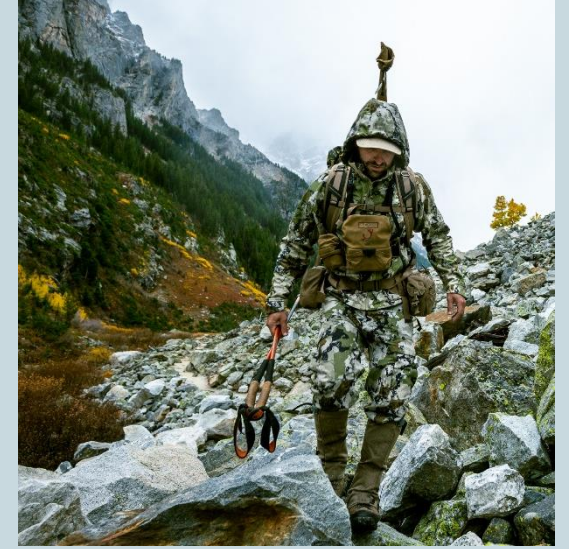


COMPASS
DIVERSIFIED

CODI Investor Presentation

MAY 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

BOA

marucci

PRIMALOFT[®]



VELOCITY[®] OUTDOOR

CODI BY THE NUMBERS

As of 3/31/23

\$7.0B⁺

Aggregate Acquisitions

23 Platforms & 32 Add-Ons

\$4.7B

Invested Capital

\$2.2B⁺

TTM Proforma Revenue

\$440M⁺

TTM Proforma Adjusted EBITDA

\$138.3M

TTM Adjusted Earnings

~\$644M

Available Revolver + Cash

Permanent Capital Base

9%

TTM Proforma Revenue Growth

9%

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
- 24 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 Business Transformation is Accelerating Our Core Growth Rate



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



16+ 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



Our Business Transformation is Accelerating Our Core Growth Rate

Pro Forma Subsidiary Growth Profile

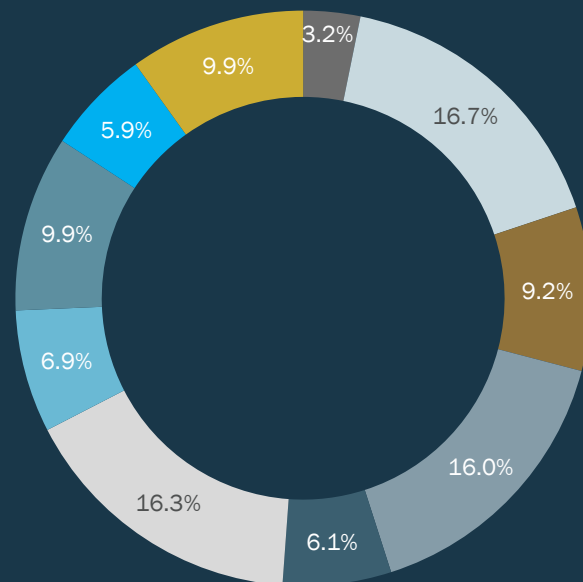
Subsidiaries (\$ in millions)	Year Acquired	TTM AT 3/31/23 ⁽¹⁾						Purchase Price + Add-ons
		Revenue	Revenue Growth Rate	Adj. EBITDA	Adj. EBITDA Growth Rate	Adj. EBITDA Margin	Capital Expenditures	
 5.11	2016	\$507	13%	\$70	10%	14%	\$31.6 ⁽²⁾	\$408
 VELOCITY OUTDOOR	2017	\$215	-16%	\$27	-41%	13%	\$5.0	\$268
 ergobaby	2010	\$91	-1%	\$14	-16%	16%	\$0.8	\$168
 LUGANO DIAMONDS	2021	\$218	53%	\$73	58%	34%	\$14.6 ⁽²⁾	\$263
 marucci	2020	\$172	28%	\$41	36%	24%	\$3.6	\$247
 SOA DIALED IN.	2020	\$190	2%	\$72	2%	38%	\$6.0	\$454
 PRIMALOFT.	2022	\$79	6%	\$30	2%	39%	\$0.3	\$530
Total Branded Consumer:		\$1,472	10%	\$327	8%	22%	\$61.9	
 Sterno	2014	\$350	-7%	\$44	0%	13%	\$4.8	\$344
 ALTOR SOLUTIONS	2018	\$259	26%	\$43	24%	17%	\$4.4	\$327
 ARNOLD MAGNETIC TECHNOLOGIES	2012	\$156	7%	\$26	21%	17%	\$8.2	\$163
Total Niche Industrial:		\$765	5%	\$113	13%	15%	\$17.4	
Consolidated:		\$2,237	9%	\$440⁽³⁾	9%	20%	\$79.3	\$3,273

1. Revenue, Adj. EBITDA, capex shown pro forma for acquisition Primaloft.
2. Growth capex at 5.11 and Lugano for retail store rollout.
3. Subsidiary Adj. EBITDA does not include ~\$76M of corporate expenses.

