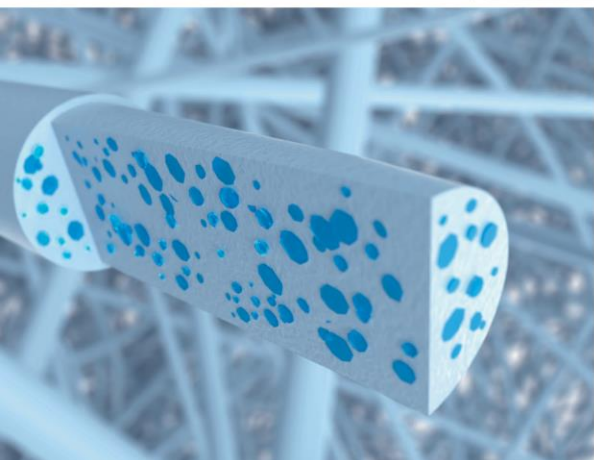
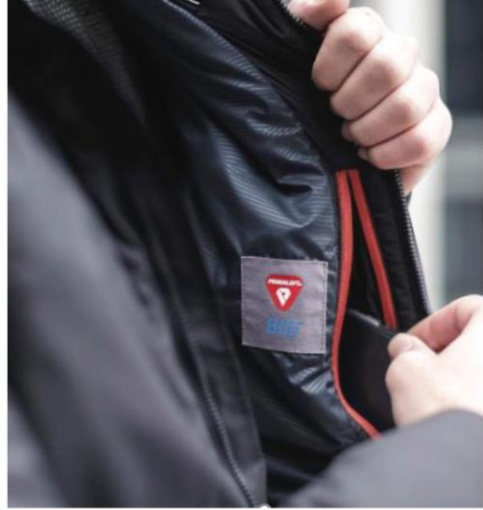
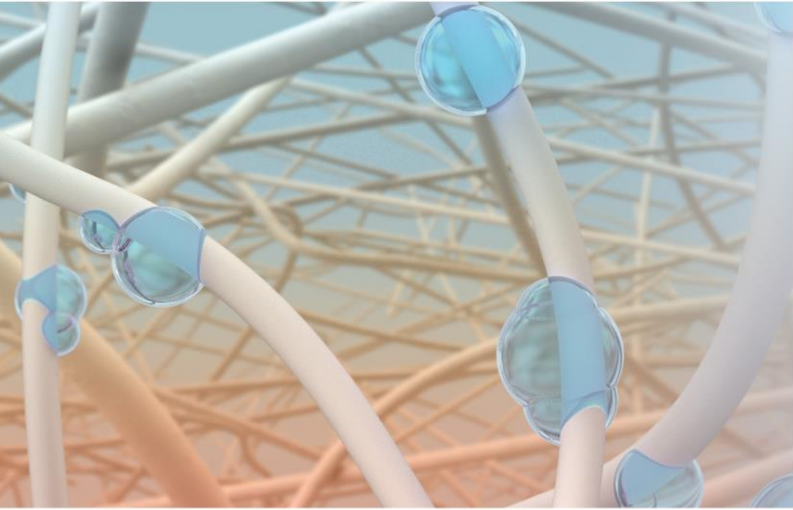




**COMPASS
DIVERSIFIED**



Mike Joyce | President and CEO
January 19th, 2023



Overview

- Who We Are
- Recent Performance
- Growth Opportunities + Strategies



makes advanced materials
felt by you and the planet.

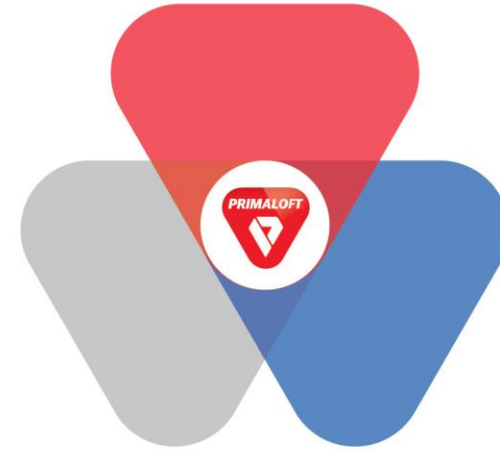
PrimaLoft is an advanced material
technology company

- We are a world leader in the development of high-performance, sustainable insulations and technical fabrics.
- PrimaLoft branded materials are used and marketed in consumer, commercial, and military applications.
- Located in Latham, New York



Our Belief

We believe in unleashing the full
potential of people, products,
and planet, together in
harmony.



