

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 10, 2020

COMPASS DIVERSIFIED HOLDINGS
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-34927
(Commission
File Number)

57-6218917
(I.R.S. Employer
Identification No.)

COMPASS GROUP DIVERSIFIED HOLDINGS LLC
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-34926
(Commission
File Number)

20-3812051
(I.R.S. Employer
Identification No.)

301 Riverside Avenue, Second Floor, Westport, CT 06880
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: (203) 221-1703

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Shares representing beneficial interests in Compass Diversified Holdings	CODI	New York Stock Exchange
Series A Preferred Shares representing beneficial interests in Compass Diversified Holdings	CODI PR A	New York Stock Exchange
Series B Preferred Shares representing beneficial interests in Compass Diversified Holdings	CODI PR B	New York Stock Exchange
Series C Preferred Shares representing beneficial interests in Compass Diversified Holdings	CODI PR C	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Section 7 Regulation FD Disclosure
Item 7.01 Regulation FD Disclosure

On Thursday, December 10, 2020, the management of Compass Diversified Holdings (NYSE: CODI) and Compass Group Diversified Holdings LLC (collectively "CODI") will hold a virtual investor presentation at 1:00 p.m., Eastern Time. The event includes a presentation by CODI's Boa Technology, Inc. subsidiary. A copy of the press release announcing the event is attached as Exhibit 99.1 hereto. A copy of management's presentation is attached as Exhibit 99.2 hereto.

The information contained under Item 7.01 in this Report, including Exhibits 99.1 and 99.2, is being furnished and, as a result, such information shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or subject to the liabilities of that section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Section 9 Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits

(d)	Exhibits.
99.1	CODI Investor Day Press Release
99.2	CODI Investor Presentation - December 10, 2020
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: December 10, 2020

COMPASS DIVERSIFIED HOLDINGS

By: /s/ Ryan J. Faulkingham

Ryan J. Faulkingham
Regular Trustee

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: December 10, 2020

COMPASS GROUP DIVERSIFIED HOLDINGS LLC

By: /s/ Ryan J. Faulkingham

Ryan J. Faulkingham
Chief Financial Officer



Compass Diversified to Discuss Differentiated Permanent Capital Model, Portfolio Transformation, Strong Financial Performance and 2020 Outlook at Virtual Investor Day

Presentations Begin Today at 1:00 PM ET, Available via Webcast at IR.CompassDiversified.com

Westport, Conn., December 10, 2020 – Compass Diversified (NYSE: CODI) (“CODI” or the “Company”), an owner of leading middle market businesses, today will host its 2020 Virtual Investor Day, where it will discuss how CODI’s differentiated permanent capital model has positioned the Company for growth in 2020 and the Company’s anticipated outlook for 2021. The event will also include a presentation from Shawn Neville, CEO of BOA Technology (“BOA”), CODI’s newest subsidiary company, acquired in October 2020.

“We are excited to update the investor community on CODI’s significant progress in 2020 and our optimism for the year ahead,” said Elias Sabo, Chief Executive Officer of CODI. “CODI’s permanent capital model has enabled our team to transform our portfolio over the past three years and provided us with what we believe is a clear structural advantage in the current dislocated market. We are confident that our capital allocation strategy, active management style and diverse group of subsidiaries have positioned us to proactively execute on our growth strategy and we expect that these factors will drive meaningful shareholder value in 2021 and beyond.”

Compelling Value Proposition

In today’s presentation, CODI will outline the central tenants that continue to drive the Company’s performance:

- **Permanent capital model** allows the Company to be patient in acquiring and actively managing leading middle market businesses.
- **Active management style** focuses on core areas that translate into the highest value creation for shareholders.
- **Management team** is fully aligned with shareholders and invests alongside them.
- **Diverse set of niche, market-leading companies** reduces the volatility in CODI’s financial results, and the recent acquisitions of BOA and Marucci only serve to further enhance that diversification and the breadth of end markets served, as well as strengthen CODI’s overall growth prospects.

Presentation from Newest Subsidiary – BOA Technology

Over the past nearly two decades, the BOA Fit System has become the global leader in performance fit solutions integrated into market-leading, well-known premium brand partner products. At today’s event, BOA CEO, Shawn Neville, will provide an overview of BOA’s:

- History and expansion into new categories;
- Competitive advantages including diverse intellectual property portfolio;
- Large and growing addressable consumer market; and
- Focus on being a good corporate citizen and doing good for its communities and the environment.

Continued Strong Financial Performance

In today's presentation, CODI will also discuss the Company's strong financial position, including:

- How CODI's strong balance sheet positioned the Company to execute on the compelling acquisitions of Marucci Sports and BOA in 2020;
- CODI's leverage ratio history and optimum leverage level for the business;
- Efforts to drive CODI's cost of capital lower;
- 2020 financial performance substantially exceeding expectations; and
- Providing an update on guidance, including that CODI expects to be at the higher end of the previously disclosed guidance for 2020.

Webcast Information

Today's Virtual Investor Day will begin at 1:00 pm ET. A live video webcast including audio, video, presentation materials and an archived replay, is available here: [2020 Virtual Investor Day](#), or on the investor relations page of the Company's website IR.CompassDiversified.com. Please allow extra time prior to the start of the event to download any necessary software that may be needed to view the webcast.

About Compass Diversified ("CODI")

CODI owns and manages a diverse set of highly defensible North American middle market businesses. Each of its current subsidiaries is a leader in its niche market. For more information, visit compassdiversified.com.

Leveraging its permanent capital base, long-term disciplined approach and actionable expertise, CODI maintains controlling ownership interests in each of its subsidiaries, maximizing its ability to impact long-term cash flow generation and value creation. The Company 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.

