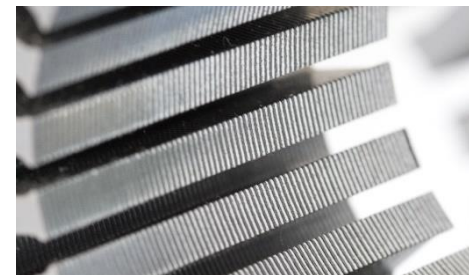


# CODI Investor Presentation

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MAY 2024





## 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, Subsidiary Adjusted EBITDA, Adjusted 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 innovative and disruptive middle-market businesses
- Long-term ownership approach through permanent capital base
- Founded in 1998, came public in 2006
- Currently owns and manages seven branded consumer and three industrial subsidiaries
- Provides shareholders access to leading middle market businesses through public company transparency and liquidity

## CODI BY THE NUMBERS As of 3/31/24

**\$9.3B<sup>+</sup>**

**Aggregate Acquisitions**  
24 Platforms & 34 Add-Ons

**\$5.1B<sup>+</sup>**

**Invested Capital**

**\$2.2B<sup>+</sup>**

**TTM Proforma Revenue**

**\$464.7M<sup>+</sup>**

**TTM Proforma Subsidiary Adjusted EBITDA**

**\$129.8M**

**TTM Adjusted Earnings**

**~\$616M**

**Available Revolver + Cash**  
Permanent Capital Base

**0.9%**

**TTM Proforma Revenue Growth**

**8.2%**

**TTM Proforma Subsidiary Adjusted EBITDA Growth**

## SUBSIDIARIES

### Industrial



### Consumer



**5.11**



1. On February 1, 2024, the Company announced the completion of its acquisition of The Honey Pot Company, LLC.

# 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 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

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

## Future-Thinking For **Our People & Planet**

- **Climate action** - reducing greenhouse gasses and reducing overall waste
- Encouraging **diversity and inclusion** of people and thought
- Attracting and retaining **world-class talent**
- Supporting **health and well-being**

## Trusted Partner With All **Key Stakeholders**

- **Employees**
- **Investors**
- **Business Partners**
- **Community Partners**

## Governance

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

## Growth Drivers

### 1.

#### Business Transformation

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

### 2.

#### Capital Allocation

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

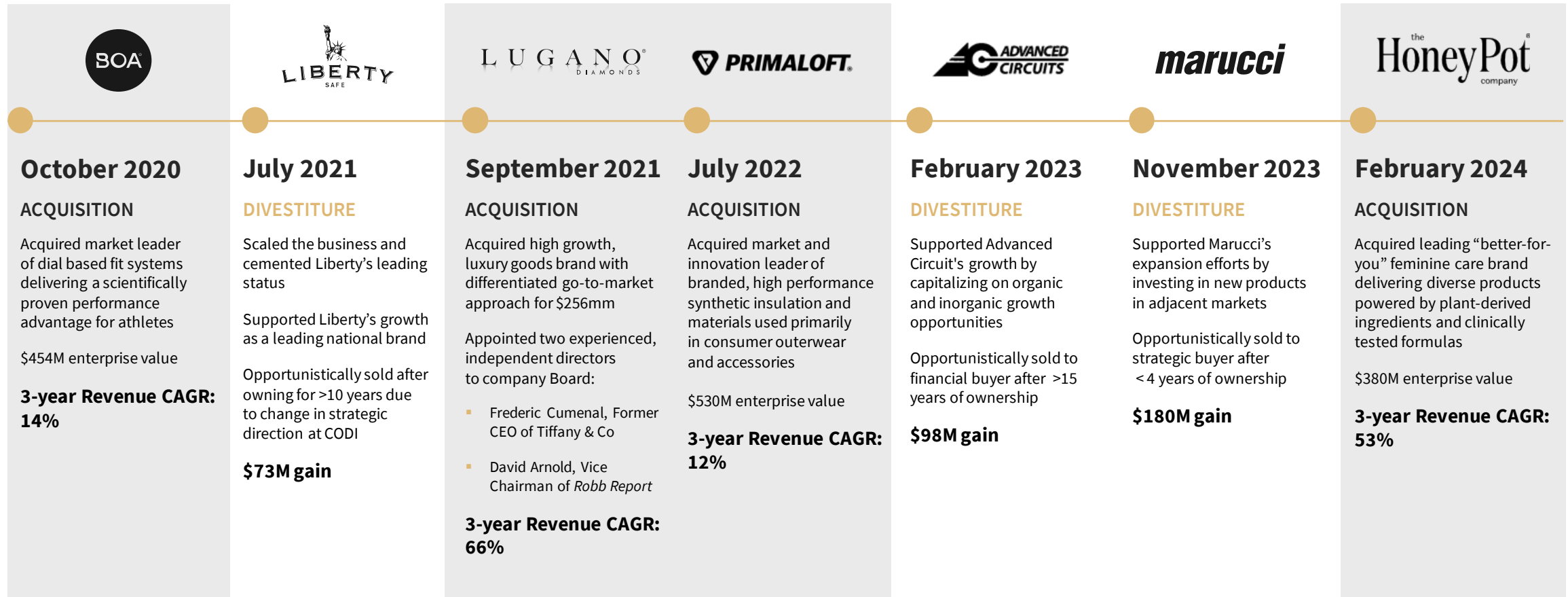
### 3.

