



CODI Investor Presentation

FEBRUARY 2021

Legal Disclaimer



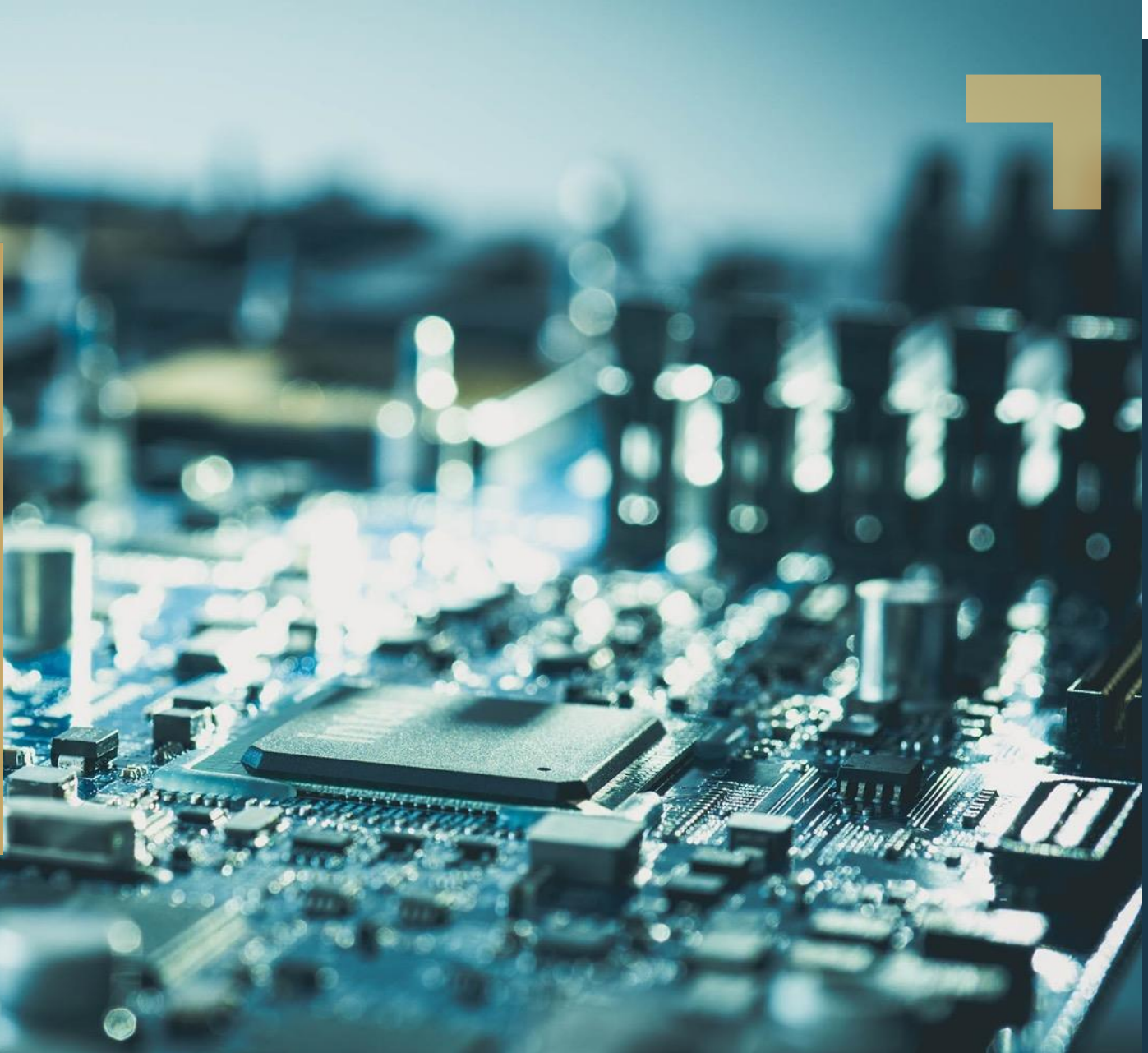
This presentation contains certain forward-looking statements within the meaning of the federal securities laws. These statements may be made a part of this presentation or by reference to other documents we file with the SEC.

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 EBITDA, EBITDA, cash flow, CAD 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.

Business Overview



Experienced Leadership Team



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

Chief Operating Officer

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 for more than 22 years and has consistently generated superior results



Private equity-like compensation structure aligns interest of shareholders and management team and allows for recruitment of top-level talent



14+ year history as a public company manager, patient deployer of capital, willing to net divest



Highly accountable organization focused on consistently exceeding our weighted average cost of capital on all invested capital

Compass Diversified Holdings (NYSE: CODI) Offers Shareholders a Unique Opportunity To Own a Diverse Group of Leading Middle-Market Businesses

Provides access to a strategy typically reserved for private equity investors without the barriers to entry

Founded in 1998, CODI is an experienced acquirer, manager and opportunistic divestor of established North American middle-market businesses; currently the portfolio is made up of 6 branded consumer and 4 niche industrial subsidiaries

KEY DIFFERENTIATORS



Long-term, Opportunistic Approach through Permanent Capital Base



Value Creation Through Sector Expertise



Superior Governance and Transparency

CODI BY THE NUMBERS

As of 12/31/2020

1998

FOUNDED
IPO in 2006

\$6.4B⁺

AGGREGATE TRANSACTIONS
21 Platforms & 27 Add-Ons

\$1.1B⁺

REALIZED GAINS SINCE IPO
11 Divestitures To Date

\$2.5B

ASSETS MANAGED
10 Current Platforms

~\$500M

DRY POWDER
Permanent Capital Base

Benefits of Owning CODI



CONSISTENT OUTPERFORMANCE OF BENCHMARKS

- CODI total return of 467% since IPO versus total return of 283% for the Russell 2000



ACCESS TO AN ATTRACTIVE SEGMENT OF THE MARKET HISTORICALLY RESERVED FOR PRIVATE EQUITY MANAGERS

- Experienced manager with aligned compensation model



SUPERIOR GOVERNANCE MODEL

- Majority of Board of Directors independent with Chairman and CEO roles separated; Independent Lead Director
- Transparency into each of the operating subsidiaries
- SOX compliance with 404 pushed down to each operating subsidiary

