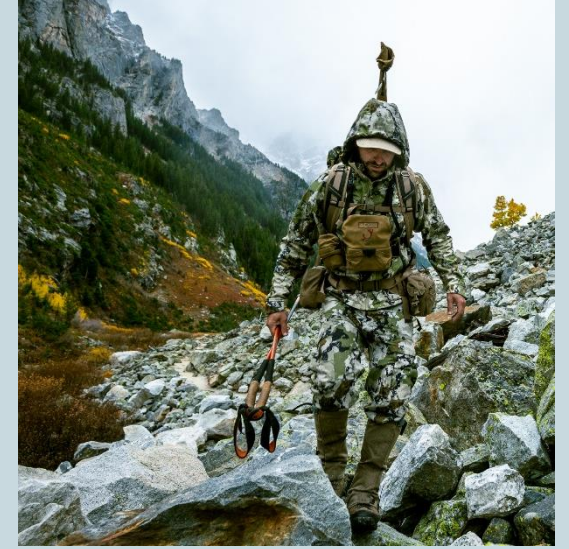


COMPASS
DIVERSIFIED

CODI Investor Presentation

NOVEMBER 2023



Legal Disclaimer

This presentation contains certain forward-looking statements within the meaning of the federal securities laws. These statements may be made a part of 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 the 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 “Risk Factors” included in our SEC filings.

In addition, our discussion may include references to Adjusted Earnings, Adjusted EBITDA, EBITDA, cash flow, or other non-GAAP measures. A reconciliation of the most directly comparable GAAP financial measures to such non-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.

Who is CODI?

Compass Diversified (NYSE: CODI) owns and manages a diverse group of leading middle-market businesses

Long-term ownership approach through permanent capital base

Founded in 1998, came public in 2006

Currently own and manage seven branded consumer and three niche industrial subsidiaries

Provide shareholders access to leading middle market businesses through public company transparency and liquidity

SUBSIDIARIES

5.11⁺

ALGOR
SOLUTIONS

ARNOLD
MAGNETIC TECHNOLOGIES



LUGANO[®]
DIAMONDS



marucci⁽¹⁾

PRIMALOFT[®]



VELOCITY[®] OUTDOOR



1. On November 2, 2023, the Company announced it has entered into a definitive agreement to sell Marucci Sports, LLC to Fox Factory Holding Corp.

CODI BY THE NUMBERS

As of 9/30/23

\$7.0B⁺

Aggregate Acquisitions

23 Platforms & 33 Add-Ons

\$3.2B⁺

Invested Capital

\$2.2B⁺

TTM Proforma Revenue

\$446M

TTM Proforma Adjusted EBITDA

\$134.0M

TTM Adjusted Earnings

~\$551M

Available Revolver + Cash

Permanent Capital Base

0.1%

TTM Proforma Revenue Growth

2.0%

TTM Proforma Subsidiary Adjusted EBITDA Growth

How Are We Different?

Permanent Capital is Strategic Capital.

Permanent capital structure & long-term holding horizons allow us to:

- Deploy capital patiently
- Withstand short-term market distortions
- Act swiftly when others are sidelined

Owning Uncorrelated Assets Drives Lower Cost of Capital.

Track record of scaling diverse assets has consistently:

- Reduced our cost of capital
- Increased shareholder returns
- Deepened our economic and competitive moat

Clear Alignment with Investors.

Since we finance acquisitions at the parent company level vs. separate companies (à la traditional private equity):

- We bear the risk alongside our shareholders

Our Permanent Capital Advantage



Long-term, Opportunistic Approach in Sectors with Management Expertise

- Partner with management teams to sustainably build businesses for the long-term
- 25 years of experience in branded consumer and niche industrial verticals
- Strong balance sheet provides certainty and speed to close



Value Creation Through Actively Partnering with Management

- Permanent capital drives long-term value creation through:
 - Building management teams
 - Investing in lasting infrastructure
 - Organic growth and add-on acquisitions



Superior Governance and Transparency

- Compensation structure aligns interest of shareholders and management
- Quarterly reporting = transparency
- Majority of board is independent
- History of waiving management fees when appropriate
- Large and growing ownership of CODI shares by manager partners and employees

ESG Framework

Our ESG framework is built on two key pillars, and supported by eight priority areas, collectively underpinned by sound governance practices



Multipronged Strategy to Reach \$1B of Adj. EBITDA by 2028

Growth Drivers

1

Business Transformation

- Recently focused on premium, highly-differentiated brands
- Increases our consolidated core growth rate
- Positioned to capitalize on evolving economic factors and robust consumer demand

2

Capital Allocation

- Acquire new platform businesses
- Sustainably invest in our current subsidiaries
 - Add-on acquisitions
 - Growth capital expenditures

3

Healthcare Vertical

- Advantageous demographic indicators
- Compelling targets aligned with CODI's acquisition profile
- Hired Kurt Roth as Partner, Head of Healthcare – 25+ years of experience

1 Acquiring Businesses With Strong Underlying Growth Profiles



2 Capital Allocation — Identifying New Opportunities for Growth

✓ Platform Acquisitions

- Continue the same strategy acquiring leading **niche industrial** and **branded consumer** companies, and more recently launching our **healthcare** opportunity
- Target 1 to 2 platform acquisitions per year
- Target companies in the \$200–\$600M size

