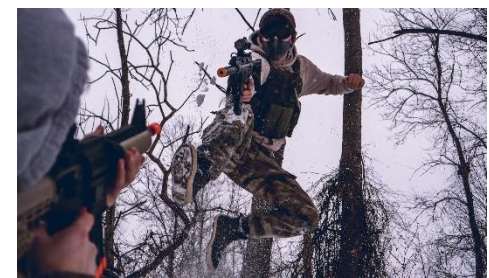
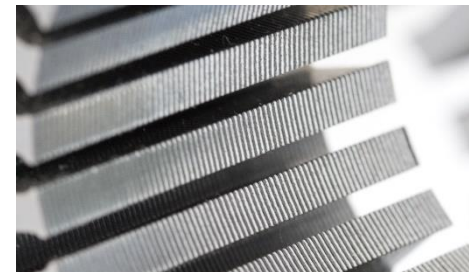


CODI Investor Presentation

July 2024





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, Subsidiary Adjusted EBITDA, Adjusted 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 innovative and disruptive middle-market businesses
- Long-term ownership approach through permanent capital base
- Initial Public Offering in 2006
- Currently owns and manages seven branded consumer and three industrial subsidiaries
- Provides shareholders access to leading middle market businesses through public company transparency and liquidity

CODI BY THE NUMBERS As of 6/30/24

\$9.3B⁺

Aggregate Acquisitions
24 Platforms & 34 Add-Ons

\$5.1B⁺

Invested Capital

\$2.2B⁺

TTM Proforma Revenue

\$484.2M⁺

TTM Proforma Subsidiary Adjusted EBITDA

\$141.8M

TTM Adjusted Earnings

~\$612M

Available Revolver + Cash
Permanent Capital Base

5.1%

TTM Proforma Revenue Growth

17.1%

TTM Proforma Subsidiary Adjusted EBITDA Growth

SUBSIDIARIES

Industrial



Consumer



5.11



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
- 25 years of experience in branded consumer and 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

Future-Thinking For **Our People & Planet**

- **Climate action** - reducing greenhouse gasses and reducing overall waste
- Encouraging **diversity and inclusion** of people and thought
- Attracting and retaining **world-class talent**
- Supporting **health and well-being**

Trusted Partner With All **Key Stakeholders**

- **Employees**
- **Investors**
- **Business Partners**
- **Community Partners**

Governance

Multipronged Strategy to Reach \$1B of Subsidiary Adj. EBITDA by 2028

Growth Drivers

1.

Business Transformation

- Recently focused on innovative and disruptive, highly-differentiated brands
- Increases our consolidated core growth rate
- Positioned to capitalize on evolving economic factors and solid 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. Acquiring Businesses With Strong Underlying Growth Profiles



2. Capital Allocation

Identifying New Opportunities for Growth

☑ Platform Acquisitions

- Continue the same strategy acquiring leading **industrial** and **branded consumer** companies, and more recently launching our **healthcare** opportunity
- Target 1 to 2 platform acquisitions per year
- Target companies in the \$200M–\$600M enterprise value

☑ Investment in Subsidiaries

- Strategic add-ons – target 2-3 per year
- Growth capex

Optimal Future Structure

~15 subsidiary companies mixed among industrial, branded consumer and healthcare

Each subsidiary company has the potential to reach \$70M+ EBITDA

3. Launch of Healthcare Vertical – with a focus on **outsourced services** dedicated to the healthcare industry

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



Since its founding, CODI has consistently generated superior results



Compensation structure aligns interest of shareholders and management team and allows for recruitment of top-level talent