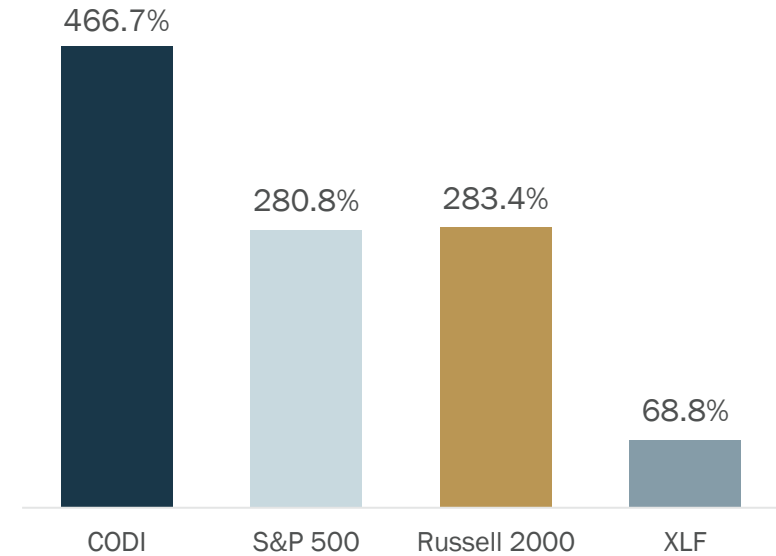


LIQUIDITY VIA TRADEABLE SHARES

A History of Outperformance

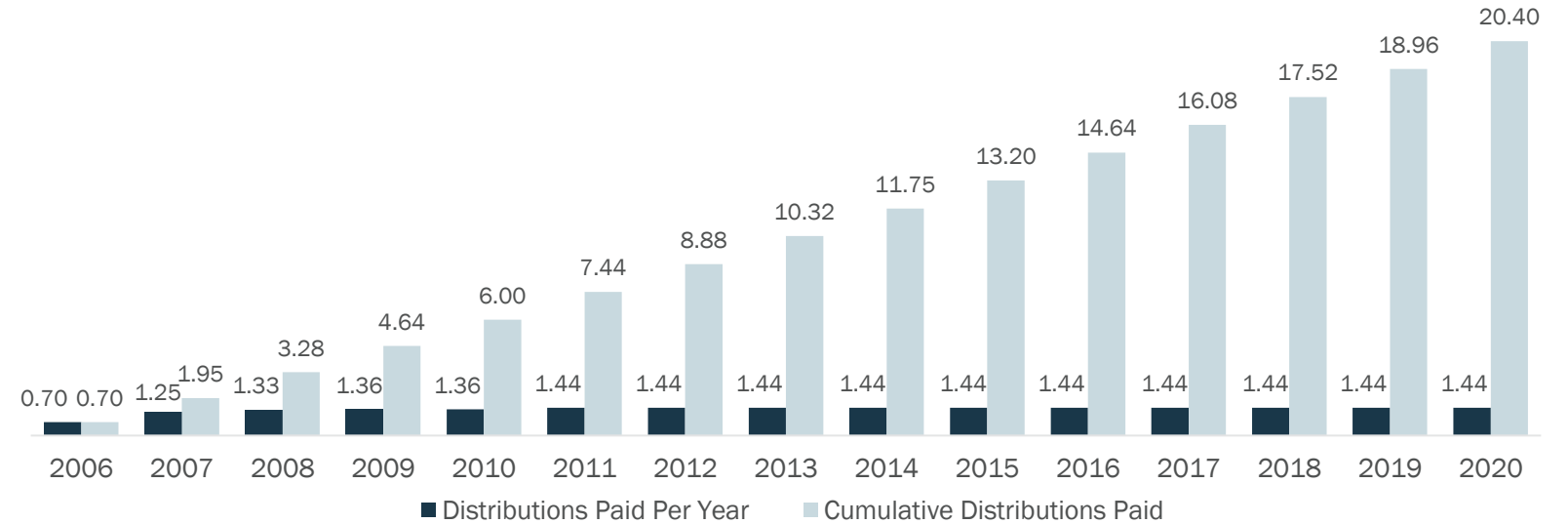
Compared to both publicly-traded peers and market indices, CODI has consistently generated superior returns through its culture of transparency, alignment and accountability

TOTAL RETURN FROM MAY 16, 2006 THROUGH FEBRUARY 22, 2021



DISTRIBUTIONS PAID SINCE IPO

(\$20.40 Per Share) ~6.3% Yield At 2/22/21



\$1.00 invested at IPO is worth \$5.67 today vs. \$3.81 in the S&P 500 or \$3.83 in the Russell 2000

Investment Thesis



Why CODI?

CODI's core principles — which have differentiated our business for nearly 15 years — have never been more relevant or produced stronger results for shareholders

01 Permanent Capital Is Strategic Capital

- Opportunistic in capital deployment
- Enables long-term approach
- “Eliminates” traditional PE investment horizon pressure

02 Benefits to Owning a Family of Uncorrelated Subsidiaries

- Lower cost of capital versus financing each company separately
- Defensive positioning
- Professionalization at scale
- Diversity of subsidiaries provides consistency in earnings and cash flow

03 Clear Alignment with Investors

- Compensation structure aligns interest of shareholders and management team and allows for recruitment of top-level talent
- Transparency / regular reporting
- History of waiving management fees when appropriate
- Significant and growing ownership of CODI shares by Manager partners and employees

By offering access to a diverse portfolio of middle market businesses, CODI's strategy offers a differentiated liquid alternative



Why CODI Now?