Our ten majority-owned subsidiaries are engaged in the following lines of business:

- The design and marketing of purpose-built technical apparel and gear serving a wide range of global customers (**5.11**);
- The manufacture of quick-turn, small-run and production rigid printed circuit boards (**Advanced Circuits**);
- The manufacture of engineered magnetic solutions for a wide range of specialty applications and end-markets (**Arnold Magnetic Technologies**);
- The design and marketing of dial-based fit systems that deliver performance fit across footwear, headwear and medical bracing products (**BOA Technology**);
- The design and marketing of wearable baby carriers, strollers and related products (**Ergobaby**);
- The design and manufacture of custom molded protective foam solutions and OE components (**Foam Fabricators**);
- The design and manufacture of premium home and gun safes (**Liberty Safe**);
- The design and manufacture of baseball and softball equipment and apparel (**Marucci Sports**);

- The manufacture and marketing of portable food warming systems used in the foodservice industry, creative indoor and outdoor lighting, and home fragrance solutions for the consumer markets (**Sterno**); and
- The design, manufacture and marketing of airguns, archery products, optics and related accessories (**Velocity Outdoor**).

Forward-Looking Statements

This press release contains, and the webcast will contain, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, statements as to the future performance or liquidity of CODI and its subsidiaries, such as expectations regarding our 2020 guidance or 2021 outlook as well as other statements with regard to the future performance of CODI and its subsidiaries.

We may use words such as "anticipate," "believe," "expect," "intend," "will," "should," "may," "seek," "look," and similar expressions to identify forward-looking statements. The forward-looking statements contained in this press release and webcast involve risks and uncertainties. Actual results could differ materially from those implied or expressed in the forward-looking statements for any reason, including the factors set forth in "Risk Factors" and elsewhere in CODI's annual report on Form 10-K and its quarterly reports on Form 10-Q. Other factors that could cause actual results to differ materially include: the impact, in the near, medium and long-term, of the COVID-19 pandemic or social or political unrest on our business, results of operations, financial position, liquidity, cash flows or ability to make distributions; our business prospects and the prospects of our portfolio companies; the impact of investments that we make or expect to make; the dependence of our future success on the general economy and its impact on the industries in which we operate; the ability of our portfolio companies to achieve their objectives; the adequacy of our cash resources and working capital; the timing of cash flows, if any, from the operations of our portfolio companies; 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. Undue reliance should not be placed on such forward-looking statements as such statements speak only as of the date on which they are made. Although, except as required by law, CODI undertakes no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, you are advised to consult any additional disclosures that CODI may make directly to you or through reports that it in the future may file with the SEC, including annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K.

Contacts

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December 20

Welcome

Elias Sabo

Today's Presenters

ELIAS SABO

Founding Partner & CEO

Responsible for directing CODI's strategy

Investment Committee Member

Joined The Compass Group in 1998 as one of its founding partners

Graduate of Rensselaer Polytechnic Institute

RYAN FAULKINGHAM

EVP & CFO

Responsible for capital raising, accounting and reporting, financial controls, as well as risk assessment

Investment Committee Member

Joined The Compass Group in 2008

Graduate of Lehigh University and Fordham University

PATRICK MACIAR

Chief Operating Officer

Managing Partner

Investment Committee Member

Joined The Compass Group

Graduate of University of Pennsylvania and Columbia Business School

SHAWN NEVILLE

President & CEO, BOA Technology

Named CEO in June 2017

Seasoned executive with deep consumer/retail and technology experience at companies including Avery Dennison, Keds Corporation, Footaction USA, Reebok, Visa and Procter & Gamble

Graduate of the University of Denver

Legal Disclaimer

This presentation contains certain forward-looking statements within the meaning of the federal securities laws. These statements may be made in this presentation or by reference to other documents we file with the SEC.

Some of the forward-looking statements can be identified by the use of forward-looking words. Statements that are not historical in nature, including words “anticipate,” “may,” “estimate,” “should,” “seek,” “expect,” “plan,” “believe,” “intend,” and similar words, or the negatives of those words, are intended to identify forward-looking statements. Certain statements regarding the following particularly are forward-looking in nature: future financial performance, market forecasts or projections, projected capital expenditures; and our business strategy.

All forward-looking statements are based on our management’s beliefs, assumptions and expectations of our future economic performance, taking into account the information currently available to it. These statements are not statements of historical fact. Forward-looking statements are subject to a number of factors, risks and uncertainties, some of which are not currently known to us, that may cause our actual results, performance or financial condition to be materially different from the expectations of future results, performance or financial position. Our actual results may differ materially from the results discussed in forward-looking statements. Factors that might cause such a difference include but are not limited to the risks set forth in our “Risk Factors” included in our SEC filings.

In addition, our discussion may include references to Adjusted EBITDA, EBITDA, cash flow, CAD or other non-GAAP measures. A reconciliation of such non-GAAP financial measures to directly comparable GAAP financial measures is included in our annual and quarterly reports in Forms 10-K and 10-Q filed with the SEC as well as the attached Appendix.

Today's Agenda

1 CODI Prepared Remarks — Elias Sabo

Disciplined Approach and Structural Advantage

Transforming CODI's Portfolio

Competitive Advantages

Investing in Tomorrow / ESG Initiatives

2 Subsidiary Update — Pat Maciariello

3 BOA Technology Presentation — Shawn Neville

4 BOA Technology Q&A — Shawn Neville and Elias Sabo

5 CODI Financial Review — Ryan Faulkingham

6 CODI Q&A — Elias Sabo, Ryan Faulkingham & Pat Maciariello

7 Closing Remarks — Elias Sabo

Prepared Remarks

Elias Sabo

Compass Diversified (NYSE: CODI) Offers Shareholders a Unique Opportunity To Own a Diverse Group of Leading Middle-Market Businesses

Provides access to a strategy typically reserved for private equity investors without the barriers to entry

CODI is an experienced acquirer, manager and opportunistic divestor of established North American middle-market businesses; currently the portfolio is made up of 6 branded consumer and 4 niche industrial subsidiaries