18+ 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



Subsidiary Snapshot

Subsidiaries (\$ in millions)	Year Acquired							Purchase Price + Add-ons
		TTM PF Revenue 6/30/24	TTM PF Revenue Growth Rate	TTM PF Sub. Adj. EBITDA 6/30/24	TTM PF Sub. Adj. EBITDA Growth Rate	PF Sub. Adj. EBITDA Margin 6/30/24	TTM Capital Expenditures 6/30/24	
5.11 	2016	\$531	4%	\$73	4%	14%	\$3.3 ⁽¹⁾	\$408
VELOCITY  OUTDOOR	2017	\$149	-25%	\$10	-49%	7%	\$2.4	\$268
	2010	\$95	5%	\$13	4%	14%	\$0.7	\$173
LUGANO DIAMONDS	2021	\$386	61%	\$146	84%	38%	\$8.7 ⁽¹⁾	\$263
 DIALED IN.	2020	\$177	5%	\$67	8%	38%	\$2.6	\$454
 PRIMALOFT.	2022	\$68	-8%	\$25	-14%	36%	\$0.3	\$530
the HoneyPot ⁽³⁾ company	2024	\$105	4%	\$27	2%	26%	\$0.0	\$380
Total Branded Consumer:		\$1,511	9%	\$361	21%	24%	\$18.0	
	2014	\$313	-8%	\$47	12%	15%	\$4.7	\$344
ALDOR SOLUTIONS	2018	\$221	-13%	\$47	2%	21%	\$5.5	\$327
 ARNOLD MAGNETIC TECHNOLOGIES	2012	\$171	9%	\$29	9%	17%	\$10.2	\$163
Total Industrial:		\$705	-6%	\$123	7%	18%	\$20.4	
Consolidated:		\$2,216	5%	\$484⁽²⁾	17%	22%	\$38.4	\$3,310

1. Growth capex at 5.11 and Lugano for retail store rollout.

2. Subsidiary Adj. EBITDA does not include ~\$84M of corporate expenses.

3. On February 1, 2024, the Company announced the completion of its acquisition of The Honey Pot Company, LLC. Information prior to acquisition was from HoneyPot's management.

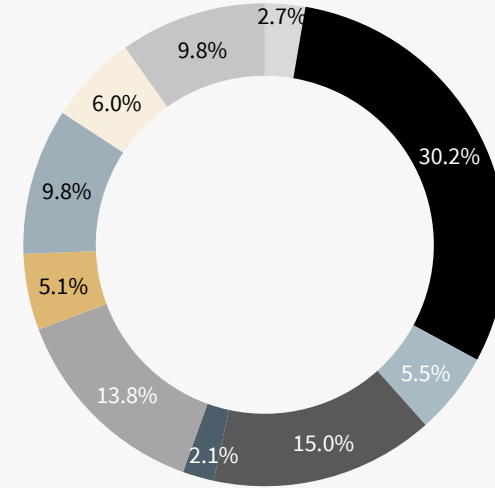
Our Asset Diversity is Producing Consistent Cash Flow

DIVERSIFIED CASH FLOWS FROM 10 SUBSIDIARIES

- Three industrial subsidiaries representing 31% of revenues and 25% of Adj. EBITDA (TTM 6/30/24)
- Seven branded consumer subsidiaries representing 69% of revenues and 75% of Adj. EBITDA (TTM 6/30/24)

DIVERSIFIED CUSTOMER BASE

- 10 diverse and fast-growth subsidiaries reduce customer concentration risk and allow us to consistently meet or exceed core growth targets
- 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 ~\$612M in available capital to deploy into acquisitions at attractive prices



Subsidiary Pro Forma Adj. EBITDA – TTM at 6/30/24

Our Permanent Capital Structure Lowers Our Cost of Capital



CODI's Asset Diversity is Producing Consistent Cash Flow

Balance Sheet & Secured Debt Overview

Cash: **\$68.4M**
 Revolver: **~\$54M**
 Term Loan: **\$380.0M**

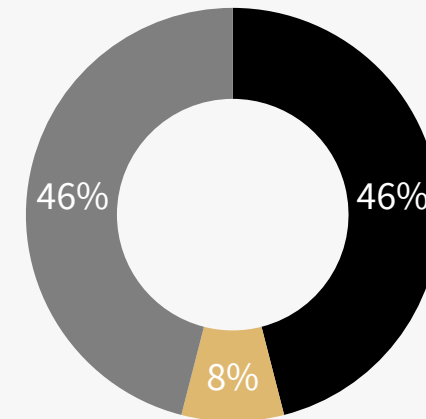
Leverage and Availability

Leverage: **~ 3.7x**
 Revolver Availability: **~\$544M**

Unsecured Debt Overview

75% of debt fixed at blended 5.20%

\$1,000 M	\$300M
5.25% Fixed Due 2029	5.0% Fixed Due 2032



■ Debt ■ Preferred ■ Equity

Capital Structure

Rate on debt: **5.8%**
 Rate on preferred: **7.7%**

2024 Full Year Guidance Ranges

Subsidiary Adjusted EBITDA

Branded Consumer	\$365M to \$395M*
Industrial	\$115M to \$125M
TOTAL	\$480M to \$520M*