✓ Investment in Subsidiaries

- Strategic Add-Ons – Target 2-3 per year
- Growth Capex

Optimal Future Structure

~15 subsidiary companies mixed among niche industrial, branded consumer and healthcare

Each subsidiary company has the potential to reach \$70M+ EBITDA

3 Launch of Healthcare Vertical

Introduction to Kurt Roth



Kurt Roth
Partner,
Head of Healthcare

- Hired Nov 2022, responsible for leading CODI's diversification efforts into newest Healthcare vertical
- Decade-long professional relationship with senior members of Compass prior to joining
- Most recent role: SVP, Corporate Development and Strategy at Sotera Health Company (NASDAQ: SHC)
- 25+ years of M&A and business development experience; served as a managing director in Baird's investment banking unit before Sotera Health

Acquisition criteria:

- ✓ Headquartered in North America
- ✓ Industry leader within respective sub-sector
- ✓ Highly defensible market position
- ✓ Strong management team
- ✓ Stable and growing EBITDA of \$20M+
- ✓ Asset light, high free cash flow

Experienced Leadership Uniquely Aligned With Shareholders



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 MACIARIELLO
COO

West Coast Managing Partner
Joined The Compass Group in 2005

Graduate of University of Notre Dame
and Columbia Business School

COMPANY MANAGEMENT TEAM



CODI has been executing the same
strategy since its founding and has
consistently generated superior results



Compensation structure aligns interest of
shareholders and management team and
allows for recruitment of top-level talent



17+ year history as a public company
manager, patient deployer of capital,
ability to grow and manage businesses
for the long term













Highly accountable organization
focused on generating consistent strong
shareholder returns

Financials



Recent Acquisitions Focused on Premium Brands

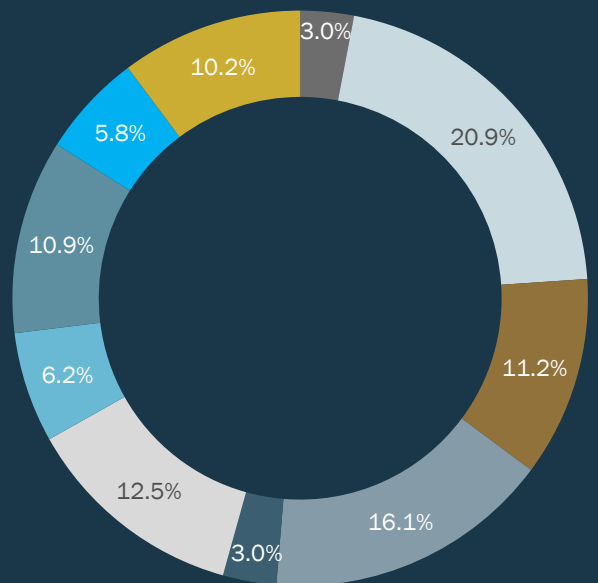
Pro Forma Subsidiary Growth Profile

Subsidiaries (\$ in millions)	Year Acquired	TTM AT 9/30/23 ⁽¹⁾						Purchase Price + Add-ons
		Revenue	Revenue Growth Rate	Subsidiary Adj. EBITDA	Adj. EBITDA Growth Rate	Adj. EBITDA Margin	Capital Expenditures	
 5.11	2016	\$521	10%	\$72	9%	14%	\$26.1 ⁽²⁾	\$408
 VELOCITY OUTDOOR	2017	\$178	-28%	\$13	-52%	8%	\$4.0	\$268
 engobaby	2010	\$92	-1%	\$13	-24%	15%	\$0.6	\$168
 LUGANO DIAMONDS	2021	\$268	48%	\$93	51%	35%	\$17.5 ⁽²⁾	\$263
 marucci	2020	\$187	21%	\$50	68%	27%	\$5.8	\$275
 SOA DIALED IN.	2020	\$156	-26%	\$56	-20%	36%	\$5.1	\$454
 PRIMALOFT.	2022	\$72	-9%	\$28	-13%	39%	\$0.5	\$530
Total Branded Consumer:		\$1,473	3%	\$326	-1%	21%	\$59.6	
 Sterno	2014	\$332	-7%	\$46	-6%	14%	\$4.2	\$344
 ALTOR SOLUTIONS	2018	\$243	-5%	\$49	22%	20%	\$4.6	\$327
 ARNOLD MAGNETIC TECHNOLOGIES	2012	\$160	3%	\$26	10%	16%	\$9.5	\$163
Total Niche Industrial:		\$735	-4%	\$121	11%	16%	\$18.3	
Consolidated:		\$2,217	0%	\$446⁽³⁾	2%	20%	\$77.9	\$3,173

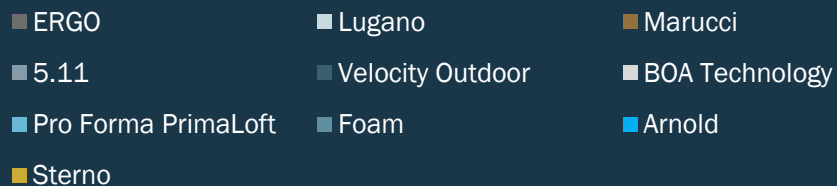
Our Asset Diversity is Producing Consistent Cash Flow



Subsidiary Pro Forma Adj. EBITDA – TTM at 9/30/23



Note: References to Adj. EBITDA and revenue includes pro forma information for PrimaLoft.