#### 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 **industrial** and **branded consumer** companies, and more recently launching our **healthcare** opportunity
- Target 1 to 2 platform acquisitions per year
- Target companies in the \$200M–\$600M enterprise value

#### ☑ Investment in Subsidiaries

- Strategic add-ons – target 2-3 per year
- Growth capex

#### Optimal Future Structure

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

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

### 3. Launch of Healthcare Vertical



**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



18+ 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

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# Subsidiary Snapshot

Subsidiaries (\$ in millions)	Year Acquired							Purchase Price + Add-ons
		TTM PF Revenue 3/31/24	TTM PF Revenue Growth Rate	TTM PF Sub. Adj. EBITDA 3/31/24	TTM PF Sub. Adj. EBITDA Growth Rate	PF Sub. Adj. EBITDA Margin 3/31/24	TTM Capital Expenditures 3/31/24	
<b>5.11</b> 	2016	\$534	5%	\$74	5%	14%	\$8.2 <sup>(1)</sup>	\$408
<b>VELOCITY</b>  <b>OUTDOOR</b>	2017	\$168	-22%	\$12	-56%	7%	\$3.9	\$268
	2010	\$93	2%	\$13	-7%	14%	\$0.8	\$173
<b>LUGANO</b> DIAMONDS	2021	\$347	59%	\$129	76%	37%	\$12.0 <sup>(1)</sup>	\$263
 <b>DIALED IN.</b>	2020	\$161	-15%	\$58	-19%	36%	\$3.1	\$454
 <b>PRIMALOFT.</b>	2022	\$65	-17%	\$24	-22%	36%	\$0.5	\$530
<b>the HoneyPot</b> <sup>(3)</sup> company	2024	\$106	4%	\$27	-9%	25%	\$0.0	\$380
<b>Total Branded Consumer:</b>		<b>\$1,474</b>	<b>5%</b>	<b>\$337</b>	<b>7%</b>	<b>23%</b>	<b>\$28.5</b>	
	2014	\$314	-10%	\$47	8%	15%	\$5.3	\$344
<b>ALDOR</b> SOLUTIONS	2018	\$230	-11%	\$52	19%	23%	\$5.2	\$327
 <b>ARNOLD</b> MAGNETIC TECHNOLOGIES	2012	\$168	8%	\$29	12%	17%	\$9.7	\$163
<b>Total Industrial:</b>		<b>\$712</b>	<b>-7%</b>	<b>\$128</b>	<b>13%</b>	<b>18%</b>	<b>\$20.2</b>	
<b>Consolidated:</b>		<b>\$2,186</b>	<b>1%</b>	<b>\$465<sup>(2)</sup></b>	<b>8%</b>	<b>21%</b>	<b>\$48.7</b>	<b>\$3,310</b>

1. Growth capex at 5.11 and Lugano for retail store rollout.

2. Subsidiary Adj. EBITDA does not include ~\$82M of corporate expenses.

3. On February 1, 2024, the Company announced the completion of its acquisition of The Honey Pot Company, LLC. Information prior to acquisition was from HoneyPot's management.