Adjusted EBITDA

(Less Corporate & Mgmt. Fees)

\$390M to \$430M

Adjusted Earnings

\$148M to \$163M

*Range includes The Honey Pot Company for the full year of 2024.





Investor Relations Contacts

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CODI@gateway-grp.com



Current Subsidiaries



Note: On February 1, 2024, the Company announced the completion of its acquisition of The Honey Pot Company, LLC.



5.11



Purchase Price

(August 2016)

\$408M



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)
Six Months Ended 6/30/2024	\$248.2	\$31.4
Six Months Ended 6/30/2023	\$250.5	\$32.1
Year Ended 12/31/2023	\$533.1	\$73.6
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 archery products, hunting apparel and related accessories



Competitive Strengths

- Market share leader in crossbows and related accessories
- 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

Recently divested Crosman division for ~\$60M proceeds

Financials

	Revenue (\$ millions)	Adjusted EBITDA (\$ millions)	
Six Months Ended* 6/30/2024	\$48.6	\$(0.5)	
Six Months Ended 6/30/2023	\$71.9	\$2.2	
Year Ended 12/31/2023	\$172.2	\$12.8	
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	20

*Reflects sale of Crosman division in Q2'24.



Purchase Price (September 2010)

\$85M

+ \$88M 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)
Six Months Ended 6/30/2024	\$49.8	\$6.4
Six Months Ended 6/30/2023	\$48.6	\$7.6
Year Ended 12/31/2023	\$93.9	\$14.4
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

LUGANO[®]

DIAMONDS



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)
Six Months Ended 6/30/2024	\$202.4	\$78.1
Six Months Ended 6/30/2023	\$124.8	\$42.4
Year Ended 12/31/2023	\$308.3	\$110.4
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



**DIALED IN.
PRECISION FIT.**



Purchase Price (October 2020)

\$454M



Description

Creator of the revolutionary, award-winning, patented BOA Fit System, BOA partners with market leading brands to make the best gear even better



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)	
Six Months Ended 6/30/2024	\$97.1	\$39.4	
Six Months Ended 6/30/2023	\$76.1	\$28.7	
Year Ended 12/31/2023	\$155.8	\$56.0	
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	23



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
- 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)
Six Months Ended 6/30/2024	\$47.8	\$20.3
Six Months Ended 6/30/2023	\$46.7	\$20.7
Year Ended 12/31/2023	\$67.1	\$25.3
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 (February 2024)

\$380M



Description

Premium “better-for-you” feminine care brand, powered by plant-derived ingredients and clinically tested formulas



Competitive Strengths

- Authentic and differentiated “better-for-you” feminine care brand disrupting stagnant category
- Passionate and enthusiastic customer base
- Strong retail distribution across over 30,000+ stores nationally
- Large addressable market characterized by non-discretionary, highly consumable products



Compass Value Added

Working with management to continue building consumer awareness of the Honey Pot brand, accelerate distribution globally and support investments in new product innovation

Financials

	Revenue (\$ millions)	Adjusted EBITDA (\$ millions)
Proforma Six Months Ended 6/30/2024	\$55.0	\$14.3
Proforma Six Months Ended 6/30/2023	\$56.9	\$15.5
Proforma Year Ended 12/31/2023	\$107.4	\$27.5
Proforma Year Ended 12/31/2022	\$95.0	\$26.5
Proforma Year Ended 12/31/2021	\$65.1	\$21.2
Proforma Year Ended 12/31/2020	\$30.1	\$6.6