DIVERSIFIED CASH FLOWS FROM 10 SUBSIDIARIES

- Three niche industrial subsidiaries representing 33% of revenues and 27% of Adj. EBITDA (TTM 9/30/23)
- Seven branded consumer subsidiaries representing 67% of revenues and 73% of Adj. EBITDA (TTM 9/30/23)



DIVERSIFIED CUSTOMER BASE

- 10 subsidiaries in diverse industry segments reduce customer concentration risk
- **If economic expansion** – ten remaining subsidiaries producing strong cash flow and poised to grow in economic expansion
- **If economic downturn** – cash flow from existing subsidiaries expected to decline, offset by ~\$551M in available capital to deploy into acquisitions at attractive prices

Strong Balance Sheet as of September 30, 2023

BALANCE SHEET & SECURED DEBT OVERVIEW

Cash:	\$64.7M
Revolver:	\$112M
Term Loan:	\$388M

Leverage and Availability

Leverage:	~4.03x
Revolver Availability:	~\$486M

UNSECURED DEBT OVERVIEW

72% of debt fixed at blended 5.20%

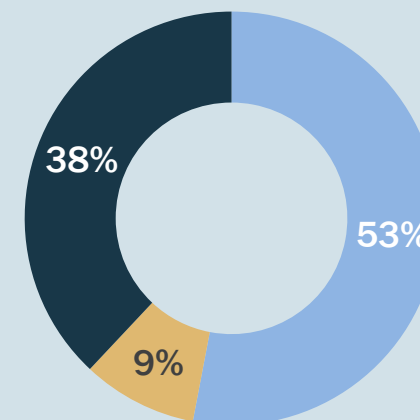
\$1,000M

5.25% Fixed
Due 2029

\$300M

5.0% Fixed
Due 2032

CAPITAL STRUCTURE



■ Debt ■ Preferred ■ Equity

Rate on debt: **5.9%**

Rate on preferred: **7.7%**

2023 Financial Outlook

RAISES FULL YEAR GUIDANCE

\$450M - \$465M

Full Year 2023 Pro Forma Subsidiary
Adj. EBITDA guidance

\$130M - \$140M

Full year 2023 Adj. Earnings guidance



Investor Relations Contacts:

Compass Diversified
irinquiry@compassdiversified.com

Cody Slach, Gateway Group
949.574.3860
CODI@gateway-grp.com



Current Subsidiaries



The logo for 5.11+, featuring the number '5.11' in a bold, white, sans-serif font, followed by a white square icon containing a plus sign. The logo is set against a dark blue background.

PURCHASE PRICE (AUGUST 2016)

\$400M



DESCRIPTION

Designer and marketer of purpose-built technical 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 build its direct-to-consumer efforts through online and retail and enhance omni-channel infrastructure

FINANCIALS

	Revenue (\$ millions)	Adjusted EBITDA (\$ millions)
Nine Months Ended 9/30/2023	\$385.7	\$52.3
Nine Months Ended 9/30/2022	\$350.6	\$48.2
Year Ended 12/31/2022	\$486.2	\$67.8
Year Ended 12/31/2021	\$445.0	\$64.1
Year Ended 12/31/2020	\$401.1	\$53.7
Year Ended 12/31/2019	\$388.6	\$45.9



PURCHASE PRICE (JUNE 2017)

\$150M

+ \$118M add-on acquisitions



DESCRIPTION

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 EBITDA (\$ millions)
Nine Months Ended 9/30/2023	\$126.3	\$9.6
Nine Months Ended 9/30/2022	\$180.8	\$29.4
Year Ended 12/31/2022	\$232.2	\$33.2
Year Ended 12/31/2021	\$270.4	\$50.9
Year Ended 12/31/2020	\$216.0	\$39.0
Year Ended 12/31/2019	\$147.8	\$21.1





PURCHASE PRICE (SEPTEMBER 2010)

\$85M

+\$83M add-on acquisitions



DESCRIPTION

Designer and marketer of wearable baby carriers, strollers and related 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 EBITDA (\$ millions)
Nine Months Ended 9/30/2023	\$71.8	\$11.2
Nine Months Ended 9/30/2022	\$68.3	\$11.3
Year Ended 12/31/2022	\$88.4	\$13.5
Year Ended 12/31/2021	\$93.6	\$19.2
Year Ended 12/31/2020	\$74.7	\$15.1
Year Ended 12/31/2019	\$90.0	\$19.8



PURCHASE PRICE
(SEPTEMBER 2021)

\$263M



DESCRIPTION

Designer, manufacturer and marketer of high-end, one-of-a-kind jewelry



COMPETITIVE STRENGTHS

- World-class design capabilities creates exquisite, one-of-a-kind jewelry
- Unique retail strategy improves client experience
- Highly effective event-driven marketing strategy
- Long-lasting client connections bring high-value, discerning and loyal clientele



COMPASS VALUE ADDED

Working with management to support retail rollout plans and build infrastructure to support growth

FINANCIALS

	Revenue (\$ millions)	Adjusted EBITDA (\$ millions)
Nine Months Ended 9/30/2023	\$203.6	\$72.7
Nine Months Ended 9/30/2022	\$137.2	\$46.5
Year Ended 12/31/2022	\$201.5	\$67.0
Proforma Year Ended 12/31/2021	\$125.1	\$41.2
Proforma Year Ended 12/31/2020	\$67.2	\$21.3



marucci



PURCHASE PRICE (APRIL 2020)

