COMPASS DIVERSIFIED

CODI Investor Presentation

FEBRUARY 2022

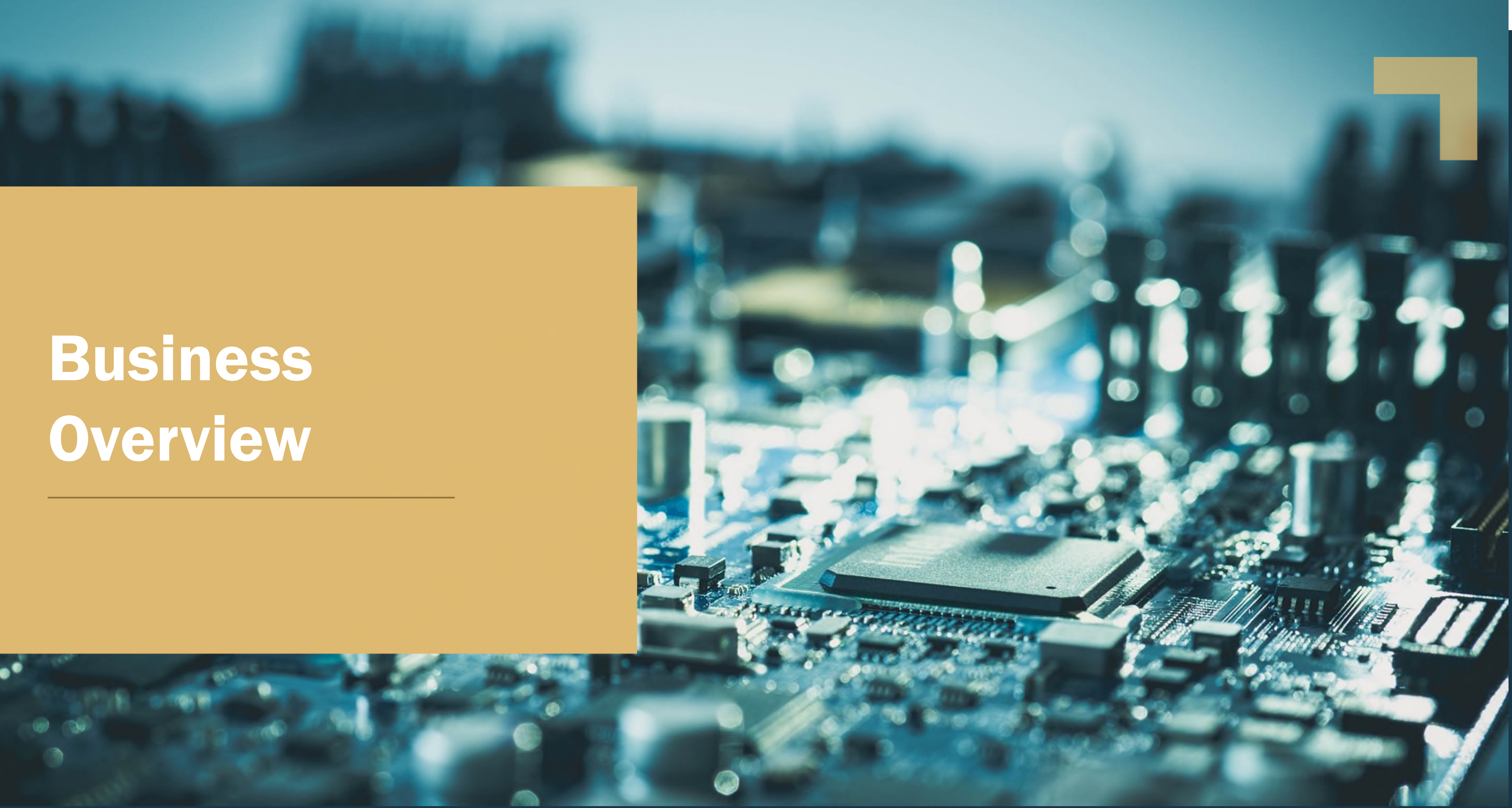
Legal Disclaimer

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 24 years 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

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

Founded in 1998, CODI is an experienced acquirer and manager 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 12/31/2021

1998	**FOUNDED** IPO in 2006
$7.0B+	**AGGREGATE TRANSACTIONS** 22 Platforms & 31 Add-Ons
$117M+	**Adjusted Earnings**
$3.1B	**ASSETS MANAGED** 10 Current Platforms
$600M	**Available Revolver** Permanent Capital Base
$1.8B+	**TTM Proforma Revenue**
$396M+	**TTM Proforma Adjusted EBITDA**

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Benefits of Owning CODI

CONSISTENT OUTPERFORMANCE OF BENCHMARKS

- CODI total return of 533% since IPO versus total return of 241% for the Russell 2000

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

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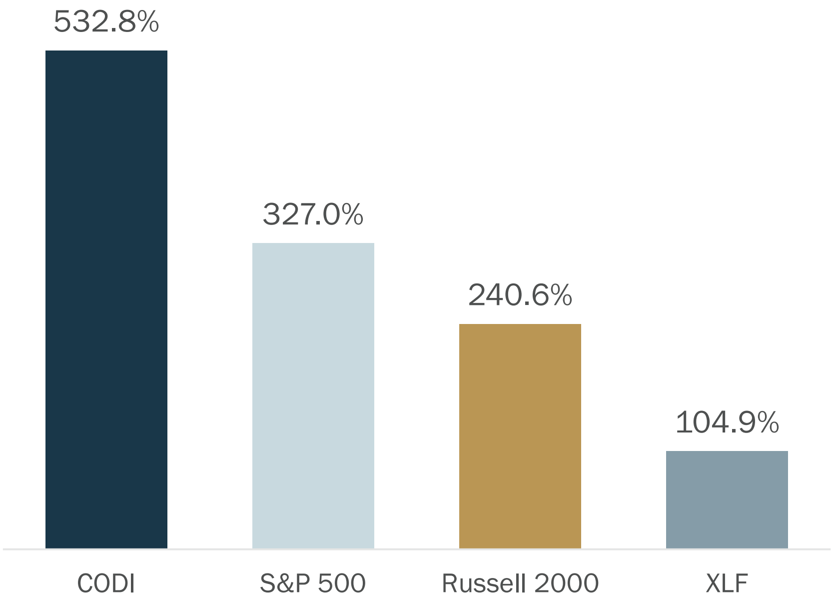
CODI's Permanent Capital Model Has Outperformed for Investors