STRONG BALANCE SHEET

- Leverage 3.09x
- Approximately \$500mm of availability to deploy

LOWEST COST OF CAPITAL IN OUR HISTORY

- \$200mm tack on of unsecured debt in May 2020
- 2018 debt refinancing extended maturities and added \$400mm of unsecured debt with flexible covenants
- Roughly half of capital, non-dilutive, at an average cost of 6.5%

CODI IS POSITIONED TO DELIVER REGARDLESS OF ECONOMIC CLIMATE

- If **economic expansion** — ten remaining subsidiaries producing strong Cash Flow which on an annualized basis is expected to exceed distribution; poised to grow in economic expansion
- If **economic downturn** — Cash Flow from existing subsidiaries expected to decline, however offset by \$500mm in available capital to deploy into acquisitions at attractive prices

Significant Events in 2020



Acquisitions

Accessed \$290 Million of Additional Capital in Early May

- Issued ~\$83.9 million in net proceeds in common equity offering
- Added \$200 million in unsecured bonds to existing 2026 notes priced at 101%
- Upgraded by Moody's and S&P

Marucci Sports April 2020

- Acquired for \$200mm;
- Leading manufacturer and distributor of baseball and softball equipment under the Marucci and Victus brands
- Highly passionate consumer base; 'fastest growing brand in baseball'


BOA Technology October 2020

- Acquired for \$454mm;
- Designer and marketer of dial-based closure systems that deliver performance fit across footwear, headwear and medical bracing products
- Market leader with strong brand awareness in core categories
- Diverse customer base with global end-market focus

Reported Positive Fourth Quarter and Full Year Financial Results

- Branded Consumer businesses QTD net sales up 15.5% and adjusted EBITDA up 42.5%
- Full year 2020 organic revenue and adjusted EBITDA growth
- Mid point of guidance equates to 8% year over year growth
- **Full Year 2020 Adjusted EBITDA guidance is \$305 to \$325mm**
- Payout Ratio expected to improve to 80% to 70% for full year 2020



A detailed close-up photograph of a mechanical watch movement, showing various metal gears, plates, and components. The lighting is dramatic, highlighting the textures and metallic surfaces. A semi-transparent yellow box is overlaid on the left side of the image, containing the title text. A blue L-shaped graphic element is in the top right corner.

Closer Look at the Strategy

The Permanent Capital Advantage



Traditional private equity players are pressured to transact in a market characterized by rich valuations, abundant credit and fund life-related pressures

CODI can remain patient and choose not to buy when valuations are inflated. Our actions over the past two years demonstrate the effectiveness of this strategy:



Generated tangible, sustained value for shareholders by selling two businesses opportunistically for sizeable gains



Used proceeds to repay debt and strengthen balance sheet



Permanent capital structure and strong balance sheet allowed CODI to move forward with the acquisitions of Marucci Sports and BOA

CODI's permanent capital structure provides a competitive advantage throughout the entire lifecycle of an asset from sourcing to exit and through various economic cycles

CODI in Action

Permanent capital structure drives value at every stage of investment as CODI leverages its sector expertise and superior governance and transparency to build businesses for the long-term

01 Strategic Acquisitions

- Decentralized, regional business development efforts
- Balance sheet provides certainty of financing and speed of closure
- Permanent capital avoids “moral hazard” faced by private equity managers operating under a fixed fund life
- Approach and model is attractive to management teams

02 Active Management

- Enables a conservative, low leverage approach
- Permanent capital available to invest in businesses to drive long term value creation
 - Build management teams
 - Invest in lasting infrastructure
 - Organic growth and add-on acquisitions

03 Opportunistic Divestitures

- Flexible model optimizes and prioritizes outcomes for all stakeholders
- Strong industry relationships
- Diverse range of exit strategies — have generated realized gains in excess of \$1 billion

Commitment to ESG

Our mission is to deliver superior investment results while mitigating risk and conducting our business in a socially responsible and ethical manner

ESG is embedded in all aspects of our investment process from the original investment selection, to the subsequent value creation and eventual divestiture with a goal of continuous improvement

Our long-term approach, deep expertise and commitment to sustainability are critical to ensuring we are a trusted partner to our subsidiary companies



Committed to reducing use of virgin plastic by at least 50% within 10 years; will incorporate recycled or renewably sourced materials into 100% of products by 2027



Paint process is one of the most environmentally safe in U.S., removing 95% of all VOCs



“Everlove” buyback and resale program benefits families and the planet by extending the use of Ergobaby carriers



Going greener through its commitment to reducing the company’s carbon footprint



Made recent investments in LEED-certified facility and sophisticated water reclamation system



Committed to sourcing timber from sustainable forests / establishing an end-of-life, recycling program



First industry player to introduce BioEPS®, a high performance protective and thermal packaging solution that is 100% sustainable, recyclable, biodegradable and reusable

PILLARS OF OUR STRATEGY



INVESTING RESPONSIBLY



ATTRACTING, RETAINING AND DEVELOPING THE BEST PROFESSIONALS



ENGAGING WITH OUR LOCAL COMMUNITIES

Profile of a Potential CODI Subsidiary

PLATFORM

Leading niche industrial or branded consumer company headquartered in North America

Highly defensible position and meaningful organic or external growth opportunities

Operating in industry with favorable long-term macroeconomic trends

Low technological or product obsolescence risk

Proven management team and diverse customer and supplier base

Preferred transaction size \$100 – \$800 million

Strong margins and minimal CapEx requirements / Strong free cash flow generation

STRATEGIC ADD-ONS

Strategic fit within a subsidiary company

Ability to generate meaningful synergies

Subsidiary Highlights

Having been exclusively dedicated to these industries for 20+ years, our team is able to further position our subsidiaries for long term success

10 SUBSIDIARIES

6 BRANDED CONSUMER
& 4 NICHE INDUSTRIAL

Market leaders with strong,
identifiable competitive moats

EXTRAORDINARY FREE CASH FLOW PROFILE

$$\text{\$291mm} - \text{\$19mm} - \text{\$20mm} = \text{\$252mm}$$

12/31/20 pro forma adjusted
EBITDA

12/31/20 pro forma
maintenance capex

12/31/20 pro forma
cash taxes

Net cash flow (before working
capital changes and growth capex)
on \$2.4 billion of acquisition price
(includes add-on acquisitions)

10.5%

Cash on cash yield
(before working capital changes
and growth capex)