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 new 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)
Six Months Ended 6/30/2024	\$138.6	\$23.0
Six Months Ended 6/30/2023	\$149.6	\$22.5
Year Ended 12/31/2023	\$323.8	\$46.7
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)
Six Months Ended 6/30/2024	\$105.6	\$20.3
Six Months Ended 6/30/2023	\$122.4	\$24.9
Year Ended 12/31/2023	\$238.0	\$52.0
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

+\$34M 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)
Six Months Ended 6/30/2024	\$84.4	\$13.9
Six Months Ended 6/30/2023	\$80.2	\$14.7
Year Ended 12/31/2023	\$166.7	\$29.9
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



Case Study

marucci

OVERVIEW

PURCHASE PRICE (Apr 2020) | \$200M

Marucci is a leading designer, manufacturer, and marketer of highly-engineered premium baseball and softball equipment. Marucci leverages technology and innovation to provide elite performance products for the best players at every level of the game through its Marucci, Victus, Lizard Skins, and Baum Bat brands.

COMPETITIVE STRENGTHS

Leading position in the professional market (#1 and #2 bats in the MLB)

Highly-engineered products with focus on innovation

Leading authentic, enthusiast brand

Large white space opportunity in adjacent product categories and internationally

Proprietary IP, supply chain and integrated wood mill operations

Dynamic management team leading a company of innovators and enthusiasts

CODI's Active Management in Action

- Completed add-on acquisitions of Lizard Skins (\$47M) and Baum Bat (\$28M), adding to Marucci's best-in-class lineup
- Invested in product development to bring new technologies to market in existing categories and to expand Marucci into adjacent categories including fielding gloves and softball
- Supported international growth through establishing Marucci's presence in Japan
- Invested in infrastructure including systems, facility expansion, and the Company's proprietary innovation center
- Recruited the Company's first Chief Operating Officer

Results

- Sold November 2023 to Fox Factory (NASDAQ: FOXF) for \$572M (\$200M purchase price)
- Kurt Ainsworth, Co-Founder and CEO of Marucci Sports, stated, "We are grateful for our partnership with the CODI team and look forward to further growth under FOX's ownership. We thank CODI for their relentless support during our partnership."

Case Study



OVERVIEW

PURCHASE PRICE (Aug 2014) | \$251M

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



OVERVIEW

PURCHASE PRICE (July 2015) | \$132M

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

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."

Case Study



OVERVIEW

PURCHASE PRICE (Jan 2008) | \$80M

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 12/31/2023, 63.0% beneficially owned by certain persons who are employees and partners of our Manager. C. Sean Day, Prior 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

Created 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



Broadened pool of investors by making it significantly easier for both institutional and retail investors to own CODI shares

- Simplified tax reporting and uncertainty



Included in Russell 2000 and 3000 Index



Reduced average cost of capital

- Increased share liquidity
- Improved cost of equity capital and shares became more attractive currency



- Improved profile with rating agencies
- Reduced administrative costs
- Eliminated K-1 and UBTI

Net Income to Non-GAAP Adjusted Earnings



	Three Months Ended		Six Months Ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Net income (loss)	\$ (13,723)	\$ 17,123	\$ (7,942)	\$ 126,724
Income from discontinued operations, net of tax	—	2,840	—	12,840
Gain on sale of discontinued operations, net of tax	—	4,232	3,345	102,221
Net income (loss) from continuing operations	\$ (13,723)	\$ 10,051	\$ (11,287)	\$ 11,663
Less: income (loss) from continuing operations attributable to noncontrolling interest	5,806	3,498	13,235	7,669
Net income (loss) attributable to Holdings - continuing operations	\$ (19,529)	\$ 6,553	\$ (24,522)	\$ 3,994
Adjustments:				
Less: Distributions paid - Preferred Shares	(6,101)	(6,046)	(12,146)	(12,091)
Add: Amortization expense – intangibles and inventory step up	28,641	23,977	57,755	49,125
Add: Impairment expense	—	—	8,182	—
Less: Tax effect – impairment expense	24,606	—	24,606	—
Add: Loss on debt extinguishment	7,254	—	7,254	—
Add: Stock Compensation	3,927	3,207	8,257	4,848
Add: Acquisition expenses	—	—	3,479	—
Add: Integration Services Fee	875	1,188	875	2,375
Add (Less): Other	131	348	405	780
Adjusted Earnings	\$ 39,804	\$ 29,227	\$ 74,145	\$ 49,031