KEY DIFFERENTIATORS

Long-term, Opportunistic Approach through Permanent Capital Base



Value Creation Through Sector Expertise



Superior Governance and Transparency

CODI BY THE NUMBERS

As of 9/30/2020

1998 **FOUNDED**
IPO in 2006

\$6.4B+ **AGGREGATE TRANS**
21 Platforms & 27 Ad

\$1.1B+ **REALIZED GAINS SI**
11 Divestitures To Da

\$2.5B **ASSETS MANAGED**
10 Current Platforms

~\$500M **DRY POWDER**
Permanent Capital Ba
Pro forma for BOA De

Disciplined Approach and Structural Advantage in Action

CODI IS POSITIONED TO DELIVER REGARDLESS OF ECONOMIC CLIMATE

- **If economic expansion** – ten subsidiaries producing strong Cash Flow which on an annualized basis is expected to exceed distribution; poised to grow in economic expansion
- **If economic downturn** – Cash Flow from existing subsidiaries expected to decline, however offset by \$500mm in available capital to deploy into acquisitions at attractive prices

Our actions over the past two years demonstrate the effectiveness of this strategy



Generated tangible, sustained value for shareholders by selling two businesses opportunistically for sizeable gains



Used proceeds to repay debt and strengthen balance sheet



Permanent capital structure and strong balance sheet allowed CODI to move forward with the acquisition of Marucci Sports and Technology

CODI's permanent capital structure provides a competitive advantage throughout the entire lifecycle of an asset from sourcing to exit and through various economic cycles

Transforming CODI's Portfolio



CODI Capital Allocation

	Clean Earth (LTM 6/30/19)	Manitoba Harvest (FY 2018)	Total Divested	BOA (estimated FY 2019)	Marucci (estimated FY 2019)	BOA + Maru (estimated FY 2019)
EBITDA	\$42	\$5	\$47	\$30	\$14	\$44
CapEx	\$11	\$0	\$11	\$4	\$1	\$5
Cash Taxes	\$1	\$0	\$1	\$5	\$0	\$5
Cash Flow to CODI ¹	\$30	\$5	\$35	\$21	\$13	\$34
Net sale/acq. proceeds	\$508	\$203	\$711	\$400	\$190	\$590

Competitive Advantages — How We Win

CODI's core principles — which have differentiated our business for nearly 15 years — have never been more relevant or produced stronger results for shareholders

1 Permanent Capital is Strategic Capital	2 Actively Manage Subsidiaries for the Long Term	3 Clear Alignment with Investors	4 Benefits to Owning a Portfolio of Uncorrelated Subsidiaries
<ul style="list-style-type: none">• Opportunistic in capital deployment• Enables long-term approach• “Eliminates” traditional PE investment horizon pressure	<ul style="list-style-type: none">• Business builders rather than asset traders• Permanent capital available to invest in businesses to drive long term value creation:<ul style="list-style-type: none">• Build management teams• Invest in lasting infrastructure• Organic growth and add-on acquisitions	<ul style="list-style-type: none">• Compensation structure aligns interest of shareholders and management team and allows for recruitment of top-level talent• Transparency / regular reporting• History of waiving management fees when appropriate• Significant and growing ownership of CODI shares by Manager partners and employees	<ul style="list-style-type: none">• Lower cost of capital versus financing each company separately• Defensive positioning• Professionalization at scale• Diversity of subsidiaries provides consistency in earnings and cash flow



Traditional private equity players are pressured to transact in a market characterized by rich valuations, abundant credit and fund life-related pressures

With no pre-defined investment periods to drive our strategy, we can remain patient and disciplined in our approach to capital deployment and avoid the “moral hazard” faced by other private equity managers

The Permanent Capital Advantage

From sourcing to exit, this permanent capital approach allows our team to be opportunistic and patient in acquiring, actively managing and opportunistically divesting leading middle market businesses



Certainty of financing and speed of closure



Invest in businesses to drive long term value creation



Enables a conservative, low leverage approach



Ability to hold subsidiaries until divestiture optimizes outcome for shareholders

CODI in Action — Active Management

Permanent capital structure drives value at every stage of investment as CODI leverages its sector expertise and superior governance and transparency to build businesses for the long-term

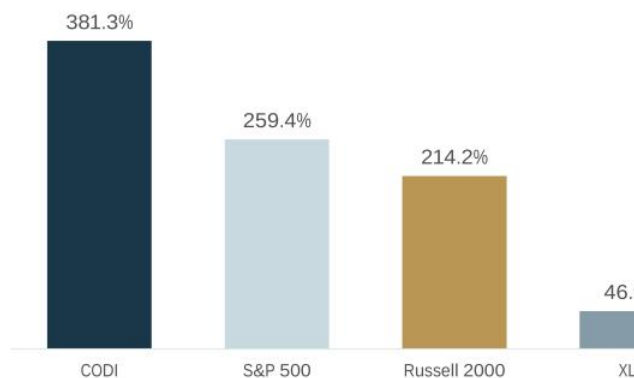
1 Strategic Acquisitions	2 Active Management	3 Opportunistic Divestitures
<ul style="list-style-type: none"> Decentralized, regional business development efforts Balance sheet provides certainty of financing and speed of closure Permanent capital avoids “moral hazard” faced by private equity managers operating under a fixed fund life Approach and model is attractive to management teams 	<ul style="list-style-type: none"> Business builders rather than asset traders Focus on a few core areas that we believe translate into the highest value creation for our shareholders, including: <ul style="list-style-type: none"> Creating a culture of accountability; Supporting our subsidiary management - enhancing talent and depth if needed; Investing in infrastructure and systems; and Enhancing strategic positioning through add-on acquisitions and growth capex. 	<ul style="list-style-type: none"> Flexible model optimizes and prioritize outcomes for all stakeholders Strong industry relationships Diverse range of exit strategies — have generated realized gains in excess of \$ billion

Management Team Alignment

Compared to both publicly-traded peers and market indices, CODI has consistently generated superior returns through its culture of transparency, alignment and accountability

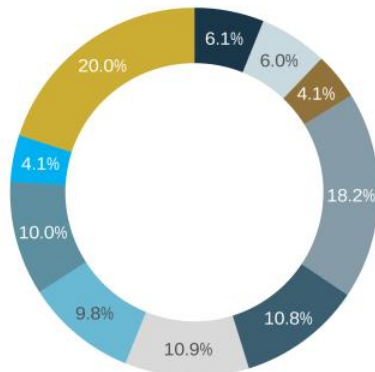
- **Significant and growing ownership of CODI shares by partners and employees**
 - Acquired approximately \$4 million of stock using after-tax proceeds over the past 2 years
- **History of waiving management fees when appropriate**
 - Approximately \$20 million waived over the past 2 years
- **Compensation structure aligns interest of shareholders and management team and allows for recruitment of top-level talent**
 - Added new MD of Business Development and hired 2 additional investment professionals
- **Best in class governance structure**
 - Board remains majority independent and separated the roles of the Chairman and CEO