Relentlessly Responsible™

At PrimaLoft, we believe you shouldn't have to choose between what's good for you and what's good for the planet. Every product we make is a fusion of material innovation, world class performance and sustainability.

PrimaLoft's Authentic Heritage

Our journey started nearly 40 years ago, with a request from the United States Army Research Laboratory.



LLBean
First customer



Mt. Everest Peace Climb

RALPH LAUREN
First fashion brand



LANDS' END
First home brand



1997
First began using post-consumer recycled material.



2012
PrimaLoft separates from Albany International, becoming its own company and setting the stage for exponential growth in innovation.

PRIMALOFT. BIO™
CROSS CORE™



2017
Presented PrimaLoft® Insulation ThermoPlume® - the first blowable, synthetic loose-fill insulation.

Introduced PrimaLoft® Aerogel technology, originally developed by NASA for use in aerospace applications.



2019
PrimaLoft forms a strategic partnership with Parley and adidas that will take marine plastic debris intercepted from remote islands, beaches and coastal communities and use it to manufacture high-performance insulation products.

2018
PrimaLoft® Bio™ fibers have been specifically developed to return to materials found in nature - combating microplastic waste.

Cross Core™ platform fuses existing PrimaLoft technologies with revolutionary new technologies.



2020
Introduced proprietary technology enabling highest performing 100% PCR insulations.



2020
PrimaLoft establishes new business unit focused on licensing technologies through the PrimaLoft® Brand.

2019
Introduced PrimaLoft® P.U.R.E.™, a breakthrough manufacturing technology that reduces carbon emissions.

2021
PrimaLoft raises the bar for carbon savings with an improved iteration of PrimaLoft® P.U.R.E.™

UTILITY
2022
PrimaLoft redefines durability with their new UTILITY line.

COMPASS DIVERSIFIED
2022
Compass Diversified acquires PrimaLoft, positioning the company for accelerated growth and innovation.

