

**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): April 20, 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 Series A Trust Preferred Interest in Compass Diversified Holdings | CODI PR A | New York Stock Exchange |
| Series B Preferred Shares representing Series B Trust Preferred Interest in Compass Diversified Holdings | CODI PR B | New York Stock Exchange |
| Series C Preferred Shares representing Series C Trust Preferred Interest 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
Item 7.01 Regulation FD Disclosure

On April 20, 2020, Compass Group Diversified Holdings LLC (the “Company”) and Compass Diversified Holdings (“Holdings”) and, together with the Company, collectively “CODI,” “us” or “we”) issued a press release announcing the closing (the “Closing”), on April 20, 2020, of the previously announced transaction, whereby, Wheelhouse Holdings Inc., a Delaware corporation and wholly owned subsidiary of the Company (“Buyer”), acquired Marucci Sports, LLC, a Delaware limited liability company (“Marucci”), pursuant to an Agreement and Plan of Merger (the “Merger Agreement”), by and among, Buyer, Marucci, Wheelhouse Holdings Merger Sub LLC, a Delaware limited liability company and a wholly owned Subsidiary of Buyer (“Merger Sub”), and, Wheelhouse 2020 LLC, (in its capacity as the representative of the unit holders and option holders of Marucci). Pursuant to the Merger Agreement, Merger Sub merged with and into Marucci (the “Merger”) such that the separate existence of Merger Sub ceased, with Marucci surviving the Merger as a subsidiary of Buyer. A copy of the press release is attached as Exhibit 99.1 hereto.

The foregoing description of the press release is qualified in its entirety by reference to the complete text of the press release furnished as Exhibit 99.1 hereto, which is incorporated by reference herein. The information in this Item 7.01 and Exhibit 99.1 is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth in such filing.

Section 8 Other Events
Item 8.01 Other Events

CODI acquires and manages small to middle market businesses in the ordinary course of its business. The following description relates to the recent acquisition of one such business.

Marucci Sports, LLC

On April 20, 2020 (the “Closing Date”), Buyer, through the Merger Sub, completed its merger with Marucci pursuant to the Merger Agreement (the “Transaction”). Upon the completion of the Transaction, Marucci became a wholly owned subsidiary of Buyer and an indirect subsidiary of the Company. The Company paid a purchase price of approximately \$200 million, before working capital and certain other adjustments, at the Closing (the “Purchase Price”) in connection with the Transaction. The Company funded the Purchase Price through a draw on its revolving credit facility. The Company’s initial equity ownership in Buyer will be approximately 92%, as certain existing stakeholders in Marucci have invested in Buyer alongside the Company.

Concurrent with the Closing, the Company provided a credit facility to Marucci, as borrower, pursuant to which a secured revolving loan commitment and secured term loan were made available to Marucci (the “Marucci Credit Agreement”). The initial amount outstanding under these facilities on the Closing Date was approximately \$41.5 million. The loans advanced under the Marucci Credit Agreement to Marucci are guaranteed by Buyer as well as the subsidiaries of Marucci (collectively, the “Guarantors”) and are secured by security interests in substantially all the assets and properties of Marucci and Guarantors, including a pledge by Buyer of all of the equity interests in Marucci and a pledge by Marucci of all of the equity interests in its subsidiaries. In addition to being similar to the terms and conditions of the credit facilities in place with its existing subsidiary businesses, the Company believes that the agreed terms of the loans are fair and reasonable given the leverage and risk profile of Marucci and its subsidiaries.

The foregoing brief description of the Transaction is not meant to be exhaustive and is qualified in its entirety by, the full text of the Merger Agreement, which is incorporated herein by reference to Exhibit 99.1 to CODI’s Current Report on Form 8-K filed on March 9, 2020.