\$200M¹

+\$75M add-on acquisitions



DESCRIPTION

Designer and manufacturer of baseball and softball equipment and apparel



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, pursue strategic acquisitions and broaden international distribution

FINANCIALS

	Revenue (\$ millions)	Adjusted EBITDA (\$ millions)
Nine Months Ended 9/30/2023	\$144.1	\$39.8
Nine Months Ended 9/30/2022	\$122.5	\$26.5
Year Ended 12/31/2022	\$165.4	\$36.8
Year Ended 12/31/2021	\$118.2	\$29.0
Proforma Year Ended 12/31/2020	\$65.9	\$13.9
Proforma Year Ended 12/31/2019	\$66.5	\$14.2



**DIALED IN.
PRECISION FIT.**



PURCHASE PRICE (OCTOBER 2020)

\$454M



DESCRIPTION

Designer, engineer and marketer of dial-based fit systems delivering a scientifically proven performance advantage for athletes



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

Supporting management's strategic vision to penetrate new product categories and geographies, and to drive increased brand awareness

FINANCIALS

	Revenue (\$ millions)	Adjusted EBITDA (\$ millions)
Nine Months Ended 9/30/2023	\$113.4	\$42.0
Nine Months Ended 9/30/2022	\$166.2	\$68.3
Year Ended 12/31/2022	\$208.7	\$82.1
Year Ended 12/31/2021	\$165.2	\$59.5
Proforma Year Ended 12/31/2020	\$106.4	\$34.1
Proforma Year Ended 12/31/2019	\$106.3	\$30.2



PURCHASE PRICE
(JULY 2022)

\$530M



DESCRIPTION

The leading provider of branded, high-performance synthetic insulation used primarily in consumer outerwear and accessories



COMPETITIVE STRENGTHS

- Innovation leader in the growing synthetic insulation market
- Significant intellectual property
- Exceptional growth and cash flow profile
- World class management team with proven track record
- Sustainability leader in product development



COMPASS VALUE ADDED

Supporting management’s strategic vision to penetrate existing product categories, new geographies, explore cross-selling opportunities, and drive increased brand awareness

FINANCIALS

	Revenue (\$ millions)	Adjusted EBITDA (\$ millions)
Nine Months Ended 9/30/2023	\$57.6	\$23.5
Proforma Nine Months Ended 9/30/2022	\$65.9	\$26.7
Proforma Year Ended 12/31/2022	\$79.9	\$30.9
Proforma Year Ended 12/31/2021	\$65.9	\$25.0
Proforma Year Ended 12/31/2020	\$48.0	\$16.3



PURCHASE PRICE (OCTOBER 2014)

\$160M

+\$184M add-on acquisition



DESCRIPTION

Manufacturer and marketer of portable food warming systems used in the foodservice industry, creative indoor and outdoor lighting, and home fragrance solutions for the consumer markets



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, support the development of new products, and pursue add-on acquisitions

FINANCIALS

	Revenue (\$ millions)	Adjusted EBITDA (\$ millions)
Nine Months Ended 9/30/2023	\$229.8	\$34.4
Nine Months Ended 9/30/2022	\$249.7	\$30.6
Year Ended 12/31/2022	\$352.2	\$41.8
Year Ended 12/31/2021	\$375.1	\$45.0
Year Ended 12/31/2020	\$370.0	\$49.0
Year Ended 12/31/2019	\$395.4	\$68.0



PURCHASE PRICE (FEBRUARY 2018)

\$253M

+\$74M add-on acquisition



DESCRIPTION

Designer and manufacturer of custom packaging, insulation and componentry



COMPETITIVE STRENGTHS

- A leader in molded foam protective packaging
- National manufacturing footprint of 19 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 EBITDA (\$ millions)
Nine Months Ended 9/30/2023	\$181.6	\$38.1
Nine Months Ended 9/30/2022	\$199.6	\$31.5
Year Ended 12/31/2022	\$261.3	\$42.3
Year Ended 12/31/2021	\$180.2	\$32.1
Year Ended 12/31/2020	\$130.0	\$29.7
Year Ended 12/31/2019	\$121.4	\$27.8





PURCHASE PRICE (MARCH 2012)

\$129M

+\$36M add-on acquisition



DESCRIPTION

Designer and manufacturer of engineered electric motor and magnetic solutions for a wide range of specialty applications and end markets globally



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 expand capabilities through investment in technology center

FINANCIALS

	Revenue (\$ millions)	Adjusted EBITDA (\$ millions)
Nine Months Ended 9/30/2023	\$122.0	\$21.5
Nine Months Ended 9/30/2022	\$116.3	\$20.1
Year Ended 12/31/2022	\$153.8	\$24.6
Year Ended 12/31/2021	\$139.9	\$21.1
Year Ended 12/31/2020	\$99.0	\$8.8
Year Ended 12/31/2019	\$120.0	\$14.9

Appendix





PURCHASE PRICE
(AUG 2014)

C\$ 251M



OVERVIEW

Clean Earth is a provider of environmental services including de-characterization, remediation, disposal, recycling, and beneficial reuse for hazardous and non-hazardous wastes, contaminated soil, wastewater and dredged material. Clean Earth serves a variety of industries including infrastructure, chemical, utilities, industrial, commercial, retail, and healthcare markets.