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, 2022 (1)



- CODI has been executing the same strategy for more than 24 years 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

$1.00 invested at IPO is worth $6.33 today vs. $4.27 in the S&P 500 or $3.41 in the Russell 2000

(1) Total Return assumes reinvestment of distributions.

Investment Thesis

Why CODI?

CODI's core principles — which have differentiated our business for nearly 16 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
  - ➢ Allows us to be business builders not asset traders
- Provides certainty to close acquisitions in a time efficient manner

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

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Why CODI Now?

STRONG BALANCE SHEET

- Leverage 2.9x
- Approximately $600mm of availability to deploy

LOWEST COST OF CAPITAL IN OUR HISTORY

- 2021 debt added of $300M at 5.00% of unsecured notes due 2032
- 2021 debt refinancing extended maturities and added $1.0B at 5.250% of unsecured debt with flexible covenants, while redeeming 8.000% debt
- Roughly half of capital, non-dilutive, at an average cost of 5.8%
- CODI reclassed to a C Corp for taxation purposes to broaden investor base and to simplify ownership of stock

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 $600mm in available capital to deploy into acquisitions at attractive prices

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Significant Events in 2021 & 2020

Refinanced Debt
March 2021

- Issued $300 million of 5.00% Senior Notes due 2032
- Issued $1.0 billion of 5.250% Senior Notes due 2029
- Repaid $600 million of 8.000% Senior Notes due 2026
- $~600 million availability on Revolver, extend maturity to 2026
- Upgraded by Moody's and S&P

Acquisitions

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;
- The design, engineering and marketing of dial based fit systems delivering a scientifically proven performance advantage for athletes
- Market leader with strong brand awareness in core categories
- Diverse customer base with global end-market focus

Lugano Diamonds
September 2021

- Acquired for $256 mm
- Designer, manufacturer, and marketer of high-end, one-of-a-kind jewelry
- Differentiated go-to-market approach through salon-based sales model and over 100 equestrian, social, and philanthropic events
- Loyal and recurring clientele base

Reported Positive Fourth Quarter Financial Results

- Branded Consumer businesses QTD net sales up 23% and adjusted EBITDA up 19% compared to Q4 2020.
- **Full Year 2022 Adjusted Earnings guidance of $110mm to $125mm**
- **Full Year 2022 Adjusted EBITDA guidance of $400mm to $420mm**

Closer Look at the Strategy

The Permanent Capital Advantage

Unique structure supports value creation through sustainable investments in lasting infrastructure, organic and inorganic growth, and management

CODI can remain patient, poised to efficiently deploy capital in pursuit of new acquisitions while also sustainably investing in our subsidiaries. Our actions over the past two years demonstrate the effectiveness of this strategy:

- Permanent capital structure and strong balance sheet allowed CODI to move forward with the acquisitions of Marucci Sports, BOA Technologies and Lugano Diamonds
- Generated tangible, sustained growth for subsidiaries through management, operational support and complimentary add-on transactions
- Repaid and refinanced debt to strengthen capital structure and lower cost of capital

CODI’s permanent capital structure enables active management and business building to drive transformational change over the long-term

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
- Approach and model is attractive to management teams
- Preferred transaction size $200 – $600 million

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

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

BOA	Committed to reducing use of virgin plastic by at least 50% within 10 years; working to incorporate recycled or renewably sourced materials into 100% of products by 2027
5.11	Made recent investments in LEED-certified facility and sophisticated water reclamation system
ergobaby	"Everlove" buyback and resale program benefits families and the planet by extending the use of Ergobaby carriers
The Sterno Group	Going greener through its commitment to reducing the company's carbon footprint
marucci	Committed to sourcing timber from sustainable forests / establishing an end-of-life, recycling program
Altor Solutions	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

Subsidiary Snapshot

($ millions)