Adjusted EBITDA | Quarter Ended June 30, 2024



In 000's	Corporate	5.11	BOA	Ergo	Lugano	PrimaLoft	THP	Velocity	Foam	Arnold	Sterno	Consolidated
Net income (loss)	\$ (7,188)	\$ 5,457	\$ 8,995	\$ (1,277)	\$ 14,781	\$ 325	\$ (4,114)	\$ (39,226)	\$ 2,701	\$ 2,258	\$ 3,565	\$ (13,723)
Adjusted for:												
Provision (benefit) for income taxes	—	1,807	1,930	1,689	4,625	664	(1,402)	8,717	1,098	1,190	1,202	21,520
Interest expense, net	26,450	1	(10)	—	—	(3)	(3)	11	—	115	—	26,561
Intercompany interest	(40,896)	3,253	5,299	2,125	13,579	4,430	2,925	2,364	1,868	1,797	3,256	—
Loss on debt extinguishment	—	—	—	—	—	—	—	—	—	—	—	—
Depreciation and amortization	180	5,708	5,411	2,189	2,525	5,323	5,507	2,006	4,085	2,261	4,955	40,150
EBITDA	(21,454)	16,226	21,625	4,726	35,510	10,739	2,913	(26,128)	9,752	7,621	12,978	74,508
Other income (expense)	502	107	57	—	(70)	4	(13)	26,195	(572)	(61)	(168)	25,981
Non-controlling shareholder compensation	—	552	1,419	247	699	315	472	176	252	5	(210)	3,927
Impairment expense	—	—	—	—	—	—	—	—	—	—	—	—
Acquisition expenses	—	—	—	—	—	—	—	—	—	—	—	—
Integration services fee	—	—	—	—	—	—	875	—	—	—	—	875
Other	—	—	—	—	—	—	—	—	—	—	131	131
Adjusted EBITDA	\$ (20,952)	\$ 16,885	\$ 23,101	\$ 4,973	\$ 36,139	\$ 11,058	\$ 4,247	\$ 243	\$ 9,432	\$ 7,565	\$ 12,731	\$ 105,422

Adjusted EBITDA | Quarter Ended June 30, 2023



In 000's	Corporate	5.11	BOA	Ergo	Lugano	PrimaLoft	THP	Velocity	Foam	Arnold	Sterno	Consolidated
Net income (loss)	\$ (12,952)	\$ 3,866	\$ 5,526	\$ 382	\$ 6,916	\$ 620	\$ —	\$ (3,480)	\$ 4,501	\$ 2,503	\$ 2,169	\$ 10,051
Adjusted for:												
Provision (benefit) for income taxes	—	1,344	737	(101)	2,698	(2,508)	—	(1,499)	1,540	1,348	761	4,320
Interest expense, net	26,546	(1)	(3)	—	—	(4)	—	70	—	5	—	26,613
Intercompany interest	(33,258)	5,422	1,669	2,191	7,446	4,386	—	3,309	2,760	1,723	4,352	—
Loss on debt extinguishment	—	—	—	—	—	—	—	—	—	—	—	—
Depreciation and amortization	361	6,841	5,813	2,040	2,040	5,363	—	3,364	4,178	2,103	5,005	37,108
EBITDA	(19,303)	17,472	13,742	4,512	19,100	7,857	—	1,764	12,979	7,682	12,287	78,092
Other income (expense)	—	(124)	66	29	(76)	243	—	(79)	359	(7)	(306)	105
Non-controlling shareholder compensation	—	478	669	312	445	665	—	228	250	9	151	3,207
Acquisition expenses	—	—	—	—	—	—	—	—	—	—	—	—
Integration services fee	—	—	—	—	—	1,188	—	—	—	—	—	1,188
Other	—	—	—	—	—	—	—	—	—	—	348	348
Adjusted EBITDA	\$ (19,303)	\$ 17,826	\$ 14,477	\$ 4,853	\$ 19,469	\$ 9,953	\$ —	\$ 1,913	\$ 13,588	\$ 7,684	\$ 12,480	\$ 82,940