COMPETITIVE STRENGTHS

Market share leader

Significant portfolio of regulatory permits, processing knowledge and equipment

Benefits from strengthening and enforcement of environmental regulation

Increasing waste disposal costs and landfill avoidance trends

Strong management team; average tenure of approximately 10 years



CODI's Active Management in Action

- Worked with management to execute an aggressive add-on acquisition strategy, repositioning the company's end markets and customer base while broadening its facility footprint and permit portfolio.
- Completed accretive add-ons of seven environmental services providers, representing ~\$100M of annual revenue and expanding the Company's footprint from 12 to 27 fixed facilities across the U.S.
 - Transformed revenue mix from primarily soil to majority hazardous waste treatment, which is higher margin, more programmatic and less indexed to macroeconomic fluctuations
 - Shifted contaminated materials end markets from primarily commercial to majority infrastructure
 - Developed advanced reporting and analytical systems to manage operational integration and track performance of the add-ons
- Successfully targeted fragmented hazardous waste treatment market, acquiring 8 valuable RCRA Part B permits to expand processing capacity and capabilities (no new commercial Part B permits issued in over 30 years)
- Deployed capital through proprietary transactions at accretive valuations in a high-multiple environment



Results

- Sold June 2019 to Harsco Corp. (NYSE: HSC) for \$625M (\$251M purchase price)
- Chris Dods, CEO of Clean Earth stated: "The momentum that [CODI] helped create will provide us with a strong platform for the future."



Case Study



PURCHASE PRICE
(JULY 2015)

C\$ 132M



OVERVIEW

Manitoba Harvest is a pioneer and global leader in hemp-based foods, both under its own brand and as an ingredient supplier. The company is the world's largest vertically-integrated hemp food manufacturer and is strategically located near its supply base in Canada.



COMPETITIVE STRENGTHS

Market share leader in Canada and the U.S.

Vertically-integrated manufacturing model

Passionate and loyal consumer following

Unique access to highly regulated supply base

Strong management team; thought leaders in Hemp industry



CODI's Active Management in Action

- Recruited Bill Chiasson, a former CEO of a CODI portfolio company, to transition from founder led business
- Recruited VP Marketing, SVP Global Sales, CFO
- Relocated corporate offices from Winnipeg to Minneapolis, providing access to robust talent pool for future growth
- Add-on acquisition (C\$42mm) of the leading hemp food ingredient processor, Hemp Oil Canada, strengthening product and supply position
- Invested heavily in sales, marketing and product R&D
 - Expanded points of distribution
 - Increased consumer awareness by ~100% (Household Penetration)
 - Launched multiple new products including protein powders, granola, bars and CBD (announced prior to divestiture)



Results

- Sold Feb 2019 to Tilray Inc. (NASDAQ: TRLY) for \$294M (C\$132M purchase price)
- Bill Chiasson, CEO of Manitoba Harvest, stated: "CODI's ability and willingness to make substantial investments into consumer marketing for our leading brands has resulted in a greatly expanded consumer appreciation of hemp-based food products, accelerating sales growth, and a ubiquitous market presence in highly desirable retail locations. I would like to thank CODI for all that they have done to bring Manitoba Harvest to the transformative market opportunity that we are realizing today."



PURCHASE PRICE
(JAN 2008)

\$80M



OVERVIEW

FOX is a designer, manufacturer and marketer of high-performance suspension products used primarily on mountain bikes, side-by-side vehicles, on-road vehicles with off-road capabilities, off-road vehicles and trucks, all-terrain vehicles, snowmobiles, specialty vehicles and applications and motorcycles.



COMPETITIVE STRENGTHS

Global, premium, performance-based lifestyle brand

Highly-engineered products with focus on innovation

Large white space opportunity in new vehicle categories

Strong OEM relationships and global aftermarket distribution network

Experienced management team leading company of enthusiasts



CODI's Active Management in Action

- Recruited professional management team including CEO, CFO and SVP of Operations
- Streamlined mountain bike supply chain and co-located by key OEMs
- Supported large R&D budget to drive new product introduction in rapidly growing vehicle categories like side-by-sides and off-road trucks
- Invested heavily in sales and marketing to drive consumer demand and loyalty



Results

- Completed IPO in Aug 2013 (NASDAQ: FOXF) at \$15 per share
- Reduced holdings via five secondary offerings from 2014-2017
- Ultimately received proceeds of over \$527M (\$80M purchase price)

CODI Partnership Structure



1. As of 12/31/2022, 62.0% beneficially owned by certain persons who are employees and partners of our Manager. C. Sean Day, Prior Director, CGI and former founding partners of the Manager, are non-managing members.

2. Mr. Sabo is a Member and the Manager of this entity, which is an LLC, not a partnership

3. The Allocation Interests, which carry the right to receive a profit allocation, represent less than 0.1% equity interest in the Company.