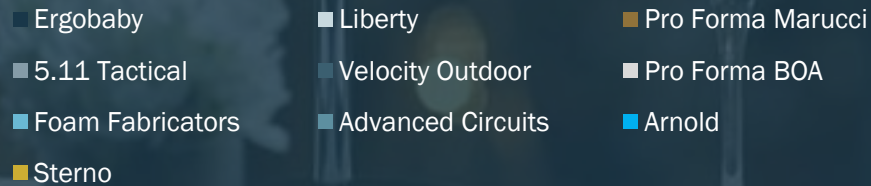
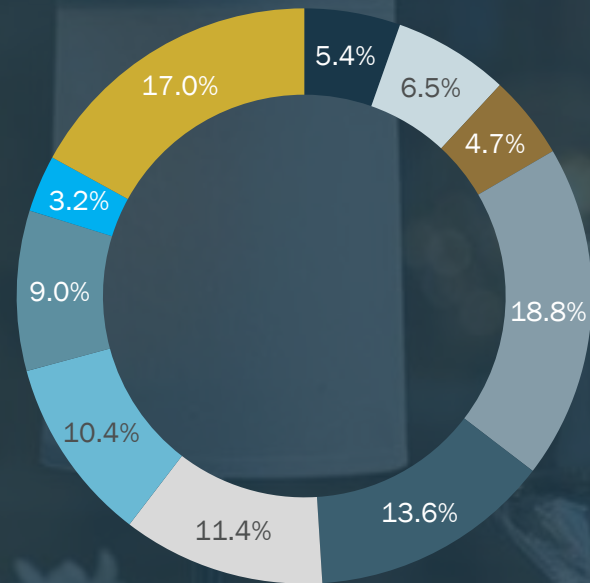
Subsidiary Snapshot

(\$ millions)

Subsidiaries	Year Acquired	12/31/20 ⁽¹⁾					Purchase Price + Add-ons
		Revenue	Adj. EBITDA	Adj. EBITDA Margin	Maintenance Capex	Growth Capex	
 5.11	2016	\$401	\$55	14%	\$1.3	\$8.3 ⁽²⁾	\$400
 VELOCITY OUTDOOR	2017	\$216	\$39	18%	\$3.9	—	\$248
 ergobaby	2010	\$75	\$16	21%	\$0.5	—	\$168
 LIBERTY SAFE	2010	\$113	\$19	17%	\$0.7	\$0.7	\$71
 marucci	2020	\$66	\$14	21%	\$1.0	—	\$200
 BOA DIALED IN.™	2020	\$106	\$33	31%	\$2.0	\$2.0	\$454
Total Branded Consumer:		\$977	\$176	18%	\$9.4	\$11.0	
 Sterno	2014	\$370	\$49	13%	\$1.4	\$4.8	\$344
 ALTOR SOLUTIONS	2018	\$130	\$31	24%	\$2.3	—	\$261
 ARNOLD MAGNETIC TECHNOLOGIES	2012	\$99	\$9	9%	\$4.9	—	\$129
 ADVANCED CIRCUITS	2006	\$88	\$26	30%	\$0.6	—	\$100
Total Niche Industrial:		\$687	\$115	17%	\$9.2	\$4.8	
Consolidated:		\$1,664	\$291⁽³⁾	17%	\$18.6	\$15.8	\$2,375

Diversity producing consistent cash flow and earnings

Subsidiary Pro Forma Adjusted EBITDA



DECEMBER 31, 2020 TTM REVENUES AND SUBSIDIARY PRO FORMA ADJUSTED EBITDA OF \$1.7B AND \$291M, RESPECTIVELY



DIVERSIFIED CASH FLOWS FROM 10 SUBSIDIARIES

- 4 niche industrial subsidiaries representing 41% of Revenues and 40% of Adjusted EBITDA
- 6 branded consumer subsidiaries representing 59% of Revenues and 60% of Adjusted EBITDA



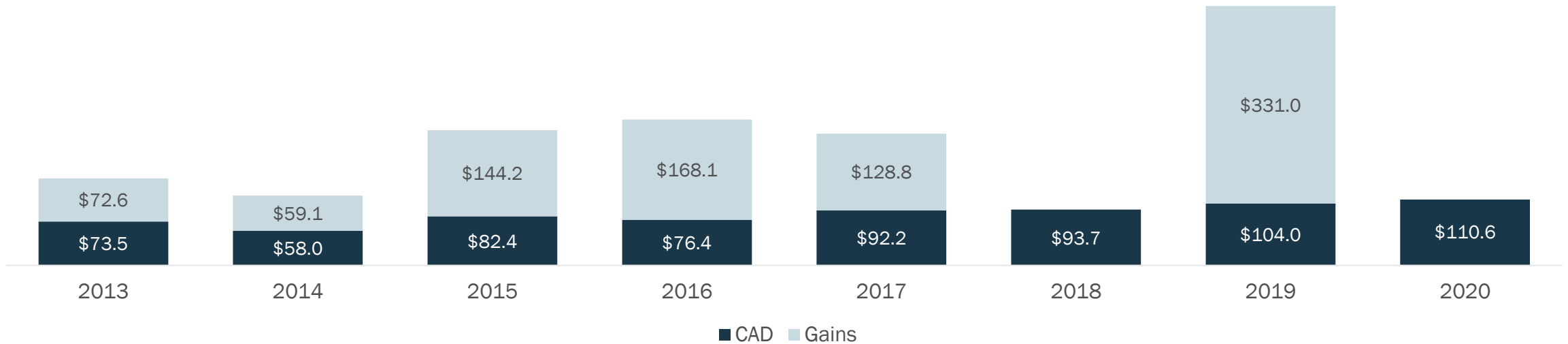
DIVERSIFIED CUSTOMER BASE

- 10 subsidiaries in diverse industry segments reduce customer concentration risk