TOTAL RETURN FROM MAY 16, 2006 THROUGH DECEMBER 3, 2020



Diversity producing consistent cash flow and earnings

Subsidiary Pro Forma Adjusted EBITDA



SEPTEMBER 30, 2020 TTM REVENUES
SUBSIDIARY PRO FORMA ADJUSTED EBITDA
OF \$1.6B AND \$284M, RESPECTIVELY



DIVERSIFIED CASH FLOWS FROM 10 SUBSIDIARIES

- 4 niche industrial subsidiaries represent 42% of Revenues and 44% of Adjusted EBITDA
- 6 branded consumer subsidiaries represent 58% of Revenues and 56% of Adjusted EBITDA



DIVERSIFIED CUSTOMER BASE

- 10 subsidiaries in diverse industry segments reduce customer concentration risk

Note: References to Adjusted EBITDA includes Pro Forma information for Marucci and BOA.

Commitment to ESG

Our mission is to deliver superior investment results while mitigating risk and conducting our business in a socially responsible and ethical manner

ESG is embedded in all aspects of our investment process from the original investment selection, to the subsequent value creation and eventual divestiture with a goal of continuous improvement

Our long-term approach, deep expertise and commitment to sustainability are critical to ensuring we are a trusted partner to our subsidiary companies



PILLARS OF OUR STRATEGY



INVESTING RESPONSIBLY



ATTRACTING, RETAINING AND DEVELOPING BEST PROFESSIONALS



ENGAGING WITH LOCAL COMMUNITIES

Subsidiary Update

Pat Maciariello

Subsidiary Snapshot

(\$ millions)

Subsidiaries	Year Acquired	TTM 09/30/20 ⁽²⁾		
		Revenue	Adj. EBITDA	Adj. EBITDA Margin
	2006	\$91	\$28	31%
	2012	\$106	\$12	11%
	2018	\$117	\$27	23%
	2014	\$364	\$57	16%
Total Niche Industrial:		\$678	\$124	18%
	2020	\$106	\$31	29%
	2010	\$81	\$17	21%
	2010	\$109	\$17	16%
marucci	2020	\$67	\$12	18%
	2017	\$189	\$31	16%
5.11 	2016	\$391	\$52	13%
Total Branded Consumer:		\$943	\$160	17%
Consolidated:		\$1,621	\$284	18%



ACQUIRED

October 16, 2020



INDUSTRY

Designer and marketer of dial-based closure systems that deliver performance fit across footwear, headwear and medical bracing products



PURCHASE PRICE

\$454mm

Minority cash investment: \$61.5mm



COMPASS VALUE ADDED

Working with Management to penetrate new product categories and geographies, and drive new product development initiatives



COMPETITIVE STRENGTH

- Disruptive, innovative and high-quality products
- Large addressable market
- Broad intellectual property position

Financial Review

Ryan Faulkingham

Pro-Forma Balance Sheet — Summary Items (000,000's)

	September 30, 2020	Summary of BOA Acquisition	Pro-Forma September 30, 2020
Current Assets:			
Cash and cash equivalents	\$177	(\$100)	\$77
Other current assets	\$624	—	\$624
Total current assets	\$801	(100)	\$701
Property, plant and equipment	\$155	—	\$155
Goodwill, intangibles and other assets	\$1,236	\$460	\$1,696
Total assets	\$2,192	\$360	\$2,552
Current Liabilities:			
Revolver	—	\$300	\$300
Other current liabilities	\$284	—	\$284
Total current liabilities	\$284	\$300	\$584
Senior Secured Notes	\$592	—	\$592
Other liabilities	\$125	—	\$125
Total liabilities	\$1,001	\$300	\$1,301
Stockholders' Equity:			
Preferred equity (Series A, B and C)	\$304	—	\$304
Common Equity	\$1,009	—	\$1,009
Other Equity	\$(122)	\$60	\$(62)
Total stockholders' equity	\$1,191	\$60	\$1,251
Total liabilities and stockholders' equity	\$2,192	\$360	\$2,552
Pro Forma Subsidiary Adjusted EBITDA	\$253	\$31	\$284
Leverage Ratio	1.83 : 1.00		~3.20 : 1.00

History of Successfully Deleveraging

CODI has a demonstrated history of paying down its debt and is committed to staying conservatively levered



Revenue and EBITDA

GUIDANCE FULL YEAR 2020

	Range
PF Adj. EBITDA	\$270,000 – \$
Payout Ratio	100% –

PF REVENUE — Q3

	Three months ended September 30, 2020	Three months ended September 30, 2019	Increase (decrease)	%
Niche Industrial	\$179,653	\$195,566	(15,913)	-8.1%
Branded Consumer*	\$239,250	\$207,693	31,557	15.2%
PF Net Revenues	\$418,903	\$403,259		

PF ADJ. EBITDA — Q3

	Three months ended September 30, 2020	Three months ended September 30, 2019	Increase (decrease)	%
Niche Industrial	\$30,824	\$37,749	(6,925)	-18.3%
Branded Consumer*	\$46,072	\$32,371	13,701	42.3%
PF Adj. EBITDA	\$76,896	\$70,120		

PF REVENUE — YTD

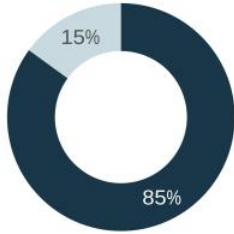
	Nine months ended September 30, 2020	Nine months ended September 30, 2019	Increase (decrease)
Niche Industrial	\$491,340	\$540,574	(49,234)
Branded Consumer*	\$617,139	\$572,667	44,472
PF Net Revenues	\$1,108,479	\$1,113,241	

