Compass Diversified Announces Sale of Crosman Air Gun Business

April 30, 2024

WESTPORT, Conn., April 30, 2024 (GLOBE NEWSWIRE) -- Compass Diversified (NYSE: CODI) ("CODI" or the "Company"), an owner of leading middle market businesses, is announcing the simultaneous entry into a definitive agreement (the "Agreement") and completion of its sale of Crosman Corporation ("Crosman"), the air gun division of its Velocity Outdoor, Inc. subsidiary, to Daisy Manufacturing Company ("Daisy").

Crosman is a leading designer, manufacturer and marketer of air guns, accessories and related consumables sold under the Crosman, Benjamin, Game Face, LaserMax and Centerpoint Optics brands. For more than 100 years, Crosman has served as a pioneer of the air gun industry. Daisy is a designer, manufacturer and marketer of youth and adult air guns, accessories and related consumables sold under the Daisy, BSA, Red Ryder, GAMO and Winchester brands and is a portfolio company of BRS & Co.

Proceeds from the transaction will be used to pay down debt and for general corporate purposes.

Elias Sabo, CEO of Compass Diversified stated, "Our partnership with Crosman dates back to 2006 when we first acquired Crosman, and we are grateful for its history of contributions to both Velocity Outdoor and CODI. We believe Crosman's sale to a recognized industry veteran in the air gun space positions it well for future success."

Tom McGann, Chairman of Velocity Outdoor, commented, "On behalf of the Velocity team, I want to thank the entire Crosman team for their dedication over the years. We wish them nothing but continued success under new ownership."

Robert W. Baird & Co acted as exclusive financial advisor and Gibson, Dunn & Crutcher LLP acted as legal counsel to CODI. Kirkland & Ellis LLP acted as legal counsel to Daisy.

About Compass Diversified ("CODI")
Since its IPO in 2006, CODI has consistently executed on its strategy of owning and managing a diverse set of highly defensible, middle-market businesses across the industrial, branded consumer, and healthcare sectors. CODI leverages its permanent capital base, long-term disciplined approach, and actionable expertise to maintain controlling ownership interests in each of its subsidiaries, maximizing its ability to impact long-term cash flow generation and value creation. CODI provides both debt and equity capital for its subsidiaries, contributing to their financial and operating flexibility. CODI utilizes the cash flows generated by its subsidiaries to invest in the long-term growth of the Company and has consistently generated strong returns through its culture of transparency, alignment, and accountability. For more information, please visit compassdiversified.com.

Forward Looking Statements

This press release contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements with regard to the sale of Crosman and expectations related to the future performance of CODI, Crosman and Daisy. Words such as "believes," "expects," "will," "anticipates," "intends," "continue," "potential," "assuming," and "future" or similar expressions, are intended to identify forward-looking statements. These forward-looking statements are subject to the inherent uncertainties in predicting future results and conditions, some of which are not currently known to us. In addition to factors previously disclosed in CODI's reports filed with the SEC, the following factors, among others, could cause actual results to differ materially from forward-looking statements: changes in the economy, financial markets and political environment; risks associated with possible disruption in CODI's operations or the economy generally due to terrorism, natural disasters, social, civil and political unrest or the COVID-19 pandemic; future changes in laws or regulations (including the interpretation of these laws and regulations by regulatory authorities); and other considerations that may be disclosed from time to time in CODI's publicly disseminated documents and filings. Further information regarding CODI and its subsidiaries and factors which could affect the forward-looking statements contained herein can be found in CODI's annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. Forward-looking statements speak only as of the date they are made. Except as required by law, CODI undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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