Section 9 Financial Statements and Exhibits
Item 9.01 Financial Statements and Exhibits

(a) Financial statements of the businesses acquired

To the extent required by this item, historical financial statements for the Transaction referenced in Item 8.01 above will be filed in an amendment to this Current Report on Form 8-K no later than 71 calendar days after the date of this report is due.

(b) Pro forma financial information

To the extent required by this item, pro forma financial information relating to the Transaction referenced in Item 8.01 above will be filed in an amendment to this Current Report on Form 8-K no later than 71 calendar days after the date of this report is due.

(d) Exhibits.

99.1 [Press Release dated April 20, 2020 announcing the closing of the Transaction](#)

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: April 20, 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: April 20, 2020

COMPASS GROUP DIVERSIFIED HOLDINGS LLC

By: /s/ Ryan J. Faulkingham

Ryan J. Faulkingham
Chief Financial Officer



Compass Diversified Holdings Completes Acquisition of Baseball Equipment Company Marucci Sports

WESTPORT, Conn., April 20, 2020 - Compass Diversified Holdings (NYSE: CODI) ("CODI" or the "Company"), an owner of leading middle market businesses, today announced the completion of the Company's previously announced acquisition of Baton Rouge, Louisiana-based Marucci Sports, LLC ("Marucci"), pursuant to an agreement entered into on March 6, 2020.

In 2009, Marucci Sports was founded by a team including two former professional baseball players. Over the past decade, hundreds of Big League players have chosen Marucci products, making Marucci one of the most popular bats in baseball. While continuing to increase market share in wood bats, Marucci has built on its devoted brand following by expanding the product portfolio to include a full suite of baseball equipment and apparel.

The acquisition was completed for a purchase price of \$200 million (excluding working capital, other customary adjustments, and acquisition related costs) and funded through a previously disclosed draw on the Company's revolving credit facility and an \$11 million cash investment by minority shareholders. As previously disclosed, subsequent to the completion of the Marucci acquisition, and including the ability to upsize the Company's revolving credit facility by \$250 million, CODI would have more than \$650 million of liquidity available to support its business.

"We are pleased to announce the successful completion of this transaction in a challenging market environment," said Elias Sabo, CEO of Compass Group Diversified Holdings LLC. "We are excited about the future strategic opportunities for Marucci as we expect to accelerate their growth and expansion in the years to come."

"Now more than ever, we are grateful to have partnered with such a veteran and sophisticated investor in CODI. Their team not only brings tremendous experience navigating market cycles, but also shares our long-term vision for the future of Marucci," said Kurt Ainsworth, Co-Founder and Chief Executive Officer of Marucci. "We believe our suite of products has tremendous growth potential and now that the transaction has closed, we look forward to working closely with the CODI team in pursuit of our shared objectives."

About Marucci

Founded in 2009, Marucci Sports is a leading manufacturer and distributor of baseball and softball equipment under the Marucci and Victus brands, headquartered in Baton Rouge, Louisiana. Marucci's product portfolio includes wood and metal bats, apparel and accessories, batting and fielding gloves, and bags and protective gear. Today, Marucci and Victus are the top two most-used bats among Big League players.

About Compass Diversified Holdings ("CODI")

CODI owns and manages a diverse family of established North American middle market businesses. Each of its current subsidiaries is a leader in its niche market.

CODI maintains controlling ownership interests in each of its subsidiaries in order to maximize its ability to impact long term cash flow generation and value. 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 to make cash distributions to its shareholders.

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

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve risks and uncertainties, including, but not limited to, statements as to our future operating results; 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; and the timing of cash flows, if any, from the operations of our portfolio companies.

We may use words such as “anticipates,” “believes,” “expects,” “intends,” “will,” “should,” “may” and similar expressions to identify forward-looking statements. The forward-looking statements contained in this press release 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: 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 or the COVID-19 pandemic; future changes in laws or regulations (including the interpretation of these laws and regulations by regulatory authorities); general considerations associated with the COVID-19 pandemic; 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.

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