C-Corp Tax Reclassification Benefits

Creates clear alignment with investors by simplifying corporate structure and attracting additional investors

NOTE: Reclassified to C-Corp on September 1, 2021

We believe there are significant benefits to reclassifying as a C-Corp



Broadens pool of investors by making it significantly easier for both institutional and retail investors to own CODI shares

- Simplifies tax reporting and uncertainty



Reduces average cost of capital

- Increases share liquidity
- Improves cost of equity capital and shares become more attractive currency



Included in Russell 2000 and 3000 Index



- Improves profile with rating agencies
- Reduces administrative costs
- Eliminates K-1 and UBTI

Building on 16+ years of success, C-Corp taxation should drive greater value for all CODI shareholders over time

Net Income to Non-GAAP Adjusted Earnings



	Three Months Ended		Nine Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Net income (loss)	\$ (3,760)	\$ 2,585	\$ 122,964	\$ 63,282
Income from discontinued operations, net of tax	—	1,479	(1,391)	6,893
Gain on sale of discontinued operations, net of tax	1,274	4,078	103,495	14,452
Net income (loss) from continuing operations	\$ (5,034)	\$ (2,972)	\$ 20,860	\$ 41,937
Less: income (loss) from continuing operations attributable to noncontrolling interest	6,394	3,675	14,892	12,247
Net income (loss) attributable to Holdings - continuing operations	\$ (11,428)	\$ (6,647)	\$ 5,968	\$ 29,690
Adjustments:				
Distributions paid - Preferred Shares	(6,045)	(6,045)	(18,136)	(18,136)
Amortization expense - intangibles and inventory step up	26,658	26,241	80,843	72,078
Impairment expense	32,568	—	32,568	—
Tax effect - impairment expense	(4,308)	—	(4,308)	—
Loss on debt extinguishment	—	534	—	534
Stock Compensation	3,174	3,118	8,885	8,479
Acquisition expenses	28	5,902	392	6,118
Integration Services Fee	—	1,626	2,375	2,751
Held for sale corporate tax impact	—	16,457	—	12,119
Other	349	434	1,129	3,263
Adjusted Earnings	\$ 40,996	\$ 41,620	\$ 109,716	\$ 116,896

Adjusted EBITDA

Quarter Ended September 30, 2023

In 000's	Corporate	5.11	BOA	Ergo	Lugano	Marucci Sports	PrimaLoft	Velocity Outdoor	Altor Solutions	Arnold	Sterno	Consolidated
Net income (loss)	(11,506)	5,834	4,257	(261)	14,584	6,706	(4,893)	(28,881)	5,042	2,103	1,981	(5,034)
Adjusted for:												
Provision (benefit) for income taxes	—	1,920	865	(620)	4,210	2,110	(2,566)	(2,951)	1,460	876	643	5,947
Interest expense, net	27,524	(2)	(4)	—	—	1	(3)	38	—	6	—	27,560
Intercompany interest	(36,908)	5,477	1,571	2,144	8,930	2,200	4,635	3,633	2,549	1,706	4,063	—
Loss on debt extinguishment	—	—	—	—	—	—	—	—	—	—	—	—
Depreciation and amortization	335	6,573	5,930	2,033	2,081	3,443	5,361	3,272	4,215	2,126	4,984	40,353
EBITDA	(20,555)	19,802	12,619	3,296	29,805	14,460	2,534	(24,889)	13,266	6,817	11,671	68,826
Other income (expense)	2	98	(63)	—	71	—	(9)	(425)	(362)	8	(363)	(1,043)
Non-controlling shareholder compensation	—	258	736	312	472	424	262	228	234	8	240	3,174
Impairment expense	—	—	—	—	—	—	—	32,568	—	—	—	32,568
Acquisition expenses	—	—	—	—	—	28	—	—	—	—	—	28
Integration services fee	—	—	—	—	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—	—	—	349	349
Adjusted EBITDA	(20,553)	20,158	13,292	3,608	30,348	14,912	2,787	7,482	13,138	6,833	11,897	103,902

Adjusted EBITDA

Quarter Ended September 30, 2022

In 000's	Corporate	5.11	BOA	Ergo	Lugano	Marucci Sports	PrimaLoft	Velocity Outdoor	Altor Solutions	Arnold	Sterno	Consolidated
Net income (loss)	\$ (31,602)	5,905	8,935	(759)	\$ 8,095	\$ 4,230	\$ (8,492)	\$ 4,679	\$ 2,765	\$ 3,475	\$ (203)	(2,972)
Adjusted for:												
Provision (benefit) for income taxes	16,457	1,906	1,776	(410)	1,166	1,609	(3,570)	1,416	805	537	(1,199)	20,493
Interest expense, net	22,725	2	(7)	—	3	3	(4)	70	—	7	—	22,799
Intercompany interest	(27,141)	3,503	1,808	1,737	3,263	1,812	3,251	2,997	2,821	1,402	4,547	—
Loss on debt extinguishment	534	—	—	—	—	—	—	—	—	—	—	534
Depreciation and amortization	315	5,766	5,577	2,033	3,083	2,504	4,194	3,420	4,124	1,936	5,069	38,021
EBITDA	(18,712)	17,082	18,089	2,601	15,610	10,158	(4,621)	12,582	10,515	7,357	8,214	66,306
Other income (expense)	(72)	709	403	—	—	(1)	260	971	110	—	(463)	1,917
Non-controlling shareholder compensation	—	381	621	362	356	537	—	240	375	13	232	3,117
Acquisition expenses	—	—	—	—	—	—	5,680	222	—	—	—	5,902
Integration services fees	—	—	—	—	563	—	1,063	—	—	—	—	1,626
Other	—	—	—	—	—	—	—	—	—	—	434	434
Adjusted EBITDA	(18,784)	18,172	19,113	2,963	16,529	10,694	2,382	14,015	11,000	7,370	8,417	91,871