Adjusted EBITDA | Six Months Ended June 30, 2024



In 000's	Corporate	5.11	BOA	Ergo	Lugano	PrimaLoft	THP	Velocity	Foam	Arnold	Sterno	Consolidated
Net income (loss)	\$ (12,436)	\$ 8,857	\$ 12,346	\$ (3,108)	\$ 34,985	\$ (988)	\$ (7,604)	\$ (55,199)	\$ 3,394	\$ 3,909	\$ 4,557	\$ (11,287)
Adjusted for:												
Provision (benefit) for income taxes	—	3,010	2,469	380	11,668	584	(2,569)	9,297	1,726	1,986	1,655	30,206
Interest expense, net	50,041	(1)	(12)	—	3	(5)	(25)	54	—	81	—	50,136
Intercompany interest	(80,834)	6,780	10,791	4,248	25,337	9,046	4,920	5,582	3,877	3,497	6,756	—
Loss on debt extinguishment	—	—	—	—	—	—	—	—	—	—	—	—
Depreciation and amortization	434	11,581	10,849	4,374	4,872	10,650	10,645	5,282	8,170	4,414	9,890	81,161
EBITDA	(42,795)	30,227	36,443	5,894	76,865	19,287	5,367	(34,984)	17,167	13,887	22,858	150,216
Other income (expense)	463	73	132	(5)	7	3	(30)	25,898	2,664	(9)	(341)	28,855
Non-controlling shareholder compensation	—	1,086	2,848	506	1,203	995	617	370	504	9	119	8,257
Impairment expense	—	—	—	—	—	—	—	8,182	—	—	—	8,182
Acquisition expenses	—	—	—	—	—	—	3,479	—	—	—	—	3,479
Integration services fee	—	—	—	—	—	—	875	—	—	—	—	875
Other	—	—	—	—	—	—	90	—	—	—	314	404
Adjusted EBITDA	\$ (42,332)	\$ 31,386	\$ 39,423	\$ 6,395	\$ 78,075	\$ 20,285	\$ 10,398	\$ (534)	\$ 20,335	\$ 13,887	\$ 22,950	\$ 200,268

Adjusted EBITDA | Six Months Ended June 30, 2023



In 000's	Corporate	5.11	BOA	Ergo	Lugano	PrimaLoft	THP	Velocity	Foam	Arnold	Sterno	Consolidated
Net income (loss)	\$ (27,164)	\$ 6,016	\$ 10,894	\$ (853)	\$ 16,884	\$ (607)	\$ —	\$ (7,981)	\$ 7,202	\$ 4,808	\$ 2,464	\$ 11,663
Adjusted for:												
Provision (benefit) for income taxes	—	2,070	1,359	(652)	6,085	(559)	—	(2,954)	2,634	2,388	869	11,240
Interest expense, net	52,598	(2)	(5)	—	4	(6)	—	194	—	10	—	52,793
Intercompany interest	(64,725)	10,221	3,461	4,340	13,730	8,708	—	6,437	5,634	3,372	8,822	—
Depreciation and amortization	677	13,293	11,506	4,079	4,890	10,723	—	6,751	8,343	4,122	10,032	74,416
EBITDA	(38,614)	31,598	27,215	6,914	41,593	18,259	—	2,447	23,813	14,700	22,187	150,112
Other income (expense)	(128)	(201)	180	29	(76)	139	—	(754)	563	(9)	(798)	(1,055)
Non-controlling shareholder compensation	—	730	1,333	624	840	(43)	—	458	566	18	322	4,848
Acquisition expenses	—	—	—	—	—	—	—	—	—	—	—	—
Integration services fee	—	—	—	—	—	2,375	—	—	—	—	—	2,375
Other	—	—	—	—	—	—	—	—	—	—	780	780
Adjusted EBITDA	\$ (38,742)	\$ 32,127	\$ 28,728	\$ 7,567	\$ 42,357	\$ 20,730	\$ —	\$ 2,151	\$ 24,942	\$ 14,709	\$ 22,491	\$ 157,060