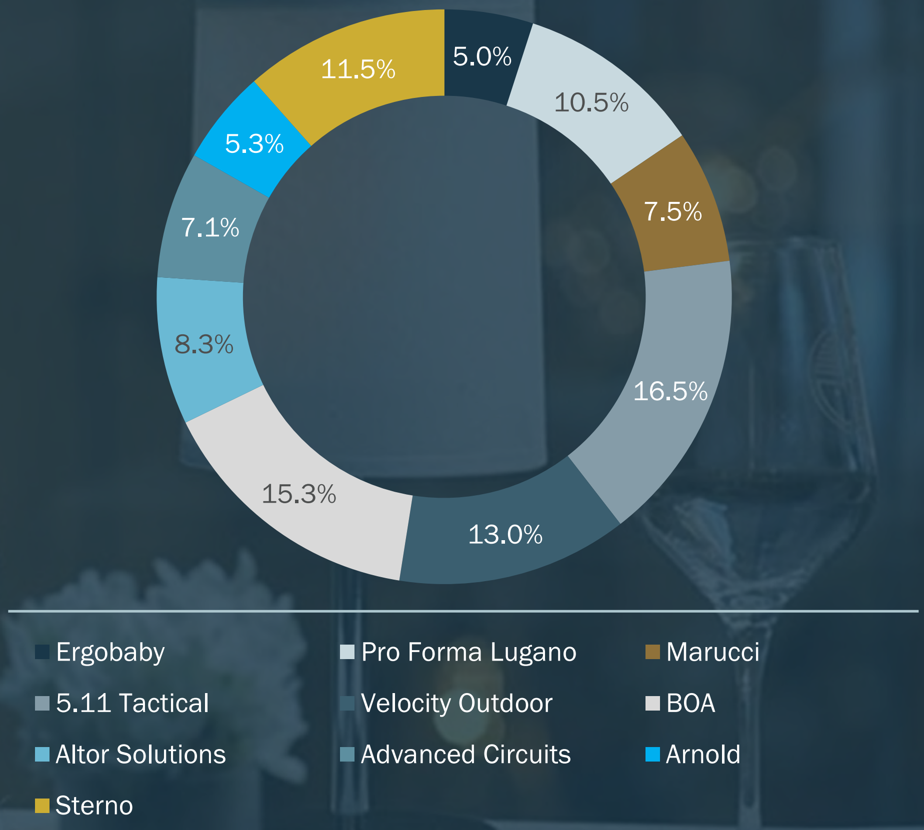
Subsidiaries	Year Acquired	12/31/21[1]					Purchase Price + Add-ons
		Revenue	Adj. EBITDA	Adj. EBITDA Margin	Maintenance Capex	Growth Capex	
5.11	2016	$445	$65	15%	$2.6	$7.3[2]	$400
Velocity Outdoor	2017	$270	$51	19%	$4.7	–	$248
ergobaby	2010	$94	$20	21%	$0.2	$0.3	$168
Lugano Diamonds	2021	$125	$41	33%	$0.3	–	$268
marucci	2020	$118	$30	25%	$5.0	$1.8	$249
BOA Dialed In	2020	$165	$61	37%	$1.3	$3.7	$454
Total Branded Consumer:		$1,217	$268	22%	$14.1	$13.1	
Sterno	2014	$375	$45	12%	$2.7	–	$347
Altor Solutions	2018	$180	$33	18%	$2.8	–	$321
Arnold Magnetic Technologies	2012	$140	$22	16%	$7.2	–	$165
Advanced Circuits (4)	2006	$91	$28	31%	$0.7	–	$100
Total Niche Industrial:		$786	$128	16%	$13.4	$ --	
Consolidated:		$2,003	$396[3]	20%	$27.5	$13.1	$2,720

1. Revenue, Adj. EBITDA, Capex shown pro forma for acquisition of Lugano Diamonds and divestiture of Liberty Safe.
2. Growth Capex at 5.11 for retail store rollout.
3. Subsidiary Adj. EBITDA does not include ~$16 million of corporate expenses.
4. ACI was a held for sale asset at 12/31/21

Compass Diversified

Diversity producing consistent cash flow and earnings

Subsidiary Pro Forma Adjusted EBITDA



DECEMBER 31, 2021 PRO FORMA YTD REVENUES AND SUBSIDIARY EBITDA OF $2.0B AND $396M, RESPECTIVELY

DIVERSIFIED CASH FLOWS FROM 10 SUBSIDIARIES

- 4 niche industrial subsidiaries representing 39% of Revenues and 32% of Adjusted EBITDA
- 6 branded consumer subsidiaries representing 61% of Revenues and 68% of Adjusted EBITDA

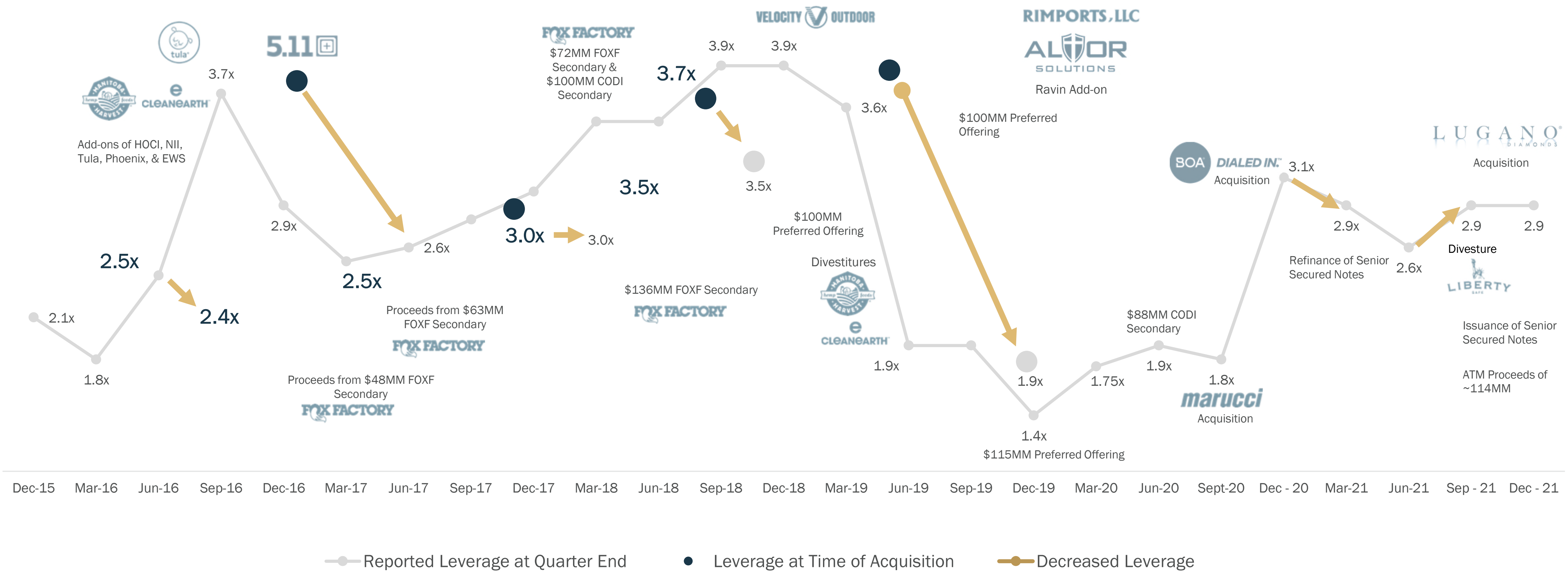
DIVERSIFIED CUSTOMER BASE

- 10 subsidiaries in diverse industry segments reduce customer concentration risk