Adjusted EBITDA

Nine Months Ended September 30, 2023

In 000's	Corporate	5.11	BOA	Ergo	Lugano	Marucci Sports	PrimaLoft	Velocity Outdoor	Altor Solutions	Arnold	Sterno	Consolidated
Net income (loss)	(33,858)	11,850	15,151	(1,114)	31,468	16,125	(5,500)	(36,862)	12,244	6,911	4,445	20,860
Adjusted for:												
Provision (benefit) for income taxes	—	3,990	2,224	(1,272)	10,295	5,150	(3,125)	(5,905)	4,094	3,264	1,512	20,227
Interest expense, net	80,122	(4)	(9)	—	4	3	(9)	232	—	16	—	80,355
Intercompany interest	(106,361)	15,698	5,032	6,484	22,660	6,928	13,343	10,070	8,183	5,078	12,885	—
Depreciation and amortization	929	19,866	17,436	6,112	6,971	9,898	16,084	10,023	12,558	6,248	15,016	121,141
EBITDA	(59,168)	51,400	39,834	10,210	71,398	38,104	20,793	(22,442)	37,079	21,517	33,858	242,583
Other income (expense)	(126)	(103)	117	29	(5)	29	130	(1,179)	201	(1)	(1,161)	(2,069)
Non-controlling shareholder compensation	—	988	2,069	936	1,312	1,287	219	686	800	26	562	8,885
Impairment expense	—	—	—	—	—	—	—	32,568	—	—	—	32,568
Acquisition expenses	—	—	—	—	—	392	—	—	—	—	—	392
Integration services fee	—	—	—	—	—	—	2,375	—	—	—	—	2,375
Other	—	—	—	—	—	—	—	—	—	—	1,129	1,129
Adjusted EBITDA	(59,294)	52,285	42,020	11,175	72,705	39,812	23,517	9,633	38,080	21,542	34,388	285,863

Adjusted EBITDA

Nine Months Ended September 30, 2022

In 000's	Corporate	5.11	BOA	Ergo	Lugano	Marucci Sports	PrimaLoft	Velocity Outdoor	Altor Solutions	Arnold	Sterno	Consolidated
Net income (loss)	\$ (56,373)	\$ 15,540	\$ 37,122	\$ (634)	\$ 21,871	\$ 8,374	\$ (8,492)	\$ 7,826	\$ 7,149	\$ 7,217	\$ 2,337	\$ 41,937
Adjusted for:												
Provision (benefit) for income taxes	12,119	4,999	6,819	432	5,863	2,821	(3,570)	2,372	2,907	2,768	(929)	36,601
Interest expense, net	57,559	12	(19)	2	12	13	(4)	142	—	20	—	57,737
Intercompany interest	(66,876)	9,501	5,634	4,000	7,841	4,649	3,251	6,987	7,844	3,947	13,222	—
Loss on debt extinguishment	534	—	—	—	—	—	—	—	—	—	—	534
Depreciation and amortization	952	16,804	16,345	6,061	8,385	9,558	4,194	9,981	12,254	6,065	15,272	105,871
EBITDA	(52,085)	46,856	65,901	9,861	43,972	25,415	(4,621)	27,308	30,154	20,017	29,902	42,680
Other income (expense)	(72)	93	498	4	2	(1,829)	260	1,154	219	—	(1,185)	(856)
Non-controlling shareholder compensation	—	1,210	1,889	1,154	800	1,089	—	742	910	38	647	8,479
Acquisition expenses	—	—	—	—	—	—	5,680	222	216	—	—	6,118
Integration services fee	—	—	—	—	1,688	—	1,063	—	—	—	—	2,751
Other	—	—	—	250	—	1,802	—	—	—	—	1,211	3,263
Adjusted EBITDA	\$ (52,157)	\$ 48,159	\$ 68,288	\$ 11,269	\$ 46,462	\$ 26,477	\$ 2,382	\$ 29,426	\$ 31,499	\$ 20,055	\$ 30,575	\$ 262,435

Adjusted EBITDA

Year Ended December 31, 2022

In 000's	Corporate	5.11	BOA	Ergo	Lugano	Marucci Sports	PrimaLoft	Velocity Outdoor	Altor Solutions	Arnold	Sterno	Consolidated
Net income (loss) from continuing operations	\$ (70,862)	\$ 22,633	\$ 42,613	\$ (18,669)	\$ 27,934	\$ 11,526	\$ (17,741)	\$ 4,127	\$ 9,662	\$ 7,683	\$ 3,406	\$ 22,312
Adjusted for:												
Provision (benefit) for income taxes	12,119	7,125	6,527	(4,274)	11,889	4,320	(3,878)	1,562	3,174	3,329	(480)	41,413
Interest expense, net	83,243	—	(25)	10	16	14	(7)	229	—	26	—	83,506
Intercompany interest	(99,154)	13,761	7,410	6,026	12,773	6,977	7,512	10,282	10,742	5,518	18,153	—
Loss on debt extinguishment	534	—	—	—	—	—	—	—	—	—	—	534
Depreciation and amortization	1,256	22,972	21,993	8,094	11,533	12,583	10,465	13,374	16,403	8,041	20,293	147,007
EBITDA	\$ (72,864)	\$ 66,491	\$ 78,518	\$ (8,813)	\$ 64,145	\$ 35,420	\$ (3,649)	\$ 29,574	\$ 39,981	\$ 24,597	\$ 41,372	\$ 294,772
Other (income) expense	(58)	(217)	1,043	6	2	(1,875)	112	2,417	766	(20)	(1,730)	446
Non-controlling shareholder compensation	—	1,511	2,511	1,479	1,179	1,457	2,142	971	1,321	40	844	13,455
Impairment expense	—	—	—	20,552	—	—	—	—	—	—	—	20,552
Acquisition expenses	—	—	—	—	—	—	5,680	222	216	—	—	6,118
Integration services fee	—	—	—	—	1,688	—	2,375	—	—	—	—	4,063
Other	—	—	—	250	—	1,802	—	—	—	—	1,330	3,382
Adjusted EBITDA	\$ (72,922)	\$ 67,785	\$ 82,072	\$ 13,474	\$ 67,014	\$ 36,804	\$ 6,660	\$ 33,184	\$ 42,284	\$ 24,617	\$ 41,816	\$ 342,787