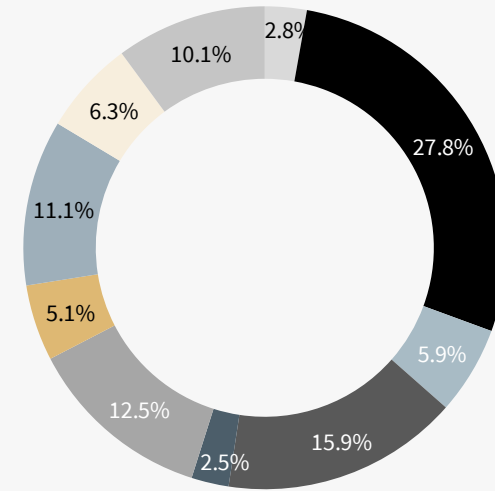
# Our Asset Diversity is Producing Consistent Cash Flow

## DIVERSIFIED CASH FLOWS FROM 10 SUBSIDIARIES

- Three industrial subsidiaries representing 33% of revenues and 27% of Adj. EBITDA (TTM 3/31/24)
- Seven branded consumer subsidiaries representing 67% of revenues and 73% of Adj. EBITDA (TTM 3/31/24)

## 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 ~\$616M in available capital to deploy into acquisitions at attractive prices



Subsidiary Pro Forma Adj. EBITDA – TTM at 3/31/24

# Our Permanent Capital Structure Lowers Our Cost of Capital

CODI's Asset Diversity is Producing Consistent Cash Flow

## Balance Sheet & Secured Debt Overview

Cash: **\$64.7M**  
Revolver: **~\$46M**  
Term Loan: **\$382.5M**

### Leverage and Availability

Leverage: **~3.84x**  
Revolver Availability: **~\$552M**

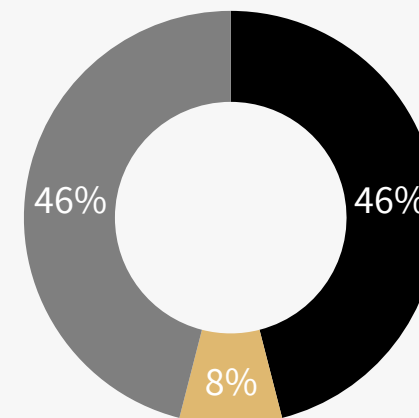
## Unsecured Debt Overview

**75% of debt fixed at blended 5.20%**

**\$1,000 M**      **\$300M**

5.25% Fixed  
Due 2029

5.0% Fixed  
Due 2032



■ Debt ■ Preferred ■ Equity

## Capital Structure

Rate on debt: **5.7%**

Rate on preferred: **7.7%**

# 2024 Full Year Guidance Ranges

## Subsidiary Adjusted EBITDA

Branded Consumer	\$355M to \$385M
Industrial	\$125M to \$135M
<b>TOTAL</b>	<b>\$480M to \$520M*</b>

## Adjusted EBITDA *(Less Corporate & Mgmt. Fees)*

\$390M to \$430M

## Adjusted Earnings

\$148M to \$163M



\*Range includes The Honey Pot Company and excludes Crosman Corporation for the full year of 2024.





## Investor Relations Contacts

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[CODI@gateway-grp.com](mailto:CODI@gateway-grp.com)



# Current Subsidiaries



Note: On February 1, 2024, the Company announced the completion of its acquisition of The Honey Pot Company, LLC.