Demonstrated History of Value Creation



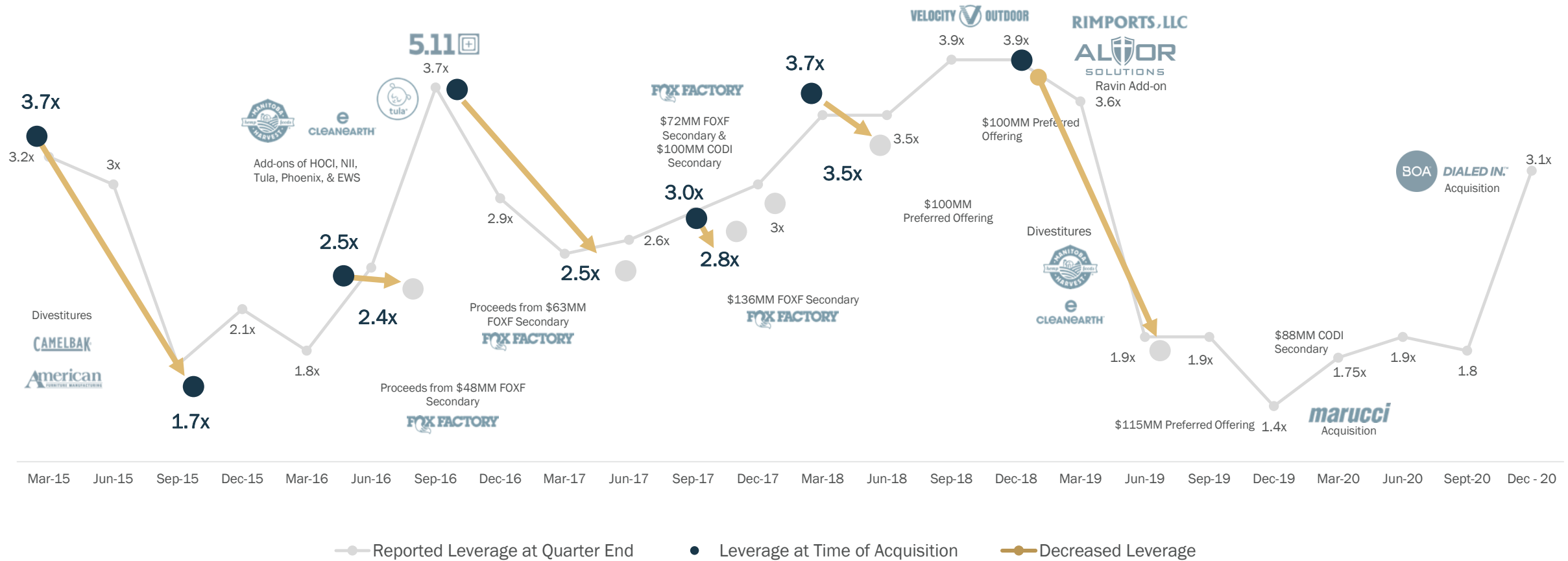
GENERATED \$1.5 BILLION IN CASH FLOW AND REALIZED GAINS OVER THE LAST 8 YEARS



Stable cash flow generated by diverse businesses

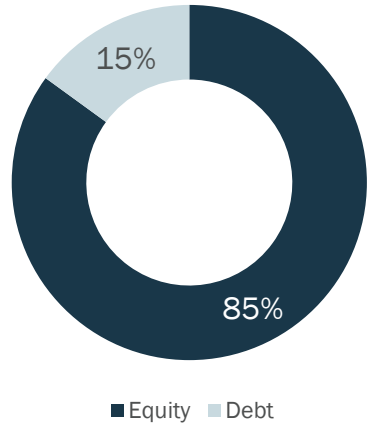
History of Successfully Deleveraging

CODI has a demonstrated history of paying down its debt and is committed to staying conservatively levered



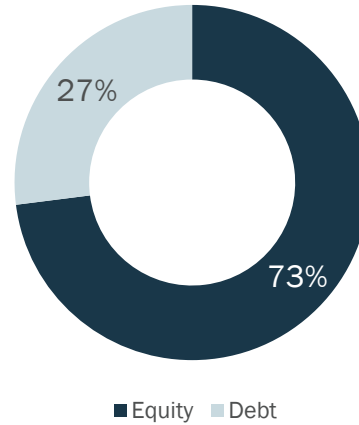
Improving Cost of Capital

MAY 2006



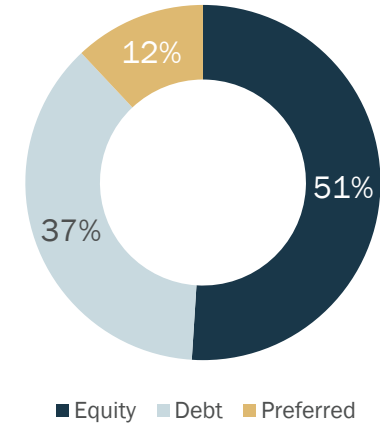
Rate on debt – 10.9%

DEC 2011



Rate on debt – 8.8%

**DEC 2020
PRO FORMA FOR BOA**



Rate on debt – 5.9%*
Rate on preferred – 7.7%

*If the Company drew its entire Revolver, its effective rate on debt would decline to 5.5%

Appendix



CODI Partnership Structure



1. As of 12/31/20, 45.0% beneficially owned by certain persons who are employees and partners of our Manager. C. Sean Day, the Chairman of our Board of Directors, 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.



Case Study



PURCHASE PRICE (JULY 2015)

C\$132mm



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.

Passionate and loyal consumer following

Strong management team; thought leaders in Hemp industry

Vertically-integrated manufacturing model

Unique access to highly regulated supply base



OWNERSHIP AND MANAGEMENT

- 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 to provide 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)



DIVESTITURE OF MANITOBA HARVEST

- In February 2019, CODI completed the 100% sale of Manitoba Harvest to Tilray Inc. for an aggregate sales price of up to C\$419mm
 - Under the terms of the agreement, C\$49mm of the aggregate sales price is subject to Manitoba Harvest achieving certain performance milestones in 2019



SUCCESSFUL INVESTMENT

In February 2019, CODI completed the 100% sale of Manitoba Harvest to Tilray Inc. for an aggregate sale price of \$294 million.



PURCHASE PRICE
(AUG 2014)

\$251mm



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



VALUE CREATION

- 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 approximately \$100 million of annual revenue and expanding the Company's footprint from 12 to 27 fixed facilities across the United States
 - 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



DIVESTITURE OF CLEAN EARTH

In June 2019, CODI completed the 100% sale of Clean Earth to Harsco Corporation (NYSE: HSC) for \$625 million.



Case Study



PURCHASE PRICE (JANUARY 2008)

\$80mm



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



VALUE CREATION

- IPO provided increased capital availability and access to lower cost of capital to fund growth initiatives
- 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



DIVESTITURE OF FOX

In August 2013, CODI completed an Initial Public Offering of FOX Factory at \$15.00 per share. As a patient investor, CODI subsequently reduced its holding position via 5 secondary share offerings from 2014 to 2017, ultimately realizing total proceeds of over \$527 million upon exit.