Note: References to Adjusted EBITDA and Revenue includes Pro Forma information for Lugano Diamonds and excludes Liberty Safe. ACI was a held for sale asset at 12/31/21.

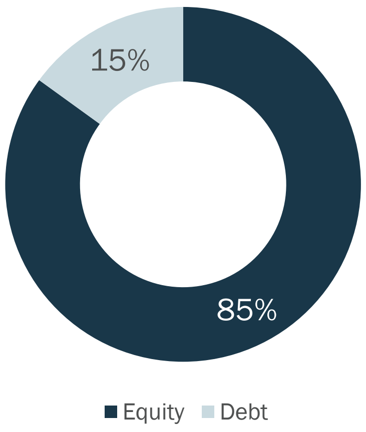
History of Successfully Deleveraging

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



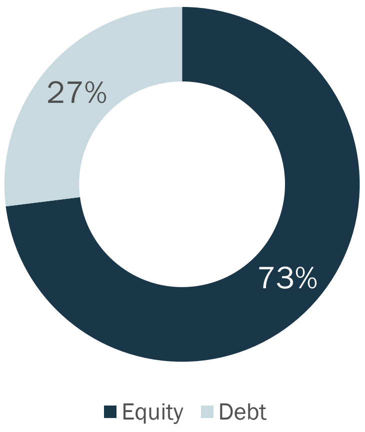
Improving Cost of Capital

MAY 2006



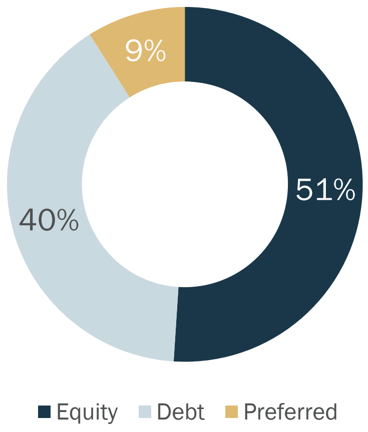
Rate on debt — 10.9%

DEC 2011



Rate on debt — 8.8%

DEC 2021



Rate on debt — 5.2%*
Rate on preferred — 7.7%

*If the Company drew its entire Revolver, its effective rate on debt would decline to ~4.6%

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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
- Reduces average cost of capital
  - Increases share liquidity
  - Improves cost of equity capital and shares become more attractive currency
- Improves likelihood of inclusion within stock indices
- Improves profile with rating agencies
- Reduces administrative costs
- Eliminates K-1 and UBTI

Building on 16+ years of success, C-Corp taxation would drive greater value for all CODI shareholders over time

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Appendix

CODI Partnership Structure

COMPASS DIVERSIFIED HOLDINGS ("TRUST")

NYSE: CODI

COMPASS GROUP DIVERSIFIED HOLDINGS LLC

("Compass" / the "Company")

$600mm Revolver ($0 O/S at Dec. 31, 2021)

$1.0B Senior Unsecured Notes

Allocation Interests[3] — Sostratus LLC[1] ("Sostratus")

Management Services Agreement — Compass Group Management LLC[2] ("CGM" / "Manager")

Cash Flows

Cash Flows

NICHE INDUSTRIAL

Advanced Circuits | Arnold Magnetic Technologies | Sterno Products | Altor Solutions

BRANDED CONSUMER

ergobaby | BOA | Dialed In | 5.11 | marucci | Velocity Outdoor | Lugano Diamonds

1. As of 12/31/21, 57.8% 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)

SUCCESSFUL INVESTMENT

- In February 2019, CODI completed the 100% sale of Manitoba Harvest to Tilray Inc. distribution (NASDAQ: TLRY), a global leader in cannabis research, cultivation, and production, for an aggregate sale price of $294 million
- Under CODI's ownership, Manitoba Harvest was able to raise awareness of Hemp as a super food, growing the company's customer base across North America, more than doubling household penetration in the U.S., and driving category expansion.
- Bill Chiasson, CEO of Manitoba Harvest stated that: "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."
- Manitoba Harvest was acquired to operate as a wholly-owned subsidiary of Tilray, leveraging the Tilray team's global cannabis industry expertise and other strategic partners.

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CLEANEARTH
RECYCLING & DISPOSAL SOLUTIONS

Case Study

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

SUCCESSFUL INVESTMENT

- "In June 2019, CODI completed the 100% sale of Clean Earth to Harsco Corporation (NYSE: HSC), a provider of industrial services and engineered products, for $625 million."
- CODI's success capitalizing on organic growth opportunities and completing a number of compelling add-on acquisitions enabled Clean Earth to meaningfully expand its geographic footprint, processing capabilities and extensive service offerings, allowing the company to achieve strong revenue and cash flow growth.
- Chris Dods, CEO of Clean Earth stated of the transaction: "The momentum that [CODI] helped create will provide us with a strong platform for the future."