# 5.11



## Purchase Price (August 2016)

**\$408M**



## 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)
Three Months Ended 3/31/2024	\$125.0	\$14.5
Three Months Ended 3/31/2023	\$124.5	\$14.3
Year Ended 12/31/2023	\$533.1	\$73.6
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, hunting apparel, 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)
Three Months Ended 3/31/2024	\$29.9	\$(0.8)
Three Months Ended 3/31/2023	\$34.0	\$0.2
Year Ended 12/31/2023	\$172.2	\$12.8
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**

+ \$88M 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)	
Three Months Ended 3/31/2024	\$21.2	\$1.4	
Three Months Ended 3/31/2023	\$22.4	\$2.7	
Year Ended 12/31/2023	\$93.9	\$14.4	
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	21




 **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)
Three Months Ended 3/31/2024	\$103.0	\$41.9
Three Months Ended 3/31/2023	\$63.9	\$22.9
Year Ended 12/31/2023	\$308.3	\$110.4
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



**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)
Three Months Ended 3/31/2024	\$42.9	\$16.3
Three Months Ended 3/31/2023	\$38.0	\$14.3
Year Ended 12/31/2023	\$155.8	\$56.0
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
- 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)
Three Months Ended 3/31/2024	\$22.5	\$9.2
Three Months Ended 3/31/2023	\$24.5	\$10.8
Year Ended 12/31/2023	\$67.1	\$25.3
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**  
(February 2024)

**\$380M**



**Description**

Premium “better-for-you” feminine care brand, powered by plant-derived ingredients and clinically tested formulas



**Competitive Strengths**

- Authentic and differentiated “better-for-you” feminine care brand disrupting stagnant category
- Passionate and enthusiastic customer base
- Strong retail distribution across over 30,000+ stores nationally
- Large addressable market characterized by non-discretionary, highly consumable products



**Compass Value Added**

Working with management to continue building consumer awareness of the Honey Pot brand, accelerate distribution globally and support investments in new product innovation

**Financials**

	Revenue (\$ millions)	Adjusted EBITDA (\$ millions)
Proforma Three Months Ended 3/31/2024	\$30.8	\$10.0
Proforma Three Months Ended 3/31/2023	\$31.9	\$10.8
Proforma Year Ended 12/31/2023	\$107.4	\$27.5
Proforma Year Ended 12/31/2022	\$95.0	\$26.5
Proforma Year Ended 12/31/2021	\$65.1	\$21.2
Proforma Year Ended 12/31/2020	\$30.1	\$6.6



### 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 new 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)
Three Months Ended 3/31/2024	\$64.9	\$10.2
Three Months Ended 3/31/2023	\$75.0	\$10.0
Year Ended 12/31/2023	\$323.8	\$46.7
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)
Three Months Ended 3/31/2024	\$53.4	\$10.9
Three Months Ended 3/31/2023	\$61.5	\$11.4
Year Ended 12/31/2023	\$238.0	\$52.0
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**

+ \$34M 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)
Three Months Ended 3/31/2024	\$41.3	\$6.3
Three Months Ended 3/31/2023	\$40.1	\$7.0
Year Ended 12/31/2023	\$166.7	\$29.9
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

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## Case Study



### OVERVIEW

#### **PURCHASE PRICE (Aug 2014) | \$251M**

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



### OVERVIEW

**PURCHASE PRICE (July 2015) | \$132M**

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.  
Passionate and loyal consumer following

Strong management team; thought leaders in Hemp industry  
Vertically-integrated manufacturing model  
Unique access to highly regulated supply base

### 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: TLRY) 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."

## Case Study



### OVERVIEW

**PURCHASE PRICE (Jan 2008) | \$80M**

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 12/31/2023, 63.0% 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



**Included in Russell 2000 and 3000 Index**



**Reduces average cost of capital**

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



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

# Net Income to Non-GAAP Adjusted Earnings



	Three Months Ended	
	March 31, 2024	March 31, 2023
<b>Net income (loss)</b>	\$ 5,781	\$ 109,601
Income from discontinued operations, net of tax	—	10,000
Gain on sale of discontinued operations, net of tax	3,345	97,989
<b>Net income (loss) from continuing operations</b>	\$ 2,436	\$ 1,612
Less: income (loss) from continuing operations attributable to noncontrolling interest	7,429	4,171
<b>Net income (loss) attributable to Holdings- continuing operations</b>	\$ (4,993)	\$ (2,559)
Adjustments:		
Less: Distributions paid - Preferred Shares	(6,045)	(6,045)
Add: Amortization expense – intangibles and inventory step up	29,114	25,148
Add: Impairment expense	8,182	—
Less: Tax effect – impairment expense	—	—
Add: Loss on debt extinguishment	—	—
Add: Stock Compensation	4,330	1,641
Add: Acquisition expense	3,479	—
Add: Integration Services Fee	—	1,187
Add: Held for Sale corporate tax impact	—	—
Add (Less): Other	274	432
<b>Adjusted Earnings</b>	\$ 34,341	\$ 19,804