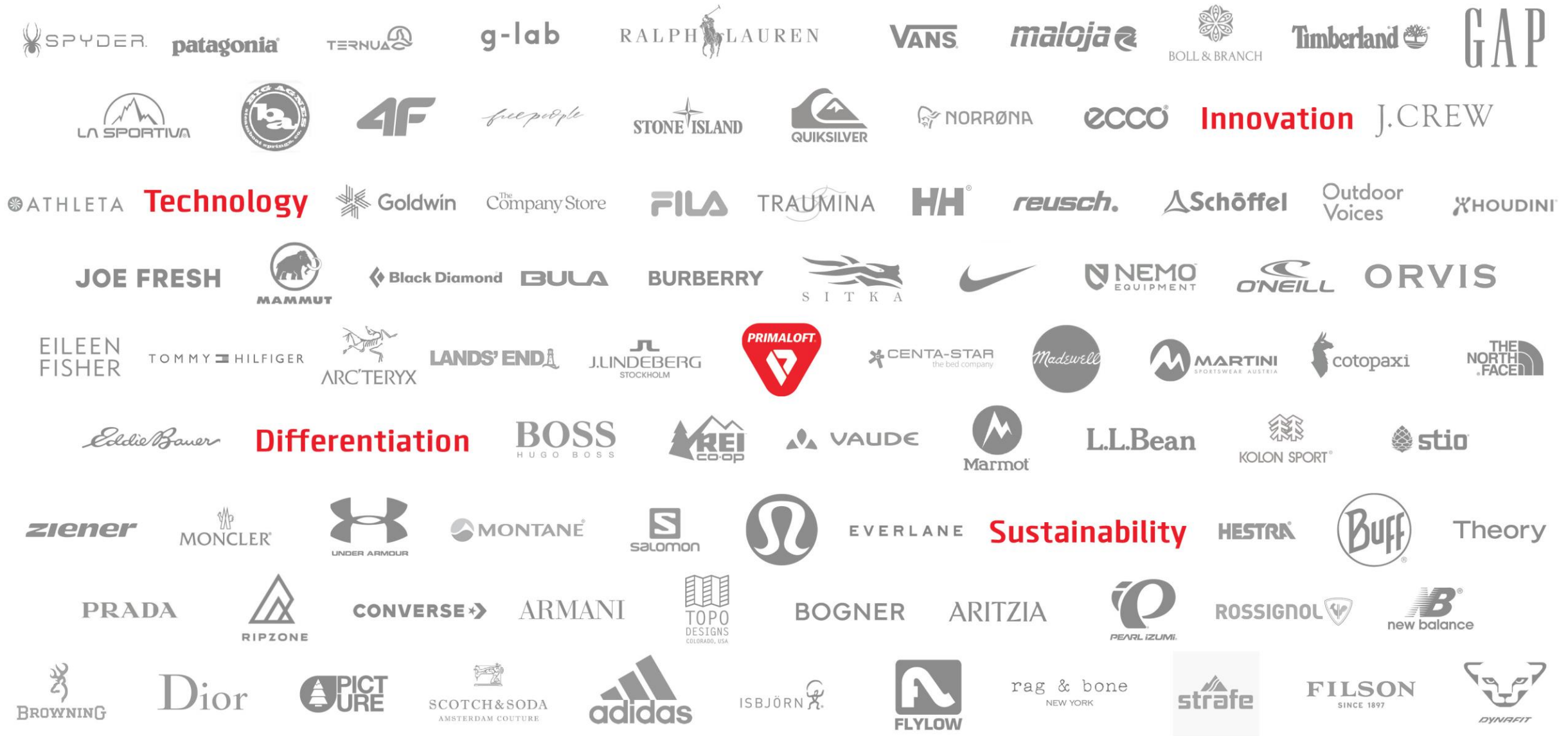
1983
Developed and patented the first synthetic microfiber for apparel.

1986
"The Army May Have Matched the Goose"

1990
LLBean and Polo Ralph Lauren introduce PrimaLoft to consumers.

PrimaLoft used in layering system for the Mt. Everest Peace Climb.

1993
Entered Home Furnishing Market with our first bedding product from Lands' End.



Well-Diversified with over 950
Brand Partner Relationships

About 64% Net Sales
from N. America Brand Partners

About 30% Net Sales
from Europe Brand Partners

About 6% Net Sales
from Asia Brand Partners

Our Partners are Our Advocates

About 200 Million permanent labels since 2017



maloja




STONE ISLAND




Black Diamond



dreamsville

“It’s clear they are the pioneer within the insulation market. We can compare PrimaLoft to other brands’ insulation and in that data, **PrimaLoft provides the highest warmth for weight.**”

Product Development Manager
Outdoor | Current Customer

“The benchmark testing we are doing now for PrimaLoft and 6 other vendors shows that **PrimaLoft is outperforming on almost everything.** The value is there, and we see it through field and lab testing.”