Current Subsidiaries

5.11



PURCHASE PRICE (AUGUST 2016)

\$400mm



INDUSTRY

Designer and manufacturer of purpose-built tactical 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 enhance product distribution globally and continue its direct-to-consumer efforts through online and retail.

FINANCIALS

	Revenue (\$ millions)	Adjusted EBITDA (\$ millions)
Year Ended 12/31/2020	\$401.1	\$54.7
Year Ended 12/31/2019	\$388.6	\$46.9
Year Ended 12/31/2018	\$347.9	\$32.3
Year Ended 12/31/2017	\$310.0	\$38.5



PURCHASE PRICE (JUNE 2017)

\$152mm

+ \$97mm add-on acquisitions



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



INDUSTRY

Designer, manufacturer and marketer of airguns, archery products, optics and related accessories

FINANCIALS

	Revenue (\$ millions)	Adjusted EBITDA (\$ millions)
Year Ended 12/31/2020	\$216.0	\$39.5
Year Ended 12/31/2019	\$147.8	\$21.6
Proforma Year Ended 12/31/2018 (1)	\$164.9	\$31.3
Proforma Year Ended 12/31/2017 (2)	\$150.0	\$25.7

(1) Includes revenue of \$33.5 and adjusted EBITDA of \$10.8 related to Ravin add-on acquisition

(2) Includes revenue of \$30.0 and adjusted EBITDA of \$7.5 related to Ravin add-on acquisition



PURCHASE PRICE (SEPTEMBER 2010)

\$85mm

+\$83mm add-on acquisitions



INDUSTRY

Designer and manufacturer of soft structured baby carriers, wraps, as well as complementary juvenile 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)
Year Ended 12/31/2020	\$74.7	\$15.6
Year Ended 12/31/2019	\$90.0	\$20.3
Year Ended 12/31/2018	\$90.6	\$21.1
Year Ended 12/31/2017	\$103.0	\$33.0



PURCHASE PRICE (MARCH 2010)

\$70mm

+\$1mm add-on acquisition



COMPETITIVE STRENGTHS

- Market share leader
- Well-known brand names
- Category management capabilities for customers
- Low cost domestic manufacturer



INDUSTRY

Manufacturer of home and gun safes and related accessories

COMPASS VALUE ADDED

Working with management to build brand and expand manufacturing capabilities. Continue national marketing efforts and pursuit of organic growth initiatives through DTC investment

FINANCIALS

	Revenue (\$ millions)	Adjusted EBITDA (\$ millions)
Year Ended 12/31/2020	\$113.1	\$19.0
Year Ended 12/31/2019	\$96.2	\$10.9
Year Ended 12/31/2018	\$82.7	\$8.1
Year Ended 12/31/2017	\$92.0	\$11.7



PURCHASE PRICE (APRIL 2020)

\$200mm



INDUSTRY

Leading manufacturer and distributor of baseball and softball equipment under the Marucci and Victus brands.



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)
Proforma Year Ended 12/31/2020	\$65.9	\$13.8
Proforma Year Ended 12/31/2019	\$66.5	\$14.2



PURCHASE PRICE (OCTOBER 2020)

\$454mm



INDUSTRY

Designer and marketer of dial-based closure systems that deliver performance fit across footwear, headwear and medical bracing products



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

Working with Management to penetrate new product categories and geographics, and drive new product development initiatives

FINANCIALS

	Revenue (\$ millions)	Adjusted EBITDA (\$ millions)
Proforma Year Ended 12/31/2020	\$106.4	\$33.3
Proforma Year Ended 12/31/2019	\$106.3	\$30.2



PURCHASE PRICE (OCTOBER 2014)

\$160mm

+\$184mm add-on acquisition



INDUSTRY

Foodservice and Consumer Products manufacturer and marketer



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, and support the development of new products

FINANCIALS

	Revenue (\$ millions)	Adjusted EBITDA (\$ millions)
Year Ended 12/31/2020	\$370.0	\$49.5
Year Ended 12/31/2019	\$395.4	\$68.5
Proforma Year Ended 12/31/2018 (1)	\$405.9	\$69.3
Proforma Year Ended 12/31/2017 (2)	\$383.4	\$66.3

(1) Includes revenue of \$24.8 and adjusted EBITDA of \$5.5 related to Rimports add-on acquisition

(2) Includes revenue of \$157.3 and adjusted EBITDA of \$34.7 related to Rimports add-on acquisition



PURCHASE PRICE (FEBRUARY 2018)

\$248mm

+\$13mm add-on acquisition



INDUSTRY

Designer and manufacturer of custom molded protective foam solutions and OEM components made from expanded polystyrene



COMPETITIVE STRENGTHS

- A leader in molded foam protective packaging
- National manufacturing footprint of 15 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)
Year Ended 12/31/2020	\$130.0	\$30.5
Year Ended 12/31/2019	\$121.4	\$28.5
Pro forma Year Ended 12/31/2018	\$128.5	\$29.4
Pro forma Year Ended 12/31/2017	\$126.4	\$29.0



PURCHASE PRICE (MARCH 2012)

\$129mm



INDUSTRY

Engineered permanent magnet and magnetic assemblies, manufacturer of thin and ultra-thin alloy products in a variety of materials



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)
Year Ended 12/31/2020	\$99.0	\$9.3
Year Ended 12/31/2019	\$120.0	\$15.4
Year Ended 12/31/2018	\$117.9	\$14.0
Year Ended 12/31/2017	\$105.6	\$10.3



PURCHASE PRICE (MAY 2006)

\$81mm

+\$19mm add-on acquisition



INDUSTRY

Quick-turn production printed circuit board (“PCB”) manufacturing



COMPETITIVE STRENGTHS

- Insulated from Asian manufacturing due to small, customized order size and requirements for rapid turnaround
- Largest quick turn manufacturer in the US; approximately 300 unique daily orders received
- Manufacturing scale produces high margins
- Completed accretive acquisitions of Circuit Express and UCI
- Diverse customer base – 10,000 current customers
- Approximate 30% EBITDA margins



COMPASS VALUE ADDED

Working with management to identify and consummate add-on acquisitions and build complementary quick turn assembly business