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FOX FACTORY

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

SUCCESSFUL INVESTMENT

- In August 2013, CODI completed an Initial Public Offering of FOX Factory Holding Corp. (NASDAQ:FOXF) at $15.00 per share. CODI subsequently reduced its holding position via 5 secondary share offerings from 2014 to 2017, ultimately realizing total proceeds of over $527 million following its final disposition of FOX
- Under CODI's leadership FOX recruited a professional management team, including a CEO, CFO and SVP of Operations, which enabled its eventual IPO. With CODI's support and guidance, FOX streamlined its mountain bike supply chain and co-located adjacent to key OEMs. CODI monetized significant growth initiatives at FOX, including supporting a large R&D budget to drive new product introduction in rapidly growing vehicle categories like side-by-sides and off-road trucks, and significant investments in sales and marketing to drive consumer demand and loyalty.

Current Subsidiaries

5.11

PURCHASE PRICE
(AUGUST 2016)

$400mm

DESCRIPTION

The design and marketing 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)
Year Ended 12/31/2021	$445.0	$65.1
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

VELOCITY OUTDOOR

PURCHASE PRICE
(JUNE 2017)

$152mm

+ $97mm add-on acquisitions

DESCRIPTION

The design, manufacture and marketing 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)
Year Ended 12/31/2021	$270.4	$51.4
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

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

ergobaby™

PURCHASE PRICE
(SEPTEMBER 2010)

$85mm

+$83mm add-on acquisitions

DESCRIPTION

The design and marketing 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 cyclicality 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 12/31/2021	$93.6	$19.7
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

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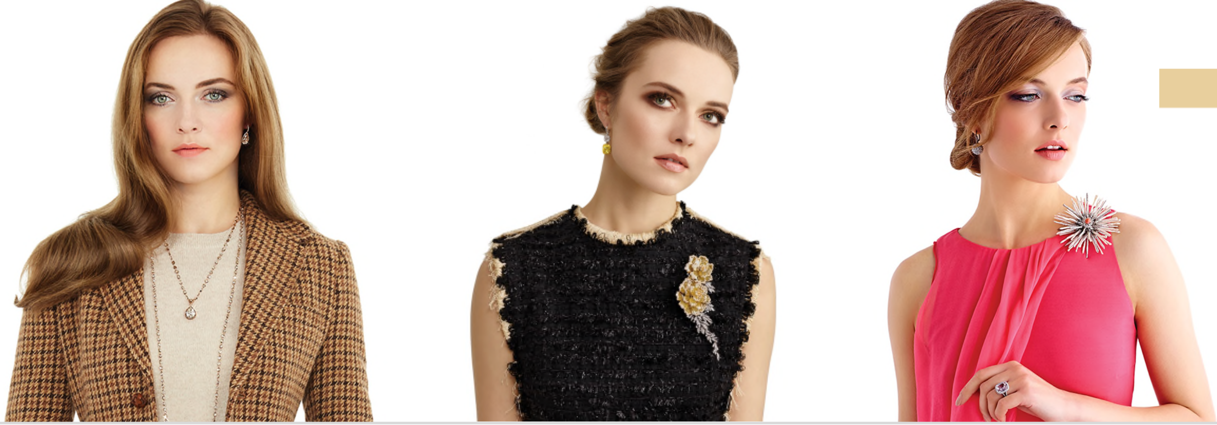
LUGANO DIAMONDS



PURCHASE PRICE
(SEPTEMBER 2021)

$256mm

DESCRIPTION

The design, manufacture, and marketing 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)
Proforma Year Ended 12/31/2021	$125.1	$41.4
Proforma Year Ended 12/31/2020	$67.2	$21.3

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marucci

PURCHASE PRICE
(APRIL 2020)

$200mm

+$48mm add-on acquisitions

DESCRIPTION

The design and manufacture 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)
Year Ended 12/31/2021	$118.2	$29.5
Proforma Year Ended 12/31/2020	$65.9	$13.9
Proforma Year Ended 12/31/2019	$66.5	$14.2

BOA® DIALED IN.™

PURCHASE PRICE
(OCTOBER 2020)

$454mm

DESCRIPTION

The design, engineering and marketing 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)
Year Ended 12/31/2021	$165.2	$60.5
Proforma Year Ended 12/31/2020	$106.4	$34.1
Proforma Year Ended 12/31/2019	$106.3	$30.2

PURCHASE PRICE
(OCTOBER 2014)

$160mm

+$184mm add-on acquisition

DESCRIPTION

The manufacture and marketing 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)
Year Ended 12/31/2021	$375.1	$45.5
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

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

ALTOR SOLUTIONS

PURCHASE PRICE
(FEBRUARY 2018)

$248mm

+$73.5mm add-on acquisition

DESCRIPTION

The design and manufacture 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)
Year Ended 12/31/2021	$180.2	$32.9
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

COMPASS DIVERSIFIED

ARNOLD MAGNETIC TECHNOLOGIES

PURCHASE PRICE
(MARCH 2012)

$129mm

+$36mm add-on acquisition

DESCRIPTION

The manufacture of engineered magnetic solutions for a wide range of specialty applications and end-markets