PF ADJ. EBITDA — YTD

	Nine months ended September 30, 2020	Nine months ended September 30, 2019	Increase (decrease)
Niche Industrial	\$85,715	\$102,209	(16,494)
Branded Consumer*	\$97,624	\$82,926	14,698
PF Adj. EBITDA	\$183,339	\$185,135	

Improving Cost of Capital

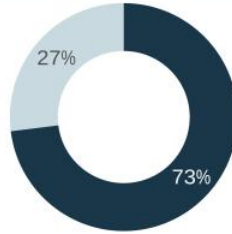
MAY 2006



■ Equity ■ Debt

Rate on debt – 10.9%

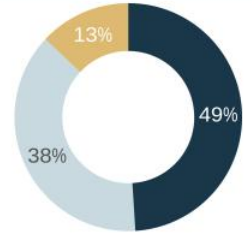
DEC 2011



■ Equity ■ Debt

Rate on debt – 8.8%

**SEPT 2020
PRO FORMA FOR BOA**



■ Equity ■ Debt ■ Preferred

Rate on debt – 6.0%*
Rate on preferred – 7.7%

*If we drew our entire Revolver, our effective rate on debt would decli

Closing Remarks

Elias Sabo

Strategy for 2021 and Beyond

Key differentiators have positioned us to not only weather the storm brought on by COVID-19, but also to proactively execute on our growth strategy:

- 1
 - 2
 - 3
 - 4
-

— COMPELLING OPPORTUNITIES FOR CO GENERATE LONG TERM SHAREHOLDER DURING MARKET DISLOCATIONS LIKE V CURRENTLY EXPERIENCING



Executing on proven and disciplined acquisition strategy



Improving the operating performance of our companies



Opportunistically divesting



Enhancing our commitment to ESG initiatives across our portfolio

Appendix

Current Subsidiaries

5.11



PURCHASE PRICE (AUGUST 2016)

\$400mm



INDUSTRY

Designer and manufacturer of purpose-built tactical apparel and gear serving a wide range of global customers



COMPETITIVE STRENGTHS

- Passionate and enthusiastic customer base
- Entrenched position in the professional market providing stable cash flow
- Broad customer base and product portfolio



COMPASS VALUE ADDED

Working with management to enhance product distribution globally and continue its direct-to-consumer efforts through online and retail.

FINANCIALS

	Revenue (\$ millions)	Adjusted I (\$ millic
Nine Months Ended 9/30/2020	\$281.8	\$36
Nine Months Ended 9/30/2019	\$279.0	\$31
Year Ended 12/31/2019	\$388.6	\$46
Year Ended 12/31/2018	\$347.9	\$32
Year Ended 12/31/2017	\$310.0	\$38



PURCHASE PRICE (JUNE 2017)

\$152mm

+ \$97mm add-on acquisitions



INDUSTRY

Designer, manufacturer and marketer of airguns, archery products, optics and related accessories



COMPETITIVE STRENGTHS

- Market share leader in airguns and crossbows
- Unrivaled sourcing and manufacturing capabilities allows for penetration into new markets
- Well-known brand names
- Enthusiastic and passionate customer base



COMPASS VALUE ADDED

Working with management to develop strategy for new market penetration, identify add-ons and broaden international distribution

FINANCIALS

	Revenue (\$ millions)	Adjusted I (\$ millio
Nine Months Ended 9/30/2020	\$148.2	\$25
Nine Months Ended 9/30/2019	\$107.4	\$16
Year Ended 12/31/2019	\$147.8	\$21
Proforma Year Ended 12/31/2018 (1)	\$164.9	\$31
Proforma Year Ended 12/31/2017 (2)	\$150.0	\$25



PURCHASE PRICE
(SEPTEMBER 2010)

\$85mm

+\$83mm add-on acquisitions

INDUSTRY

Designer and manufacturer of soft structured baby carriers, wraps, as well as complementary juvenile products

COMPETITIVE STRENGTHS

- Carrier endorsed as “one of the 20 best products in the last 20 years” by Parenting Magazine
- Superior design resulting in improved comfort for both parent and child
- Passionate and enthusiastic customer base
- Reduced cyclical industry with low elasticity of price due to importance of product to purchaser

COMPASS VALUE ADDED

Recruited senior management team. Working with management to improve product distribution globally, identify add-on acquisitions and related brand products to sell into passionate customer base

FINANCIALS

	Revenue (\$ millions)	Adjusted I (\$ millic
Nine Months Ended 9/30/2020	\$59.2	\$13
Nine Months Ended 9/30/2019	\$68.7	\$16
Year Ended 12/31/2019	\$90.0	\$20
Year Ended 12/31/2018	\$90.6	\$21
Year Ended 12/31/2017	\$103.0	\$33



PURCHASE PRICE
(MARCH 2010)

\$70mm

+\$1mm add-on acquisition



INDUSTRY

Manufacturer of home and gun safes and related accessories



COMPETITIVE STRENGTHS

- Market share leader
- Well-known brand names
- Category management capabilities for customers
- Low cost domestic manufacturer



COMPASS VALUE ADDED

Working with management to build brand and expand manufacturing capabilities. Continue national marketing efforts and pursuit of organic growth initiatives

FINANCIALS

	Revenue (\$ millions)	Adjusted I (\$ mil)
Nine Months Ended 9/30/2020	\$80.6	\$13
Nine Months Ended 9/30/2019	\$67.6	\$7.
Year Ended 12/31/2019	\$96.2	\$10
Year Ended 12/31/2018	\$82.7	\$8.
Year Ended 12/31/2017	\$92.0	\$11

marucci



PURCHASE PRICE (APRIL 2020)

\$200mm



INDUSTRY

Leading manufacturer and distributor of baseball and softball equipment under the Marucci and Victus brands.