# Adjusted EBITDA | Quarter Ended March 31, 2024



In 000's	Corporate	5.11	BOA	Ergo	Lugano	PrimaLoft	THP	Velocity	Foam	Arnold	Sterno	Consolidated
<b>Net income (loss)</b>	\$ (5,248)	\$ 3,400	\$ 3,351	\$ (1,831)	\$ 20,204	\$ (1,313)	\$ (3,490)	\$ (15,973)	\$ 693	\$ 1,651	\$ 992	\$ 2,436
Adjusted for:												
Provision (benefit) for income taxes	—	1,203	540	(1,310)	7,044	(80)	(1,167)	579	628	796	453	8,686
Interest expense, net	23,593	(3)	(3)	—	3	(2)	(22)	44	—	(35)	—	23,575
Intercompany interest	(39,938)	3,526	5,492	2,123	11,758	4,616	1,996	3,218	2,009	1,700	3,500	—
Loss on debt extinguishment	—	—	—	—	—	—	—	—	—	—	—	—
Depreciation and amortization	254	5,873	5,438	2,185	2,347	5,327	5,138	3,276	4,085	2,153	4,935	41,011
<b>EBITDA</b>	(21,339)	13,999	14,818	1,167	41,356	8,548	2,455	(8,856)	7,415	6,265	9,880	75,708
Other income (expense)	(39)	(34)	75	(5)	76	—	(17)	(297)	3,236	52	(173)	2,874
Non-controlling shareholder compensation	—	534	1,429	259	504	680	145	194	252	4	329	4,330
Impairment expense	—	—	—	—	—	—	—	8,182	—	—	—	8,182
Acquisition expenses	—	—	—	—	—	—	3,479	—	—	—	—	3,479
Integration services fee	—	—	—	—	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	90	—	—	—	184	274
<b>Adjusted EBITDA</b>	\$ (21,378)	\$ 14,499	\$ 16,322	\$ 1,421	\$ 41,936	\$ 9,228	\$ 6,152	\$ (777)	\$ 10,903	\$ 6,321	\$ 10,220	\$ 94,847



# Adjusted EBITDA | Quarter Ended March 31, 2023



In 000's	Corporate	5.11	BOA	Ergo	Lugano	PrimaLoft	Velocity	Foam	Arnold	Sterno	Consolidated
<b>Net income (loss)</b>	\$ (14,212)	\$ 2,150	\$ 5,368	\$ (1,235)	\$ \$9,968	\$ (1,227)	\$ (4,501)	\$ 2,701	\$ 2,305	\$ 295	\$ 1,612
Adjusted for:											
Provision (benefit) for income taxes	—	726	622	(551)	3,387	1,949	(1,455)	1,094	1,040	108	6,920
Interest expense, net	26,052	(1)	(2)	—	4	(2)	124	—	5	—	26,180
Intercompany interest	(31,467)	4,799	1,792	2,149	6,284	4,322	3,128	2,874	1,649	4,470	—
Loss on debt extinguishment	—	—	—	—	—	—	—	—	—	—	—
Depreciation and amortization	316	6,452	5,693	2,039	2,850	5,360	3,387	4,165	2,019	5,027	37,308
<b>EBITDA</b>	(19,311)	14,126	13,473	2,402	22,493	10,402	683	10,834	7,018	9,900	72,020
Other income (expense)	(128)	(77)	114	—	—	(104)	(675)	204	(2)	(492)	(1,160)
Non-controlling shareholder compensation	—	252	664	312	395	(708)	230	316	9	171	1,641
Acquisition expenses	—	—	—	—	—	—	—	—	—	—	—
Integration services fee	—	—	—	—	—	1,187	—	—	—	—	1,187
Other	—	—	—	—	—	—	—	—	—	432	432
<b>Adjusted EBITDA</b>	\$ (19,439)	\$ 14,301	\$ 14,251	\$ 2,714	\$ 22,888	\$ 10,777	\$ 238	\$ 11,354	\$ 7,025	\$ 10,011	\$ 74,120