COMPETITIVE STRENGTHS

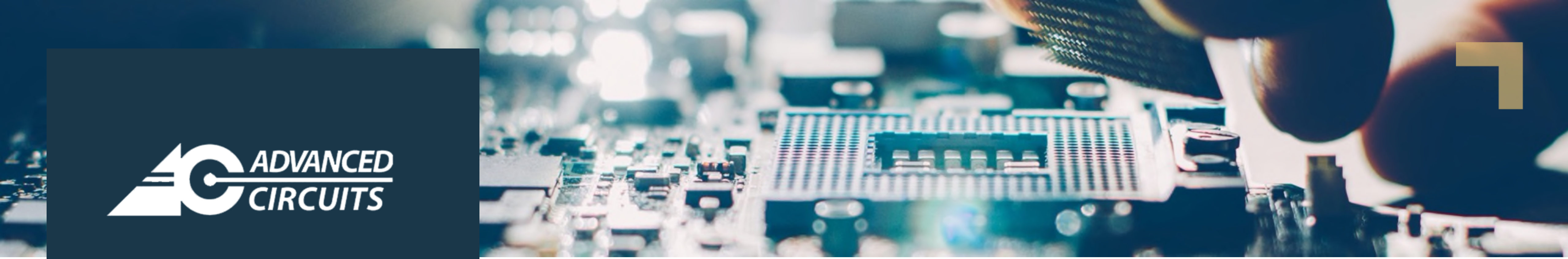
- Market share leader
- Attractive and diverse end-markets
- Engineering and product development capabilities
- Stable blue chip customer base—2,000+ customers globally
- Global manufacturing footprint

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 12/31/2021	$139.9	$21.6
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



ADVANCED CIRCUITS

PURCHASE PRICE
(MAY 2006)

$81mm

+$19mm add-on acquisition

DESCRIPTION

The manufacture of quick-turn, small-run and production rigid printed circuit boards

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
- Diverse customer base — 10,000 current customers

COMPASS VALUE ADDED

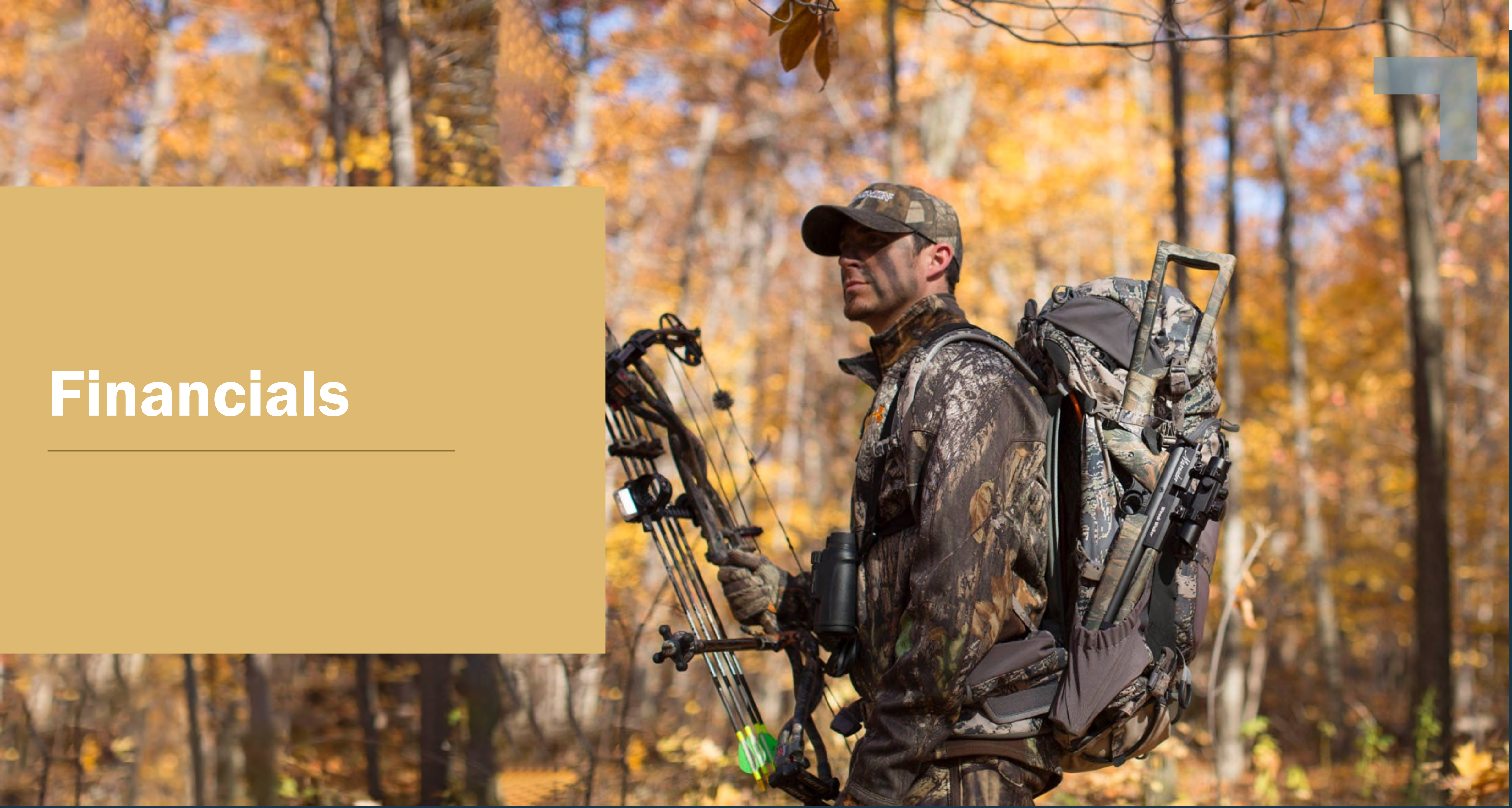
Working with management to identify and consummate add-on acquisitions and build complementary quick turn assembly business

FINANCIALS

	Revenue ($ millions)	Adjusted EBITDA ($ millions)
Year Ended 12/31/2021	$90.5	$28.3
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

COMPASS DIVERSIFIED

Financials



Balance Sheet — Condensed (000's)