COMPETITIVE STRENGTHS

- Leading position in the professional market
- Enthusiast and aspirational brands
- Vertically integrated wood bat operations
- Broad product portfolio and omni-channel sales strategy



COMPASS VALUE ADDED

Working with management to penetrate new markets, continue its omni-channel approach, and pursue strategic acquisitions

FINANCIALS

	Revenue (\$ millions)	Adjusted I (\$ millio
Proforma Nine Months Ended 9/30/2020	\$47.3	\$8.
Proforma Nine Months Ended 9/30/2019	\$50.0	\$11
Proforma Year Ended 12/31/2019	\$69.6	\$14



PURCHASE PRICE (OCTOBER 2020)

\$454mm



INDUSTRY

Designer and marketer of dial-based closure systems that deliver performance fit across footwear, headwear and medical bracing products



COMPETITIVE STRENGTHS

- Market leader with strong brand awareness in core categories
- Diverse customer base with global end-market focus
- Broad intellectual property position creates barriers to entry



COMPASS VALUE ADDED

Working with Management to penetrate new product categories and geographics, and drive new product development initiatives

FINANCIALS

	Revenue (\$ millions)	Adjusted I (\$ millio
Proforma Nine Months Ended 9/30/2020	\$77.2	\$24
Proforma Nine Months Ended 9/30/2019	\$77.8	\$23
Proforma Year Ended 12/31/2019	\$106.3	\$29



PURCHASE PRICE (OCTOBER 2014)

\$160mm

+\$184mm add-on acquisition



INDUSTRY

Foodservice and Consumer Products manufacturer and marketer



COMPETITIVE STRENGTHS

- Leading manufacturer in a niche market
- Iconic brand with over 100 year history
- Strong management team with proven ability to make accretive acquisitions



COMPASS VALUE ADDED

Working with management team to develop its strategic plan to enter new markets, and support the development of new products

FINANCIALS

	Revenue (\$ millions)	Adjusted I (\$ million)
Nine Months Ended 9/30/2020	\$258.1	\$34
Nine Months Ended 9/30/2019	\$289.1	\$46
Year Ended 12/31/2019	\$395.4	\$68
Proforma Year Ended 12/31/2018 (1)	\$405.9	\$69
Proforma Year Ended 12/31/2017 (2)	\$383.4	\$66



PURCHASE PRICE
(FEBRUARY 2018)

\$248mm

+\$13mm add-on acquisition



INDUSTRY

Designer and manufacturer of custom molded protective foam solutions and OEM components made from expanded polystyrene



COMPETITIVE STRENGTHS

- A leader in molded foam protective packaging
- National manufacturing footprint of 15 plants provides:
 - Ability to scale raw material purchases
 - Ability to service national customers
- Long-tenured blue-chip customer relationships



COMPASS VALUE ADDED

Working with management to develop its strategic plan and to pursue add-on acquisitions

FINANCIALS

	Revenue (\$ millions)	Adjusted I (\$ millio
Nine Months Ended 9/30/2020	\$89.3	\$22
Nine Months Ended 9/30/2019	\$93.6	\$22
Year Ended 12/31/2019	\$121.4	\$28
Pro forma Year Ended 12/31/2018	\$128.5	\$29
Pro forma Year Ended 12/31/2017	\$126.4	\$29



PURCHASE PRICE
(MARCH 2012)

\$129mm



INDUSTRY

Engineered permanent magnet and magnetic assemblies, manufacturer of thin and ultra-thin alloy products in a variety of materials



COMPETITIVE STRENGTHS

- Market share leader
- Attractive and diverse end-markets
- Engineering and product development capabilities
- Stable blue chip customer base—2,000+ customers globally
- Global manufacturing footprint



COMPASS VALUE ADDED

Working with management to identify and consummate add-on acquisitions and build complementary quick turn assembly business

FINANCIALS

	Revenue (\$ millions)	Adjusted I (\$ mil)
Nine Months Ended 9/30/2020	\$76.4	\$8.
Nine Months Ended 9/30/2019	\$90.4	\$11
Year Ended 12/31/2019	\$120.0	\$15
Year Ended 12/31/2018	\$117.9	\$14
Year Ended 12/31/2017	\$105.6	\$10



PURCHASE PRICE
(MAY 2006)

\$81mm

+\$19mm add-on acquisition



INDUSTRY

Quick-turn production printed circuit board ("PCB") manufacturing



COMPETITIVE STRENGTHS

- Insulated from Asian manufacturing due to small, customized order size and requirements for rapid turnaround
- Largest quick turn manufacturer in the US; approximately 300 unique daily orders received
- Manufacturing scale produces high margins
- Completed accretive acquisitions of Circuit Express and UCI
- Diverse customer base — 10,000 current customers
- Approximate 30% EBITDA margins



COMPASS VALUE ADDED

Working with management to identify and consummate add-on acquisitions and build complementary quick turn assembly business

FINANCIALS

	Revenue (\$ millions)	Adjusted I (\$ millio
Nine Months Ended 9/30/2020	\$67.4	\$20
Nine Months Ended 9/30/2019	\$67.4	\$21
Year Ended 12/31/2019	\$90.8	\$28
Year Ended 12/31/2018	\$92.5	\$30
Year Ended 12/31/2017	\$87.8	\$27

Financials

Balance Sheet — Condensed (000's)

September 30, 2020

Current Assets:

Cash and cash equivalents	\$	17
Other current assets		62
Total current assets		80
Property, plant and equipment		18
Goodwill, intangibles and other assets		1,2
Total assets	\$	2,1

Current Liabilities:

Current portion of debt	\$	
Other current liabilities		28
Total current liabilities		28
Long-term debt		58
Other liabilities		12
Total liabilities		1,0

Stockholders' Equity:

Controlling interest		1,1
Non-controlling interest		7
Total stockholders' equity		1,1
Total liabilities and stockholders' equity	\$	2,1

Income Statement — Condensed (000's)

YTD September 30, 2020

Net Sales	\$	1,08
Cost of Sales		69
Gross Profit	\$	39
Operating Income	\$	62
Interest expense, net		(32
Other income (expense)		(3
Provision (benefit) for income taxes		8
Income from discontinued operations, net of income tax		
Net gain on sales of discontinued operations		
Net Income	\$	18
Noncontrolling interest		4
Net income attributable to Holdings	\$	14

Cash Flow Statement — Condensed (000's)