FINANCIALS

	Revenue (\$ millions)	Adjusted EBITDA (\$ millions)
Year Ended 12/31/2020	\$88.1	\$26.3
Year Ended 12/31/2019	\$90.8	\$28.9
Year Ended 12/31/2018	\$92.5	\$30.0
Year Ended 12/31/2017	\$87.8	\$27.2

Financials



Balance Sheet — Condensed (000's)

December 31, 2020

Current Assets:

Cash and cash equivalents	\$	70,744
Other current assets		637,623
Total current assets		708,367
Property, plant and equipment		172,669
Goodwill, intangibles and other assets		1,717,482
Total assets	\$	2,598,518

Current Liabilities:

Current portion of debt	\$	—
Other current liabilities		294,715
Total current liabilities		294,715
Long-term debt		899,460
Other liabilities		184,195
Total liabilities		1,378,370

Stockholders' Equity:

Controlling interest		1,100,024
Non-controlling interest		120,124
Total stockholders' equity		1,220,148
Total liabilities and stockholders' equity	\$	2,598,518

Income Statement — Condensed (000's)

December 31, 2020

Net Sales	\$	1,560,757
Cost of Sales		997,976
Gross Profit	\$	562,781
Operating Income	\$	94,833
Interest expense, net		(45,768)
Other income (expense)		(5,074)
Provision (benefit) for income taxes		16,894
Income from discontinued operations, net of income tax		—
Net gain on sales of discontinued operations		100
Net Income	\$	27,197
Noncontrolling interest		4,417
Net income attributable to Holdings	\$	22,780

Cash Flow Statement — Condensed (000's)

December 31, 2020

Net cash provided in operating activities	\$	148,625
Net cash used in investing activities	\$	(700,834)
Net cash provided by financing activities	\$	521,725
Effect of foreign currency on cash	\$	914
Net decrease in cash and cash equivalents	\$	(29,570)

Adjusted EBITDA

Year ended December 31, 2020



	Corporate	5.11	BOA	Ergobaby	Liberty	Marucci Sports	Velocity Outdoor	ACI	Arnold	Foam	Sterno	Consolidated
Net income (loss)	\$(19,065)	\$12,356	\$(2,640)	\$725	\$9,902	\$(4,785)	\$11,161	\$13,170	\$(3,539)	\$6,092	\$3,820	\$27,197
Adjusted for:												
Provision (benefit) for income taxes	—	1,808	(535)	2,033	3,288	(1,390)	3,560	3,431	(198)	2,554	2,343	16,894
Interest expense, net	45,610	19	—	—	—	7	131	—	—	—	1	45,768
Intercompany interest	(70,449)	14,085	2,043	2,405	3,548	1,843	8,915	5,778	5,730	7,084	19,018	—
Depreciation and amortization	399	21,483	5,589	8,199	1,742	10,203	12,781	2,773	6,805	12,722	22,510	105,206
EBITDA	(43,505)	49,751	4,457	13,362	18,480	5,878	36,548	25,152	8,798	28,452	47,692	195,065
Gain on sale of business	(100)	—	—	—	—	—	—	—	—	—	—	(100)
Other (income) expense	—	1,420	39	—	7	(42)	931	154	9	(38)	140	2,620
Noncontrolling shareholder compensation	—	2,489	469	1,156	29	634	1,549	495	(20)	1,028	1,166	8,995
Acquisition expenses and other	—	—	2,517	—	—	2,042	—	—	—	273	—	4,832
Integration service fee	—	—	1,125	—	—	1,000	—	—	—	—	—	2,125
Other	324	—	—	598	—	—	—	—	—	—	—	922
Management fees	29,402	1,000	250	500	500	347	500	500	500	750	500	34,749
Adjusted EBITDA	\$(13,879)	\$ 54,660	\$8,857	\$15,616	\$19,016	\$9,859	\$39,528	\$26,301	\$9,287	\$30,465	\$49,498	\$249,208

Adjusted EBITDA

Year Ended December 31, 2019

	Corporate	5.11	Ergobaby	Liberty	Velocity Outdoor	Advanced Circuits	Arnold	Foam Fabricators	Sterno	Consolidated
Net income (loss) ⁽⁴⁾	\$ 282,240	\$ 2,059	\$ 4,793	\$ 3,130	\$ (36,982)	\$ 14,970	\$ 700	\$ 2,883	\$ 16,447	\$ 290,240
Adjusted for:										
Provision (benefit) for income taxes	—	2,520	2,250	932	(2,782)	3,896	1,280	1,258	5,388	14,742
Interest expense, net	57,980	(24)	17	—	242	(2)	(1)	—	4	58,216
Intercompany interest	(80,556)	17,567	3,325	4,364	11,194	6,543	6,295	8,635	22,633	—
Loss on debt extinguishment	12,319	—	—	—	—	—	—	—	—	12,319
Depreciation and amortization	1,598	21,540	8,561	1,667	13,222	2,551	6,545	12,452	22,486	90,622
EBITDA	273,581	43,662	18,946	10,093	(15,106)	27,958	14,819	25,228	66,958	466,139
Gain on sale of business	(331,013)	—	—	—	—	—	—	—	—	(331,013)
Other (income) expense	92	(122)	(11)	16	952	122	1	1,247	(112)	2,185
Non-controlling shareholder compensation	—	2,360	828	(8)	322	288	56	1,025	1,183	6,054
Impairment expense	—	—	—	—	32,881	—	—	—	—	32,881
Integration services fee	—	—	—	—	—	—	—	281	—	281
Earnout provision adjustment	—	—	—	—	2,022	—	—	—	—	2,022
Loss on sale of investment	10,193	—	—	—	—	—	—	—	—	10,193
Other	—	—	—	266	—	58	—	—	—	324
Management fees	32,280	1,000	500	500	500	500	500	750	500	37,030
Adjusted EBITDA	\$ (14,867)	\$ 46,900	\$ 20,263	\$ 10,867	\$ 21,571	\$ 28,926	\$ 15,376	\$ 28,531	\$ 68,529	\$ 226,096