Adjusted EBITDA | Year Ended December 31, 2023



In 000's	Corporate	5.11	BOA	Ergo	Lugano	PrimaLoft	Velocity Outdoor	Altor Solutions	Arnold	Sterno	Consolidated
Net income (loss) from continuing operations	\$ (51,761)	\$ 21,690	\$ 16,496	\$ (2,601)	\$ 52,315	\$ (69,883)	\$ (40,045)	\$ 16,504	\$ 10,434	\$ 8,115	\$ (38,736)
Adjusted for:											
Provision (benefit) for income taxes	301	4,994	2,863	(1,309)	14,589	(5,672)	(5,616)	5,890	4,185	1,106	21,331
Interest expense, net	104,855	(8)	(18)	—	4	(11)	352	—	5	—	105,179
Intercompany interest	(134,835)	20,244	7,580	8,595	32,837	18,123	13,510	10,486	6,806	16,654	—
Loss on debt extinguishment	—	—	—	—	—	—	—	—	—	—	—
Depreciation and amortization	1,399	26,009	22,932	8,110	9,229	21,478	13,282	16,741	8,441	19,959	147,580
EBITDA	(80,041)	72,929	49,853	12,795	108,974	(35,965)	(18,517)	49,621	29,871	45,834	235,354
Other (income) expense	(128)	(515)	98	36	(80)	62	(1,210)	1,440	(5)	(1,441)	(1,743)
Non-controlling shareholder compensation	—	1,191	3,019	1,214	1,474	980	914	986	27	860	10,665
Impairment expense	—	—	—	—	—	57,810	31,590	—	—	—	89,400
Acquisition expenses	—	—	—	321	—	—	—	—	—	—	321
Integration services fee	—	—	—	—	—	2,375	—	—	—	—	2,375
Other	—	—	3,072	—	—	—	—	—	—	1,434	4,506
Adjusted EBITDA	\$ (80,169)	\$ 73,605	\$ 56,042	\$ 14,366	\$ 110,368	\$ 25,262	\$ 12,777	\$ 52,047	\$ 29,893	\$ 46,687	\$ 340,878

Adjusted EBITDA | Year Ended December 31, 2022



In 000's	Corporate	5.11	BOA	Ergo	Lugano	PrimaLoft	Velocity Outdoor	Altor Solutions	Arnold	Sterno	Consolidated
Net income (loss) from continuing operations	\$ (77,990)	\$ 22,633	\$ 42,613	\$ (18,669)	\$ 27,934	\$ (17,741)	\$ 4,127	\$ 9,662	\$ 7,683	\$ 3,406	\$ 3,658
Adjusted for:											
Provision (benefit) for income taxes	12,119	7,125	6,527	(4,274)	11,889	(3,878)	1,562	3,174	3,329	(480)	37,093
Interest expense, net	83,243	—	(25)	10	16	(7)	229	—	26	—	83,492
Intercompany interest	(92,177)	13,761	7,410	6,026	12,773	7,512	10,282	10,742	5,518	18,153	—
Loss on debt extinguishment	534	—	—	—	—	—	—	—	—	—	534
Depreciation and amortization	1,405	22,972	21,993	8,094	11,533	10,465	13,374	16,403	8,041	20,293	134,573
EBITDA	(72,866)	66,491	78,518	(8,813)	64,145	(3,649)	29,574	39,981	24,597	41,372	259,350
Other (income) expense	(58)	(217)	1,043	6	2	112	2,417	766	(20)	(1,730)	2,321
Non-controlling shareholder compensation	—	1,511	2,511	1,479	1,179	2,142	971	1,321	40	844	11,998
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	—	—	—	—	—	1,330	1,580
Adjusted EBITDA	\$ (72,924)	\$ 67,785	\$ 82,072	\$ 13,474	\$ 67,014	\$ 6,660	\$ 33,184	\$ 42,284	\$ 24,617	\$ 41,816	\$ 305,982



Thank You.

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