Vice President of Raw Materials
Outdoor | Current Customer

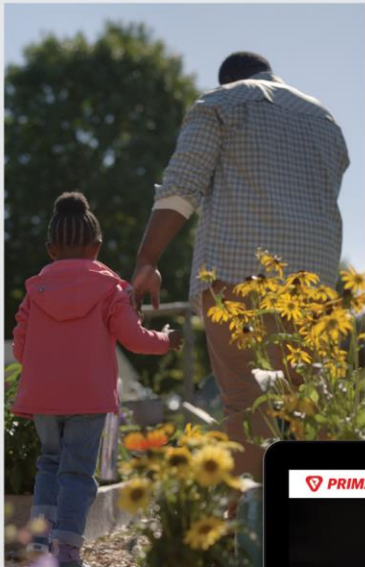
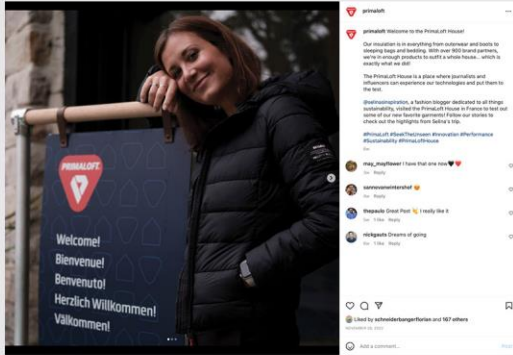
“PrimaLoft is one of the few insulation suppliers that is innovating in the sustainability space and looking at CO2 reduction. That’s how we are measuring environmental impact. They are also offering recycled content, so **they have an added level of sustainability over the competition.**”

Vice President of Raw Materials
Outdoor | Current Customer

Global Social Media Influencer Campaign



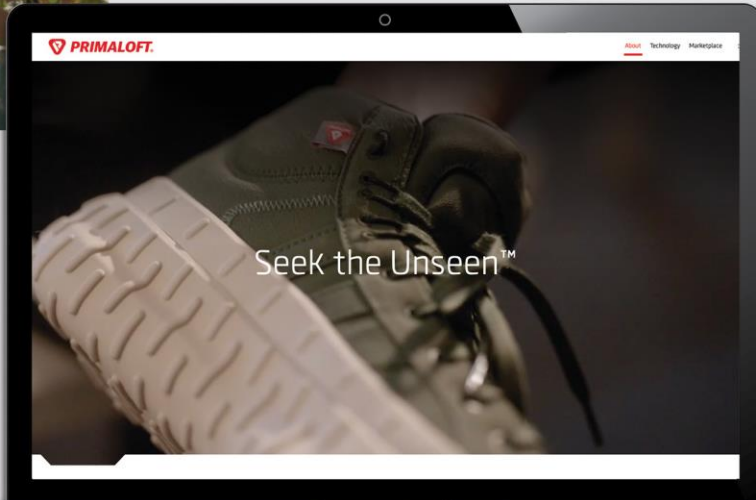
In-House Developed Consumer Campaign



Connecting with Our Consumer

PrimaLoft has a strong and lengthy history providing partnership marketing support for hundreds of brand partners.

In 2021 PrimaLoft expanded the brand narrative beyond B2B and started communication directly with a targeted group of consumers.



Global Consumer Media PR Activations

Bustle

5 Vegan Puffer Jackets That Are Both Chic & Sustainable

If you're shopping for a coat, keep an eye out for the PrimaLoft name.



FAST COMPANY

BRANDS

THAT

MATTER

2022



Consumer Media Awards

Proven Performance

2002 — PrimaLoft Business Part of Albany International with Limited Focus and Investment

2012 — PrimaLoft Independent Entity after Management Buyout

2017 — Accelerated Branding + Innovation

2022

Well Positioned for Continued Long-Term Growth



61%
2022E Gross Profit Margin

41%
2022E EBITDA Margin¹

~100%
2022E Free Cash Flow Conversion²

Asset-light
Operating Model

Negative
Net Working Capital

1. Net Sales figures include certain pro forma adjustments to exclude non-recurring or exited businesses (i.e., assumes all historical fabric / yarn sales were sold through a licensing model like they are today).

2. FCF Conversion defined as (EBITDA - Capex +/- the decrease/increase in NWC) / EBITDA.

Exceptional Growth and Cash Flow Profile

Net Sales: Long-Term, Double-Digit Growth
(Net Sales, \$ in Millions)



