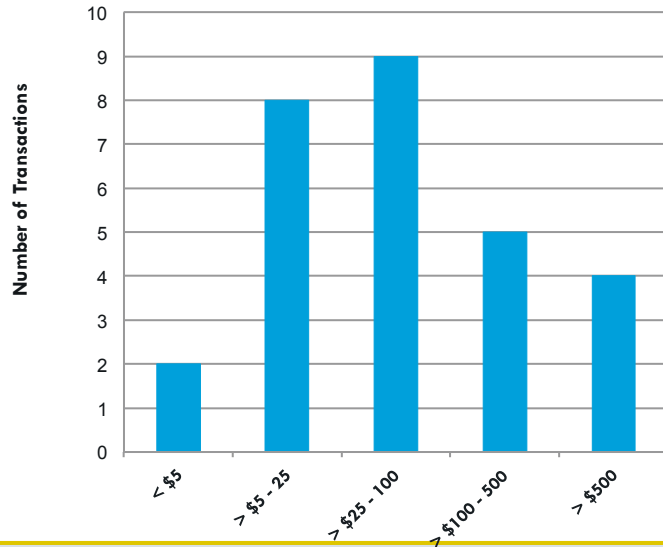
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| Transaction Date | Target | Acquirer | Transaction Size | % Bought | LTM Revenues | EV/ Revenues |
|---|----------------------------|----------------------------------|------------------|-------------|----------------|--------------|
| 4/1/14 | Distri 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 | Distri Bagages Sarl | The Men's Wearhouse | \$97.5 | 100% | N/A | N/A |
| 7/31/13 | Altrec Inc. | Divine Investments SA | \$2,123.6 | 100% | \$1,925 | 1.1x |
| 7/19/13 | Loro Piana S.p.A. | Altamont Capital Partners | \$64.6 | 100% | N/A | N/A |
| 6/29/13 | Pro Hockey Life | N/A | \$6.0 | 100% | N/A | N/A |
| 4/1/14 | JA Apparel Corp. | 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 |

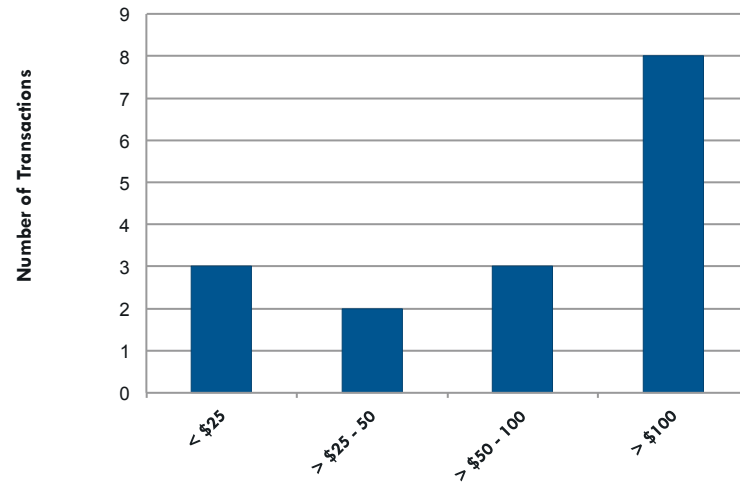
USA
 International
 Highest
 Lowest
 Median

Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions) as of June 30, 2018

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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