December 31, 2021

Current Assets:		
Cash and cash equivalents	$	157,125
Other current assets		986,344
Total current assets		1,143,469
Property, plant and equipment		178,393
Goodwill, intangibles and other assets		1,822,399
Total assets	$	3,144,261
Current Liabilities:		
Current portion of debt	$	-
Other current liabilities		381,528
Total current liabilities		381,528
Long-term debt		1,284,826
Other liabilities		193,377
Total liabilities		1,859,731
Stockholders' Equity:		
Controlling interest		1,111,816
Non-controlling interest		172,714
Total stockholders' equity		1,284,530
Total liabilities and stockholders' equity	$	3,144,261

Income Statement — Condensed (000's)

December 31, 2021

Net Sales	$	1,841,668
Cost of Sales		1,115,711
Gross Profit	$	725,957
Operating Income	$	139,503
Interest expense, net		(58,839)
Other income (expense)		(4,163)
Loss on debt extinguishment		(33,305)
Provision for income taxes		18,337
Income from discontinued operations, net of income tax		29,180
Gain on sale of discontinued operations		72,770
Net Income	$	126,809
Noncontrolling interest		12,257
Net income attributable to Holdings	$	114,552

Cash Flow Statement — Condensed (000's)

December 31, 2021

Net cash provided in operating activities	$	134,051
Net cash used in investing activities	$	(317,496)
Net cash provided in financing activities	$	273,206
Effect of foreign currency on cash	$	228
Net increase (decrease) in cash and cash equivalents	$	89,989

Net Income (Loss) to Non-GAAP Adjusted Earnings

In 000's

	Three Months Ended				Year Ended
	March 31, 2021	June 30, 2021	September 30,2021	December 31, 2021	December 31, 2021
Net income (loss)	$ 21,966	$ (11,251)	$ 90,156	$ 25,908	$ 126,809
Gain on sale of discontinued operations, net of tax	—	—	72,745	25	72,770
Income from discontinued operations, net of tax	8,914	10,357	4,332	5,577	29,180
Net income (loss) from continuing operations	$ 13,082	$ (21,608)	$ 13,079	$ 20,306	$ 24,859
Less: income from continuing operations attributable to noncontrolling interest	1,903	1,967	1,125	2,745	7,740
Net Income (loss) attributable to Holdings – continuing operations	$ 11,179	$ (23,575)	$ 11,954	$ 17,561	$ 17,119
Less: Distributions Paid – Preferred Shares	(6045)	(6,046)	(6,045)	(6,045)	(24,181)
Less: Held-for-sale corporate tax impact	—	—	—	(12,119)	(12,119)
Add: Amortization expense – intangibles and inventory step-up	18,589	18,837	19,047	26,596	83,069
Add: Loss on debt extinguishment	—	33,305	—	—	33,305
Add: Stock compensation expense	2,640	2,716	2,768	2,817	10,941
Add: Acquisition expenses	299	11	1,866	1,415	3,591
Add: Integration service fees	1,600	1,600	1,100	563	4,863
Add (less): Other	(2,101)	1,032	460	1,709	1,100
Adjusted Earnings	$ 26,161	$ 27,880	$ 31,150	$ 32,497	$ 117,688

COMPASS DIVERSIFIED

Net Income (Loss) to Non-GAAP Adjusted Earnings

In 000's

	Three Months Ended				Year Ended
	March 31, 2020	June 30, 2020	September 30,2020	December 31, 2020	December 31, 2020
Net income (loss)	$ 4,880	$ (7,366)	$ 20,903	$ 8,780	$ 27,197
Gain on sale of discontinued operations, net of tax	—	—	100	—	100
Income from discontinued operations, net of tax	6,916	8,715	9,568	7,639	32,838
Net income (loss) from continuing operations	$ (2,036)	$ (16,081)	$ 11,235	$ 1,141	$ (5,741)
Less: income from continuing operations attributable to noncontrolling interest	211	(468)	269	(492)	(480)
Net Income (loss) attributable to Holdings – continuing operations	$ (2,247)	$ (15,613)	$ 10,966	$ 1,633	$ (5,261)
Less: Distributions paid – Preferred Shares	(5,542)	(6,045)	(6,046)	(6,045)	(23,678)
Add: Amortization expense – intangibles and inventory step-up	13,421	17,710	16,533	19,881	67,545
Add: Loss on debt extinguishment	—	—	—	—	—
Add: Stock compensation expense	1,924	1,760	2,038	2,749	8,471
Add: Acquisition expenses	—	2,042	273	2,517	4,832
Add: Integration service fees	—	—	500	1,625	2,125
Add (less): Other	—	595	—	326	921
Adjusted Earnings	$ 7,556	$ 449	$ 24,264	$ 22,686	$ 54,955

COMPASS DIVERSIFIED

Adjusted Earnings to Adjusted EBITDA

In 000's

	Three Months Ended				Year Ended
	March 31, 2021	June 30, 2021	September 30,2021	December 31, 2021	December 31, 2021
Adjusted Earnings	$ 26,161	$ 27,880	$ 31,150	$ 32,497	$ 117,668
Add:					
Depreciation	8,557	8,945	9,854	9,980	37,336
Income Taxes	5,308	8,344	8,462	(3,777)	18,337
Interest expense, net	—	—	—	12,119	12,119
Amortization of debt issuance	13,805	14,947	13,855	16,232	58,839
Management fees	686	722	759	812	2,979
Noncontrolling interest	10,798	11,058	12,273	12,814	46,943
NCI	1,903	1,967	1,125	2,745	7,740
Preferred Distributions	6,045	6,046	6,045	6,045	24,181
Other expense (income)	2,228	642	(1,086)	(600)	1,184
Adjusted Earnings	$ 75,491	$ 80,551	$ 82,437	$ 88,867	$ 327,346