YTD September 30, 2020

Net cash provided in operating activities	\$	111
Net cash used in investing activities	\$	(231)
Net cash provided by financing activities	\$	200
Effect of foreign currency on cash	\$	(2)
Net increase in cash and cash equivalents	\$	76

Adjusted EBITDA

Nine months ended September 30, 2020

	Corporate	5.11	Ergobaby	Liberty	Marucci Sports	Velocity Outdoor	ACI	Arnold	Foam	Sterno	C
Net income (loss)	\$(10,535)	\$5,515	\$1,837	\$7,119	\$(5,334)	\$4,245	\$10,980	\$(1,719)	\$4,188	\$2,131	
Adjusted for:											
Provision (benefit) for income taxes	–	(55)	2,265	2,357	(2,351)	1,386	2,878	(56)	1,891	162	
Interest expense, net	31,971	43	–	–	6	102	–	–	–	–	
Intercompany interest	(51,429)	10,770	1,818	2,748	1,194	6,945	4,176	4,300	5,290	14,188	
Depreciation and amortization	467	16,033	6,152	1,294	8,031	9,651	1,980	5,040	9,473	17,251	
EBITDA	(29,526)	32,306	12,072	13,518	1,536	22,329	20,014	7,565	20,842	33,732	
Gain on sale of business	(100)	–	–	–	–	–	–	–	–	–	
Other (income) expense	3	1,398	–	(4)	(46)	1,048	126	(1)	(438)	86	
Noncontrolling shareholder compensation	–	1,870	748	22	361	1,287	372	34	771	651	
Acquisition expenses and other	–	–	–	–	2,042	–	–	–	273	–	
Integration service fee	–	–	–	–	500	–	–	–	–	–	
Other	–	–	598	–	–	–	–	–	–	–	
Management fees	19,651	750	375	375	222	375	375	375	563	375	
Adjusted EBITDA	\$(9,972)	\$ 36,324	\$13,911	\$13,911	\$4,615	\$25,039	\$20,887	\$7,973	\$22,011	\$34,844	

Adjusted EBITDA

Nine months ended September 30, 2019

	Corporate	5.11	Ergobaby	Liberty	Marucci Sports	Velocity Outdoor	ACI	Arnold	Foam	Sterno	(
Net income (loss) (1)	\$292,440	\$(1,071)	\$4,251	\$1,404		\$(35,242)	\$11,035	\$(132)	\$3,383	\$8,819	
Adjusted for:											
Provision (benefit) for income taxes	—	742	2,248	1,058		(2,198)	2,934	1,679	1,492	2,420	
Interest expense, net	48,247	2	—	—		173	(1)	(1)	—	4	
Intercompany interest	(61,609)	13,500	2,640	3,278		8,484	5,029	4,777	6,675	17,266	
Loss on debt extinguishment	5,038	—	—	—		—	—	—	—	—	
Depreciation and amortization	1,333	16,037	6,566	1,248		9,937	1,830	4,883	9,258	16,793	
EBITDA	285,449	29,210	15,705	6,988		(18,846)	20,827	11,206	20,808	45,262	
Gain on sale of businesses	(330,203)	—	—	—	Not Applicable	—	—	—	—	—	
Other (income) expense	91	(92)	(11)	10		968	(22)	(3)	256	16	
Noncontrolling shareholder compensation	—	1,742	620	(15)		86	167	32	767	866	
Impairment expense	—	—	—	—		33,381	—	—	—	—	
Loss on sale of investment	10,193	—	—	—		—	—	—	—	—	
Integration services fee	—	—	—	—		—	—	—	281	—	
Other	—	—	—	266		—	58	—	—	—	
Management fees	24,789	750	375	375		375	375	375	563	375	
Adjusted EBITDA	\$(9,681)	\$31,610	\$16,689	\$7,624		\$15,964	\$21,405	\$11,610	\$22,675	\$46,519	

44 (1) Net income (loss) does not include loss from discontinued operations for the nine months ended September 30, 2019.

Adjusted EBITDA

Year Ended December 31, 2019

	Corporate	5.11	Ergobaby	Liberty	Velocity Outdoor	Advanced Circuits	Arnold	Foam Fabricators	Sterno	C
Net income (loss) ⁽¹⁾	\$ 282,240	\$ 2,059	\$ 4,793	\$ 3,130	\$ (36,982)	\$ 14,970	\$ 700	\$ 2,883	\$ 16,447	\$
Adjusted for:										
Provision (benefit) for income taxes	—	2,520	2,250	932	(2,782)	3,896	1,280	1,258	5,388	
Interest expense, net	57,980	(24)	17	—	242	(2)	(1)	—	4	
Intercompany interest	(80,556)	17,567	3,325	4,364	11,194	6,543	6,295	8,635	22,633	
Loss on debt extinguishment	12,319	—	—	—	—	—	—	—	—	
Depreciation and amortization	1,598	21,540	8,561	1,667	13,222	2,551	6,545	12,452	22,486	
EBITDA	273,581	43,662	18,946	10,093	(15,106)	27,958	14,819	25,228	66,958	
Gain on sale of business	(331,013)	—	—	—	—	—	—	—	—	
Other (income) expense	92	(122)	(11)	16	952	122	1	1,247	(112)	
Non-controlling shareholder compensation	—	2,360	828	(8)	322	288	56	1,025	1,183	
Impairment expense	—	—	—	—	32,881	—	—	—	—	
Integration services fee	—	—	—	—	—	—	—	281	—	
Earnout provision adjustment	—	—	—	—	2,022	—	—	—	—	
Loss on sale of investment	10,193	—	—	—	—	—	—	—	—	
Other	—	—	—	266	—	58	—	—	—	
Management fees	32,280	1,000	500	500	500	500	500	750	500	
Adjusted EBITDA	\$ (14,867)	\$ 46,900	\$ 20,263	\$ 10,867	\$ 21,571	\$ 28,926	\$ 15,376	\$ 28,531	\$ 68,529	\$