Our Asset Diversity is Producing Consistent Cash Flow



Subsidiary Pro Forma Adj. EBITDA – TTM at 3/31/23



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

- Ergobaby
- Lugano
- Marucci
- 5.11 Tactical
- Velocity Outdoor
- BOA
- Pro Forma PrimaLoft
- Altor Solutions
- Arnold
- Sterno



DIVERSIFIED CASH FLOWS FROM 10 SUBSIDIARIES

- Three niche industrial subsidiaries representing 34% of revenues and 26% of Adj. EBITDA (TTM 3/31/23)
- Seven branded consumer subsidiaries representing 66% of revenues and 74% of Adj. EBITDA (TTM 3/31/23)



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 ~\$644M in available capital to deploy into acquisitions at attractive prices

Strong Balance Sheet as of March 31, 2023

BALANCE SHEET & SECURED DEBT OVERVIEW

Cash:	\$53.7M
Revolver:	\$8M
Term Loan:	\$393M

Leverage and Availability

Leverage:	~3.9x
Revolver Availability:	~\$590M

UNSECURED DEBT OVERVIEW

76% of debt fixed at blended 5.20%

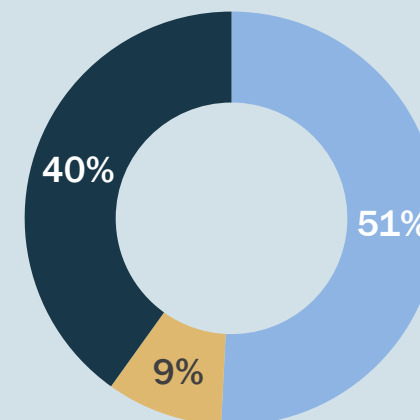
\$1,000M

5.25% Fixed
Due 2029

\$300M

5.0% Fixed
Due 2032

CAPITAL STRUCTURE



■ Debt ■ Preferred ■ Equity

Rate on debt: **5.7%**

Rate on preferred: **7.7%**

2023 Financial Outlook

RAISED FULL YEAR GUIDANCE

\$430M - \$460M

Full Year 2023 Pro Forma Subsidiary
Adj. EBITDA guidance

\$110M - \$135M

Full year 2023 Adj. Earnings guidance



Investor Relations Contacts:

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949.574.3860
CODI@gatewayir.com



Current Subsidiaries





5.11+



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)
Three Months Ended 3/31/2023	\$124.5	\$14.3
Three Months Ended 3/31/2022	\$104.0	\$11.7
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)
Three Months Ended 3/31/2023	\$34.0	\$0.2
Three Months Ended 3/31/2022	\$51.4	\$6.5
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)
Three Months Ended 3/31/2023	\$22.4	\$2.7
Three Months Ended 3/31/2022	\$20.2	\$2.1
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)
Three Months Ended 3/31/2023	\$63.9	\$22.9
Three Months Ended 3/31/2022	\$47.0	\$16.6
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



PURCHASE PRICE (APRIL 2020)

\$200M

+\$48M 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)
Three Months Ended 3/31/2023	\$58.3	\$17.8
Three Months Ended 3/31/2022	\$52.1	\$14.1
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)
Three Months Ended 3/31/2023	\$38.0	\$14.3
Three Months Ended 3/31/2022	\$56.8	\$24.7
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)
Three Months Ended 3/31/2023	\$24.5	\$10.8
Proforma Three Months Ended 3/31/2022	\$25.7	\$11.3
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 (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)
Three Months Ended 3/31/2023	\$75.0	\$10.0
Three Months Ended 3/31/2022	\$76.9	\$8.2
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 3/31/2023	\$61.5	\$11.4
Three Months Ended 3/31/2022	\$63.8	\$10.2
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)
Three Months Ended 3/31/2023	\$40.1	\$7.0
Three Months Ended 3/31/2022	\$38.2	\$5.5
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: 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."