Adjusted EBITDA

Year ended December 31, 2021

In 000's	Corporate	5.11	BOA	Ergo	Lugano	Marucci Sports	Velocity Outdoor	Advanced Circuits	Altor Solutions	Arnold	Sterno	Consolidated
Net income (loss) from continuing operations	\$ (65,287)	\$ 20,152	\$ 21,178	\$ 5,079	\$ 5,239	\$ 10,232	\$ 23,035	\$ 14,178	\$ 7,871	\$ 5,013	\$ (316)	\$ 46,374
Adjusted for:												
Provision (benefit) for income taxes	(12,119)	6,905	3,559	2,018	2,094	3,070	6,237	3,419	2,619	1,345	2,609	21,756
Interest expense, net	58,639	16	—	—	9	5	165	—	(1)	6	—	58,839
Intercompany interest	(73,982)	11,868	8,581	1,960	2,450	3,110	7,461	7,217	7,558	5,455	18,322	—
Loss on debt extinguishment	33,305	—	—	—	—	—	—	—	—	—	—	33,305
Depreciation and amortization	904	22,355	20,279	8,435	4,757	8,634	12,704	2,212	12,938	8,888	23,369	125,475
EBITDA	\$ (58,540)	\$ 61,296	\$ 53,597	\$ 17,492	\$ 14,549	\$ 25,051	\$ 49,602	\$ 27,026	\$ 30,985	\$ 20,707	\$ 43,984	\$ 285,749
Other (income) expense	(284)	125	377	—	16	(119)	2,573	298	(323)	8	(1,189)	1,482
Non-controlling shareholder compensation	—	2,428	2,194	1,693	190	1,101	1,020	496	1,035	38	1,242	11,437
Acquisition expenses	39	—	—	—	1,827	971	—	—	444	310	—	3,591
Integration services fee	—	—	3,300	—	563	1,000	—	—	—	—	—	4,863
Other	1,132	273	—	—	—	1,000	(2,300)	—	—	—	995	1,100
Adjusted EBITDA	\$ (57,653)	\$ 64,122	\$ 59,468	\$ 19,185	\$ 17,145	\$ 29,004	\$ 50,895	\$ 27,820	\$ 32,141	\$ 21,063	\$ 45,032	\$ 308,222

Adjusted EBITDA

Year ended December 31, 2020

In 000's

	Corporate	5.11	BOA	Ergo	Marucci Sports	Velocity Outdoor	ACI	Altor Solutions	Arnold	Sterno	Consolidated
Net income (loss)	\$ (22,794)	\$ 12,356	\$ (2,640)	\$ 725	\$ (4,785)	\$ 11,161	\$ 13,170	\$ 6,092	\$ (3,539)	\$ 3,820	\$ 13,566
Adjusted for:											
Provision (benefit) for income taxes	—	1,808	(535)	2,033	(1,390)	3,560	3,431	2,554	(198)	2,343	13,606
Interest expense, net	45,610	19	—	—	7	131	—	—	—	1	45,768
Intercompany interest	(66,901)	14,085	2,043	2,405	1,843	8,915	5,778	7,084	5,730	19,018	—
Depreciation and amortization	481	21,483	5,589	8,199	10,203	12,781	2,773	12,722	6,805	22,510	103,546
EBITDA	\$ (43,604)	\$ 49,751	\$ 4,457	\$ 13,362	\$ 5,878	\$ 36,548	\$ 25,152	\$ 28,452	\$ 8,798	\$ 47,692	\$ 176,486
Other (income) expense	—	1,420	39	—	(42)	931	154	(38)	9	140	2,613
Noncontrolling shareholder compensation	—	2,489	469	1,156	634	1,549	495	1,028	(20)	1,166	8,966
Acquisition expenses	—	—	2,517	—	2,042	—	—	273	—	—	4,832
Integration service fees	—	—	1,125	—	1,000	—	—	—	—	—	2,125
Other	324	—	—	598	—	—	—	—	—	—	922
Adjusted EBITDA	\$ (43,280)	\$ 53,660	\$ 8,607	\$ 15,116	\$ 9,512	\$ 39,028	\$ 25,801	\$ 29,715	\$ 8,787	\$ 48,998	\$ 195,944