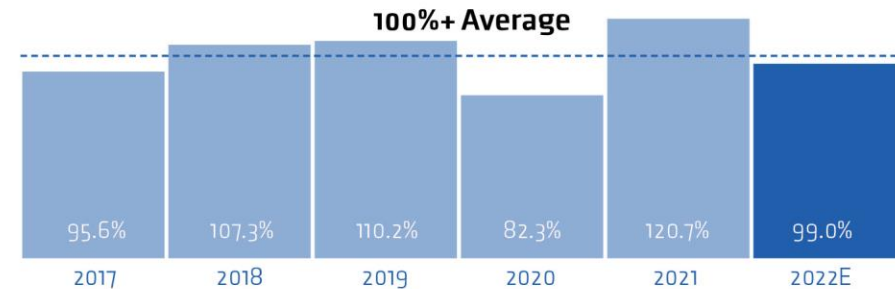
Gross Profit: Exceptional Brand Strength
(Gross Profit, \$ in Millions)



EBITDA: Resilient Earnings Model
(EBITDA, \$ in Millions)

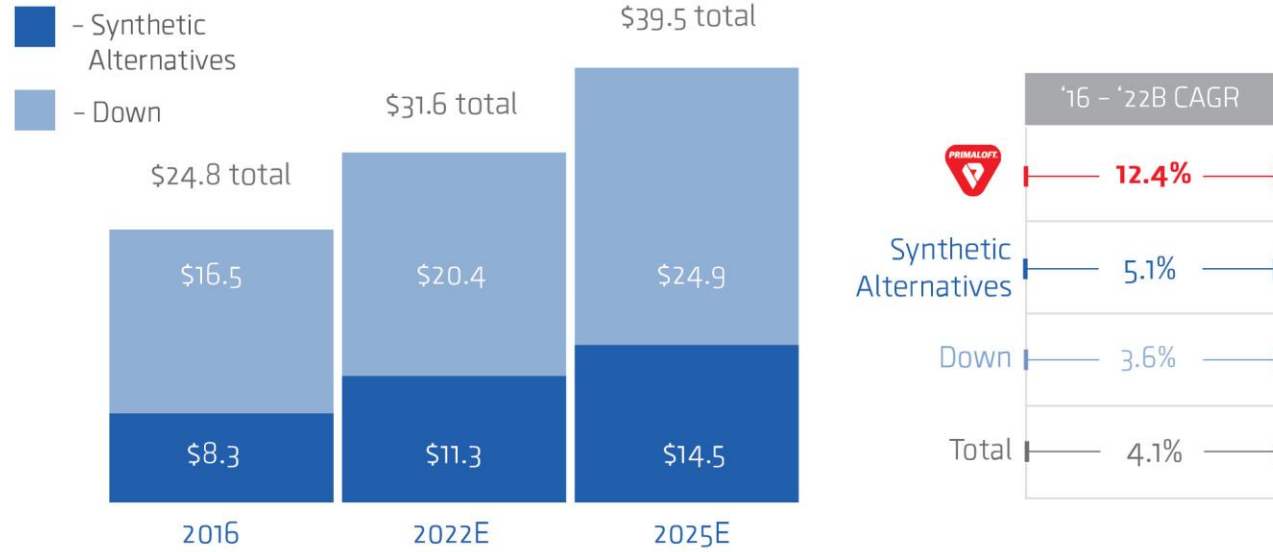


Free Cash Flow Conversion % : Best-In-Class FCF Conversion Enabled by NWC and Asset-Light Model
(Free Cash Flow Conversion %)