Adjusted EBITDA

Year Ended December 31, 2018

	Corporate	5.11	Ergobaby	Liberty	Velocity Outdoor	Advanced Circuits	Arnold	Foam	Sterno	Consolidated
Net income (loss)	\$ (35,018)	\$ (12,079)	\$ 4,937	\$ 1,161	\$ (4,458)	\$ 15,029	\$ (740)	\$ 1,103	\$ 12,451	\$ (17,614)
Adjusted for:										
Provision (benefit) for income taxes	—	(2,180)	1,634	409	(598)	3,736	1,731	1,152	4,582	10,466
Interest expense, net	54,994	14	1	—	281	(46)	—	—	1	55,245
Intercompany interest	(78,708)	17,486	4,674	4,233	9,298	7,402	6,213	8,228	21,174	—
Depreciation and amortization	2,739	21,898	8,523	1,620	12,352	3,310	6,384	10,973	27,385	95,184
EBITDA	(55,993)	25,139	19,769	7,423	16,875	29,431	13,588	21,456	65,593	143,281
Gain on sale of business	(1,258)	—	—	—	—	—	—	—	—	(1,258)
(Gain) loss on sale of fixed assets	—	(194)	—	92	47	—	55	73	19	92
Non-controlling shareholder compensation	—	2,183	869	45	1,009	23	(167)	848	1,901	6,711
Acquisition expenses	115	—	—	—	1,362	—	—	1,552	632	3,661
Integration services fee	—	—	—	—	750	—	—	1,969	—	2,719
Earnout provision adjustment	—	—	—	—	—	—	—	—	(4,800)	(4,800)
Inventory adjustment	—	4,175	—	—	—	—	—	—	—	4,175
Loss on foreign currency transaction and other	4,083	—	—	—	—	—	—	—	—	4,083
Management fees	38,786	1,000	500	500	500	500	500	658	500	43,444
Adjusted EBITDA	\$ (14,267)	\$ 32,303	\$ 21,138	\$ 8,060	\$ 20,543	\$ 29,954	\$ 13,976	\$ 26,556	\$ 63,845	\$ 202,108

Adjusted EBITDA

Year Ended December 31, 2017

	Corporate	5.11	Velocity Outdoor	Ergobaby	Liberty	Advanced Circuits	Arnold	Sterno	Consolidated
Net income (loss)	\$ (22,790)	\$ (9,405)	\$ 7,634	\$ 16,674	\$ 4,861	\$ 17,503	\$ (10,740)	\$ 10,712	\$ 14,449
Adjusted for:									
Provision (benefit) for income taxes	—	(12,492)	(11,274)	917	531	(2,518)	(2,337)	3,432	(23,741)
Interest expense, net	27,047	53	167	—	—	(12)	—	—	27,255
Intercompany interest	(49,193)	14,521	4,590	5,990	4,029	8,171	6,996	4,896	—
Depreciation and amortization	2,745	40,393	7,878	12,042	1,742	3,578	6,821	11,868	87,067
EBITDA	(42,191)	33,070	8,995	35,623	11,163	26,722	740	30,908	105,030
Gain on sale of business	(340)	—	—	—	—	—	—	—	(340)
(Gain) loss on sale of fixed assets	—	(160)	43	—	46	(4)	(7)	216	134
Non-controlling shareholder compensation	—	2,301	508	698	17	23	191	740	4,478
Acquisition expenses	—	—	1,836	—	—	—	—	214	2,050
Impairment expense	—	—	—	—	—	—	8,864	—	8,864
Loss on equity method investment	5,620)	—	—	—	—	—	—	—	5,620
Adjustment to earnout provision	—	—	—	(3,780)	—	—	—	(956)	(4,736)
(Gain) loss on foreign currency transaction and other	(3,137)	—	—	—	—	—	—	—	(3,137)
	—	2,333	750	—	—	—	—	—	3,083
Management fees	28,053	1,000	290	500	500	500	500	500	31,843
Adjusted EBITDA	\$ (11,995)	\$ 38,544	\$ 12,422	\$ 33,041	\$ 11,726	\$ 27,241	\$ 10,288	\$ 31,622	\$ 152,889

CAD Reconciliation

(in thousands)	Year Ended 12/31/2020	Year Ended 12/31/2019	Year Ended 12/31/2018	Year Ended 12/31/2017	Year Ended 12/31/2016	Year Ended 12/31/2015
Net Income	\$27,197	\$307,141	\$(1,790)	\$33,612	\$56,530	\$165,770
Adjustment to reconcile net income to cash provided by operating activities:						
Depreciation and Amortization	102,752	100,462	120,575	110,051	87,405	63,072
Impairment expense	—	32,881	—	17,325	25,204	9,165
(Gain) loss on sale of businesses	(100)	(331,013)	(1,258)	(340)	(2,308)	(149,798)
Amortization of debt issuance costs premium/discount	2,232	3,773	4,483	5,007	3,565	2,883
Unrealized (gain) loss on interest rate hedges	—	3,500	(2,251)	(648)	1,539	5,662
Loss (gain) on equity method investment	—	—	—	5,620	(74,490)	(4,533)
Noncontrolling shareholder charges	8,995	7,993	8,975	7,027	4,382	3,737
Deferred taxes	(781)	(12,876)	(9,472)	(59,429)	(9,669)	(3,131)
Supplemental put expense	—	—	—	—	—	—
Other	4,981	17,994	1,440	3,940	730	34
Changes in operating assets and liabilities	3,349	(45,293)	(6,250)	(40,394)	18,484	(8,313)
Net cash provided by operating activities	148,625	84,562	114,452	81,771	111,372	84,548
Plus:						
Unused fee on revolving credit facility	1,386	1,851	1,630	2,856	1,947	1,612
Integration service fee	2,125	281	2,719	3,083	1,667	3,500
Other	4,832	13,174	14,607	2,467	5,866	4,587
Changes in operating assets and liabilities	—	45,293	6,250	40,394	—	8,313
Less:						
Payments on interest rate swap	—	675	1,783	3,964	4,303	2,007
Maintenance capital expenditures	17,084	22,005	27,246	20,270	20,363	18,194
Realized gain from foreign currency	—	—	—	3,315	1,327	—
Changes in operating assets and liabilities	3,349	—	—	—	18,484	—
Preferred share distributions	23,678	15,125	12,179	2,457	—	—
Other	2,211	3,318	4,800	8,322	—	—
Estimated cash flow available for distribution and reinvestment	\$110,646	\$104,038	\$93,650	\$92,243	\$76,375	\$82,359

Thank you!