Adjusted EBITDA

Year Ended December 31, 2018

	Corporate	5.11	Ergobaby	Liberty	Velocity Outdoor	Advanced Circuits	Arnold	Foam	Sterno	Co
Net income (loss)	\$ (35,018)	\$ (12,079)	\$ 4,937	\$ 1,161	\$ (4,458)	\$ 15,029	\$ (740)	\$ 1,103	\$ 12,451	\$
Adjusted for:										
Provision (benefit) for income taxes	—	(2,180)	1,634	409	(598)	3,736	1,731	1,152	4,582	
Interest expense, net	54,994	14	1	—	281	(46)	—	—	1	
Intercompany interest	(78,708)	17,486	4,674	4,233	9,298	7,402	6,213	8,228	21,174	
Depreciation and amortization	2,739	21,898	8,523	1,620	12,352	3,310	6,384	10,973	27,385	
EBITDA	(55,993)	25,139	19,769	7,423	16,875	29,431	13,588	21,456	65,593	
Gain on sale of business	(1,258)	—	—	—	—	—	—	—	—	
(Gain) loss on sale of fixed assets	—	(194)	—	92	47	—	55	73	19	
Non-controlling shareholder compensation	—	2,183	869	45	1,009	23	(167)	848	1,901	
Acquisition expenses	115	—	—	—	1,362	—	—	1,552	632	
Integration services fee	—	—	—	—	750	—	—	1,969	—	
Earnout provision adjustment	—	—	—	—	—	—	—	—	(4,800)	
Inventory adjustment	—	4,175	—	—	—	—	—	—	—	
Loss on foreign currency transaction and other	4,083	—	—	—	—	—	—	—	—	
Management fees	38,786	1,000	500	500	500	500	500	658	500	
Adjusted EBITDA	\$ (14,267)	\$ 32,303	\$ 21,138	\$ 8,060	\$ 20,543	\$ 29,954	\$ 13,976	\$ 26,556	\$ 63,845	\$

Adjusted EBITDA

Year Ended December 31, 2017

	Corporate	5.11	Velocity Outdoor	Ergobaby	Liberty	Advanced Circuits	Arnold	Sterno	Cor
Net income (loss)	\$ (22,790)	\$ (9,405)	\$ 7,634	\$ 16,674	\$ 4,861	\$ 17,503	\$ (10,740)	\$ 10,712	\$
Adjusted for:									
Provision (benefit) for income taxes	—	(12,492)	(11,274)	917	531	(2,518)	(2,337)	3,432	
Interest expense, net	27,047	53	167	—	—	(12)	—	—	
Intercompany interest	(49,193)	14,521	4,590	5,990	4,029	8,171	6,996	4,896	
Depreciation and amortization	2,745	40,393	7,878	12,042	1,742	3,578	6,821	11,868	
EBITDA	(42,191)	33,070	8,995	35,623	11,163	26,722	740	30,908	
Gain on sale of business	(340)	—	—	—	—	—	—	—	
(Gain) loss on sale of fixed assets	—	(160)	43	—	46	(4)	(7)	216	
Non-controlling shareholder compensation	—	2,301	508	698	17	23	191	740	
Acquisition expenses	—	—	1,836	—	—	—	—	214	
Impairment expense	—	—	—	—	—	—	8,864	—	
Loss on equity method investment	5,620	—	—	—	—	—	—	—	
Adjustment to earnout provision	—	—	—	(3,780)	—	—	—	(956)	
(Gain) loss on foreign currency transaction and other	(3,137)	—	—	—	—	—	—	—	
	—	2,333	750	—	—	—	—	—	
Management fees	28,053	1,000	290	500	500	500	500	500	
Adjusted EBITDA	\$ (11,995)	\$ 38,544	\$ 12,422	\$ 33,041	\$ 11,726	\$ 27,241	\$ 10,288	\$ 31,622	\$

CAD Reconciliation

(in thousands)	Year to Date	Year to Date	Year Ended	Year Ended	Year Ended	Year Ended	Year
	9/30/2020	9/30/2019	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015
Net Income	\$18,417	\$301,788	\$307,141	\$(1,790)	\$33,612	\$56,530	\$
Adjustment to reconcile net income to cash provided by operating activities:							
Depreciation and Amortization	73,578	78,413	100,462	120,575	110,051	87,405	(
Impairment expense	—	33,381	32,881	—	17,325	25,204	(
(Gain) loss on sale of businesses	(100)	(330,203)	(331,013)	(1,258)	(340)	(2,308)	(1
Amortization of debt issuance costs and original issue discount	1,656	3,022	3,773	4,483	5,007	3,565	(
Unrealized (gain) loss on interest rate hedges	—	3,486	3,500	(2,251)	(648)	1,539	(
Loss (gain) on equity method investment	—	—	—	—	5,620	(74,490)	(
Noncontrolling shareholder charges	6,116	6,204	7,993	8,975	7,027	4,382	(
Deferred taxes	(3,352)	(14,538)	(12,876)	(9,472)	(59,429)	(9,669)	(
Supplemental put expense	—	—	—	—	—	—	(
Other	6,150	8,747	17,994	1,440	3,940	730	(
Changes in operating assets and liabilities	10,407	(58,716)	(45,293)	(6,250)	(40,394)	18,484	(
Net cash provided by operating activities	112,872	31,584	84,562	114,452	81,771	111,372	(
Plus:							
Unused fee on revolving credit facility	1,148	1,393	1,851	1,630	2,856	1,947	(
Integration service fee	500	281	281	2,719	3,083	1,667	(
Other	2,315	11,152	13,174	14,607	2,467	5,866	(
Changes in operating assets and liabilities	—	58,716	45,293	6,250	40,394	—	(
Less:							
Payments on interest rate swap	—	675	675	1,783	3,964	4,303	(
Maintenance capital expenditures	10,366	14,760	22,005	27,246	20,270	20,363	(
Realized gain from foreign currency	—	—	—	—	3,315	1,327	(
Changes in operating assets and liabilities	10,407	—	—	—	—	18,484	(
Preferred share distributions	17,633	11,344	15,125	12,179	2,457	—	(
Other	3,776	2,301	3,318	4,800	8,322	—	(
Estimated cash flow available for distribution and reinvestment	\$74,653	\$74,046	\$104,038	\$93,650	\$92,243	\$76,375	\$

Thank you!