# Adjusted EBITDA | Year Ended December 31, 2023



In 000's	Corporate	5.11	BOA	Ergo	Lugano	PrimaLoft	Velocity Outdoor	Altor Solutions	Arnold	Sterno	Consolidated
<b>Net income (loss) from continuing operations</b>	\$ (51,761)	\$ 21,690	\$ 16,496	\$ (2,601)	\$ 52,315	\$ (69,883)	\$ (40,045)	\$ 16,504	\$ 10,434	\$ 8,115	\$ (38,736)
Adjusted for:											
Provision (benefit) for income taxes	301	4,994	2,863	(1,309)	14,589	(5,672)	(5,616)	5,890	4,185	1,106	21,331
Interest expense, net	104,855	(8)	(18)	—	4	(11)	352	—	5	—	105,179
Intercompany interest	(134,835)	20,244	7,580	8,595	32,837	18,123	13,510	10,486	6,806	16,654	—
Loss on debt extinguishment	—	—	—	—	—	—	—	—	—	—	—
Depreciation and amortization	1,399	26,009	22,932	8,110	9,229	21,478	13,282	16,741	8,441	19,959	147,580
<b>EBITDA</b>	(80,041)	72,929	49,853	12,795	108,974	(35,965)	(18,517)	49,621	29,871	45,834	235,354
Other (income) expense	(128)	(515)	98	36	(80)	62	(1,210)	1,440	(5)	(1,441)	(1,743)
Non-controlling shareholder compensation	—	1,191	3,019	1,214	1,474	980	914	986	27	860	10,665
Impairment expense	—	—	—	—	—	57,810	31,590	—	—	—	89,400
Acquisition expenses	—	—	—	321	—	—	—	—	—	—	321
Integration services fee	—	—	—	—	—	2,375	—	—	—	—	2,375
Other	—	—	3,072	—	—	—	—	—	—	1,434	4,506
<b>Adjusted EBITDA</b>	\$ (80,169)	\$ 73,605	\$ 56,042	\$ 14,366	\$ 110,368	\$ 25,262	\$ 12,777	\$ 52,047	\$ 29,893	\$ 46,687	\$ 340,878

# Adjusted EBITDA | Year Ended December 31, 2022



In 000's	Corporate	5.11	BOA	Ergo	Lugano	PrimaLoft	Velocity Outdoor	Altor Solutions	Arnold	Sterno	Consolidated
<b>Net income (loss) from continuing operations</b>	\$ (77,990)	\$ 22,633	\$ 42,613	\$ (18,669)	\$ 27,934	\$ (17,741)	\$ 4,127	\$ 9,662	\$ 7,683	\$ 3,406	\$ 3,658
Adjusted for:											
Provision (benefit) for income taxes	12,119	7,125	6,527	(4,274)	11,889	(3,878)	1,562	3,174	3,329	(480)	37,093
Interest expense, net	83,243	—	(25)	10	16	(7)	229	—	26	—	83,492
Intercompany interest	(92,177)	13,761	7,410	6,026	12,773	7,512	10,282	10,742	5,518	18,153	—
Loss on debt extinguishment	534	—	—	—	—	—	—	—	—	—	534
Depreciation and amortization	1,405	22,972	21,993	8,094	11,533	10,465	13,374	16,403	8,041	20,293	134,573
<b>EBITDA</b>	(72,866)	66,491	78,518	(8,813)	64,145	(3,649)	29,574	39,981	24,597	41,372	259,350
Other (income) expense	(58)	(217)	1,043	6	2	112	2,417	766	(20)	(1,730)	2,321
Non-controlling shareholder compensation	—	1,511	2,511	1,479	1,179	2,142	971	1,321	40	844	11,998
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	—	—	—	—	—	1,330	1,580
<b>Adjusted EBITDA</b>	\$ (72,924)	\$ 67,785	\$ 82,072	\$ 13,474	\$ 67,014	\$ 6,660	\$ 33,184	\$ 42,284	\$ 24,617	\$ 41,816	\$ 305,982



# Thank You.

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