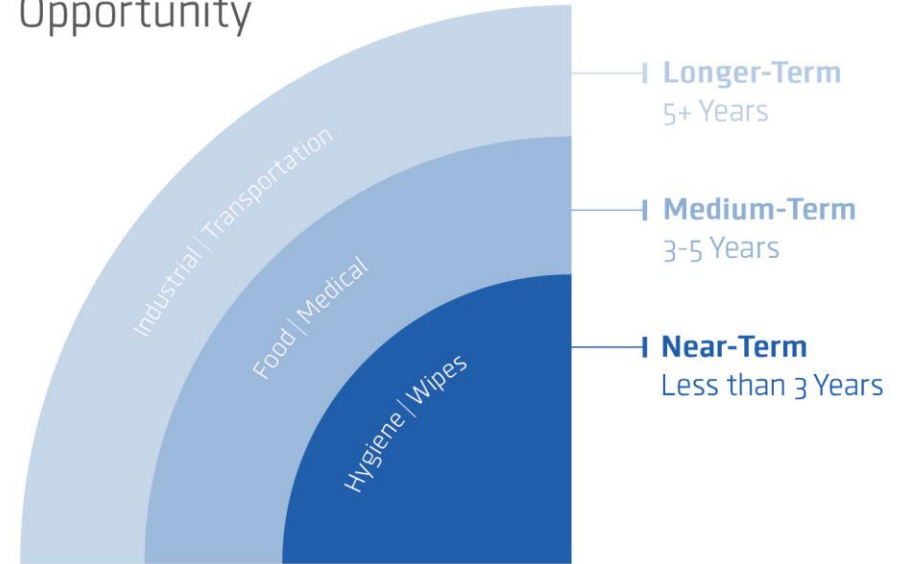


A Large Addressable Market with Compelling Tailwinds

Global Insulation Addressable Market – Lifestyle + Bedding
(\$ in Billions)



\$2B Adjacent Market Opportunity



Compelling Category Tailwinds:



Growing Emphasis on Consumer Health and Wellness



Increasing Participation Rates Within Outdoor and Active Lifestyle



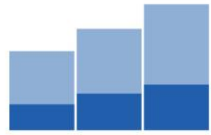
Accelerating Shift Towards Sustainable Alternatives



Growing Focus on Supply Chain Transparency

*Market data obtained from third-party research, STAX Report 2022

Clear Runway for Accelerating Growth



Expanding Market



Large Total Addressable Market



Increased Consumer Outdoor Participation



Global and Diverse Customer Base

Levers to Growth

Top Brand Partners

Capture SOM via new programs within existing brand partners. Penetrate white space through new technology



Fast-Growing Brand Partners

Gain new programs within brand partners that are outpacing market growth



All Other Brand Partners

Continue to build momentum with existing brand partners through existing and new programs



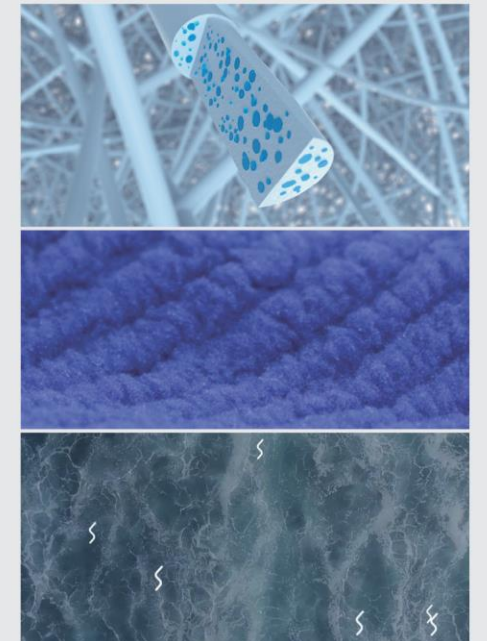
Adjacent Categories

Leverage highly-profitable licensing model to further penetrate the bedding + home categories, and expand into hygiene + wipes



Additional Drivers

Includes items such as Aerogel, Fabrics + Yarns, and Bio



Keys to Success

- **Compelling Competitive Advantage** driven by material innovation that starts at the polymer level, and translates through to final product
- **An Authentic Heritage** as global market leader in premium, high-performance consumer insulation, powered by innovative, industry-leading technologies
- **Highly-relevant Brand Purpose** that is fully aligned with market trends and consumer values
- **Trusted by More Than 950 Consumer Brands** to provide technological differentiation, R+D collaboration, and co-branding, supported by expanding communication directly to target consumers
- **Long-term Track Record of Growth** driven by innovation and supported by numerous patents, trade secrets, and expertise
- **Runway for Significant Growth** due to large total addressable market and robust pipeline of new products and technologies
- **Strong Market Tailwinds** driven by expanding market, consumers seeking the outdoors, and continued push towards sustainability



PrimaLoft Brand Sizzle Reel

PrimaLoft



Mike Joyce
President & CEO of PrimaLoft

View the video [here](#)



Thank You!