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, 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

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	
	March 31, 2023	March 31, 2022
Net income	\$ 109,601	\$ 29,740
Income (loss) from discontinued operations, net of tax	(1,391)	5,370
Gain on sale of discontinued operations, net of tax	97,989	5,993
Net income from continuing operations	\$ 13,003	\$ 18,377
Less: income from continuing operations attributable to noncontrolling interest	4,981	4,937
Net income attributable to Holdings - continuing operations	\$ 8,022	\$ 13,440
Adjustments:		
Less: Distributions paid - Preferred Shares	(6,045)	(6,045)
Add: Amortization expense - intangibles and inventory step up	27,508	23,366
Add: Stock Compensation	2,045	2,681
Add: Acquisition expenses	—	216
Add: Integration Services Fee	1,188	563
Add (Less): Other	432	1,802
Adjusted Net income attributable to Holdings – continuing operations	\$ 33,150	\$ 36,023

Adjusted EBITDA

Quarter Ended March 31, 2023

In 000's	Corporate	5.11	BOA	Ergo	Lugano	Marucci Sports	PrimaLoft	Velocity Outdoor	Altor Solutions	Arnold	Sterno	Consolidated
Net income (loss)	\$ (11,835)	\$ 2,150	\$ 5,368	\$ (1,235)	\$ 9,968	\$ 9,014	\$ (1,227)	\$ (4,501)	\$ 2,701	\$ 2,305	\$ 295	\$ 13,003
Adjusted for:												
Provision (benefit) for income taxes	—	726	622	(551)	3,387	2,916	1,949	(1,455)	1,094	1,040	108	9,836
Interest expense, net	26,051	(1)	(2)	—	4	1	(2)	124	—	5	—	26,180
Intercompany interest	(33,806)	4,799	1,792	2,149	6,284	2,339	4,322	3,128	2,874	1,649	4,470	—
Depreciation and amortization	279	6,452	5,693	2,039	2,850	3,051	5,360	3,387	4,165	2,019	5,027	40,322
EBITDA	\$ (19,311)	\$ 14,126	\$ 13,473	\$ 2,402	\$ 22,493	\$ 17,321	\$ 10,402	\$ 683	\$ 10,834	\$ 7,018	9,900	\$ 89,341
Other income (expense)	(127)	(77)	114	—	—	32	(104)	(675)	204	(2)	(492)	(1,127)
Non-controlling shareholder compensation	—	252	664	312	395	404	(708)	230	316	9	171	2,045
Integration services fee	—	—	—	—	—	—	1,188	—	—	—	—	1,188
Other	—	—	—	—	—	—	—	—	—	—	432	432
Adjusted EBITDA	\$ (19,438)	\$ 14,301	\$ 14,251	\$ 2,714	\$ 22,888	\$ 17,757	\$ 10,778	\$ 238	\$ 11,354	\$ 7,025	10,011	\$ 91,879

Adjusted EBITDA

Quarter Ended March 31, 2022

In 000's	Corporate	5.11	BOA	Ergo	Lugano	Marucci Sports	Velocity Outdoor	Altor Solutions	Arnold	Sterno	Consolidated
Net income (loss)	\$ (14,981)	\$ 2,645	\$ 14,199	\$ (1,479)	\$ 8,494	\$ 6,134	\$ 713	\$ 1,936	\$ 960	\$ (244)	\$ 18,377
Adjusted for:											
Provision (benefit) for income taxes	—	819	2,477	399	2,895	2,006	202	1,059	1,012	(893)	9,976
Interest expense, net	17,368	26	(5)	1	5	1	17	—	6	—	17,419
Intercompany interest	(19,275)	2,920	2,028	787	2,125	1,517	1,853	2,465	1,267	4,313	—
Loss on debt extinguishment	—	—	—	—	—	—	—	—	—	—	—
Depreciation and amortization	336	5,454	5,317	2,008	2,254	4,189	3,269	3,990	2,226	5,116	34,159
EBITDA	\$ (16,552)	\$ 11,864	\$ 24,016	\$ 1,716	\$ 15,773	\$ 13,847	\$ 6,054	\$ 9,450	\$ 5,471	\$ 8,292	\$ 79,931
Other income (expense)	—	(548)	50	4	2	(1,810)	209	312	—	(255)	(2,036)
Non-controlling shareholder compensation	—	411	635	413	240	276	251	268	13	174	2,681
Acquisition expenses	—	—	—	—	—	—	—	216	—	—	216
Integration services fees	—	—	—	—	563	—	—	—	—	—	563
Other	—	—	—	—	—	1,802	—	—	—	—	1,802
Adjusted EBITDA	\$ (16,552)	\$ 11,727	\$ 24,701	\$ 2,133	\$ 16,578	\$ 14,115	\$ 6,514	\$ 10,246	\$ 5,484	\$ 8,211	\$ 83,157

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