Adjusted Earnings to Adjusted EBITDA

In 000's

	Three Months Ended				Year Ended
	March 31, 2020	June 30, 2020	September 30,2020	December 31, 2020	December 31, 2020
Adjusted Earnings	$ 7,556	$ 449	$ 24,264	$ 22,686	$ 54,955
Add:					
Depreciation	7,334	7,628	7,852	8,317	31,131
Income Taxes	(1,744)	5,648	(662)	6,933	10,175
Interest expense, net	8,597	11,174	12,351	13,647	45,769
Amortization of debt issuance	525	610	660	659	2,454
Management fees	8,369	4,909	9,408	11,063	33,749
Noncontrolling interest	211	(468)	269	(492)	(480)
Preferred Distributions	5,542	6,045	6,046	6,045	23,678
Other expense (income)	(661)	2,373	341	406	2,459
Adjusted Earnings	$ 35,729	$ 38,368	$ 60,529	$ 69,264	$ 203,890

COMPASS DIVERSIFIED

Adjusted EBITDA

Year ended December 31, 2021

	Corporate	5.11	BOA	Ergobaby	Lugano	Marucci Sports	Velocity Outdoor	Altor Solutions	Arnold	Sterno	Consolidated
Net income from continuing operations (1)	$ (72,624)	$ 20,152	$ 21,178	$ 5,079	$ 5,239	$ 10,232	$ 23,035	$ 7,871	$ 5,013	$ (316)	$ 24,859
Adjusted for:											
Provision (benefit) for income taxes	(12,119)	6,905	3,559	2,018	2,094	3,070	6,237	2,619	1,345	2,609	18,337
Interest expense, net	58,639	16	—	—	9	5	165	(1)	6	—	58,839
Intercompany interest	(66,765)	11,868	8,581	1,960	2,450	3,110	7,461	7,558	5,455	18,322	—
Loss on debt extinguishment	33,305	—	—	—	—	—	—	—	—	—	33,305
Depreciation and amortization	1,025	22,355	20,279	8,435	4,757	8,634	12,704	12,938	8,888	23,369	123,384
EBITDA	(58,539)	61,296	53,597	17,492	14,549	25,051	49,602	30,985	20,707	43,984	258,724
Other (income) expense	(284)	125	377	—	16	(119)	2,573	(323)	8	(1,189)	1,184
Noncontrolling shareholder compensation	—	2,428	2,194	1,693	190	1,101	1,020	1,035	38	1,242	10,941
Acquisition expenses	39	—	—	—	1,827	971	—	444	310	—	3,591
Integration services fees	—	—	3,300	—	563	1,000	—	—	—	—	4,863
Other	1,132	273	—	—	—	1,000	(2,300)	—	—	995	1,100
Management fees	41,505	1,000	1,000	500	188	500	500	750	500	500	46,943
Adjusted EBITDA	$ (16,147)	$ 65,122	$ 60,468	$ 19,685	$ 17,333	$ 29,504	$ 51,395	$ 32,891	$ 21,563	$ 45,532	$ 327,346

(1) Net Income from continuing operations does not include income from discontinued operations for the twelve months ended December 31, 2021

COMPASS DIVERSIFIED

Adjusted EBITDA

Year ended December 31, 2020

	Corporate	5.11	BOA	Ergobaby	Liberty	Marucci Sports	Velocity Outdoor	ACI	Arnold	Altor Solutions	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	Altor Solutions	Sterno	Consolidated
Net income (loss) [(1)]	$ 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

Note: Excludes adjusted EBITDA information from Clean Earth and Manitoba Harvest

CAD Reconciliation

(in thousands)	Year Ended 12/31/2021	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
Net Income	$126,809	$27,197	$307,141	$(1,790)	$33,612	$56,530
Adjustment to reconcile net income to cash provided by operating activities:						
Depreciation and Amortization	123,574	102,752	100,462	120,575	110,051	87,405
Impairment expense	—	—	32,881	—	17,325	25,204
(Gain) loss on sale of businesses	(72,770)	(100)	(331,013)	(1,258)	(340)	(2,308)
Amortization of debt issuance costs premium/discount	2,896	2,232	3,773	4,483	5,007	3,565
Unrealized (gain) loss on interest rate hedges	—	—	3,500	(2,251)	(648)	1,539
Loss (gain) on equity method investment	—	—	—	—	5,620	(74,490)
Noncontrolling shareholder charges	11,454	8,995	7,993	8,975	7,027	4,382
Deferred taxes	(10,468)	(781)	(12,876)	(9,472)	(59,429)	(9,669)
Loss on debt extinguishment	33,305	—	—	—	—	—
Other	7,086	4,981	17,994	1,440	3,940	730
Changes in operating assets and liabilities	(87,835)	3,349	(45,293)	(6,250)	(40,394)	18,484
Net cash provided by operating activities	134,051	148,625	84,562	114,452	81,771	111,372
Plus:						
Unused fee on revolving credit facility	1,598	1,386	1,851	1,630	2,856	1,947
Integration service fee	4,863	2,125	281	2,719	3,083	1,667
Other	3,591	4,832	13,174	14,607	2,467	5,866
Changes in operating assets and liabilities	87,835	—	45,293	6,250	40,394	—
Less:						
Payments on interest rate swap	—	—	675	1,783	3,964	4,303
Maintenance capital expenditures	27,588	17,084	22,005	27,246	20,270	20,363
Realized gain from foreign currency	—	—	—	—	3,315	1,327
Changes in operating assets and liabilities	—	3,349	—	—	—	18,484
Preferred share distributions	24,181	23,678	15,125	12.179	2,457	—
Other	2,769	2,211	3,318	4,800	8,322	—
Estimated cash flow available for distribution and reinvestment	$177,400	$110,646	$104,038	$93,650	$92,243	$76,375

COMPASS DIVERSIFIED

Thank you!