



CODI Investor Day Presentation

December 9, 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 and goals, 2021 guidance, ESG initiatives, market forecasts or projections, projected capital expenditures; and our business and acquisition 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. In reliance on the unreasonable efforts exception provided under Regulation G and Item 10(e)(1)(i)(B) of Regulation S-K, we have not reconciled 2021 Adjusted EBITDA or 2021 Payout Ratio (which requires an estimate of 2021 CAD) to their comparable GAAP measure because we do not provide guidance on Net Income (Loss), Cash Flow Provided by Operating Activities or the applicable reconciling items as a result of the uncertainty regarding, and the potential variability of, these items. For the same reasons, we are unable to address the probable significance of the unavailable information, which could be material to future results.

CODI Presenters



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

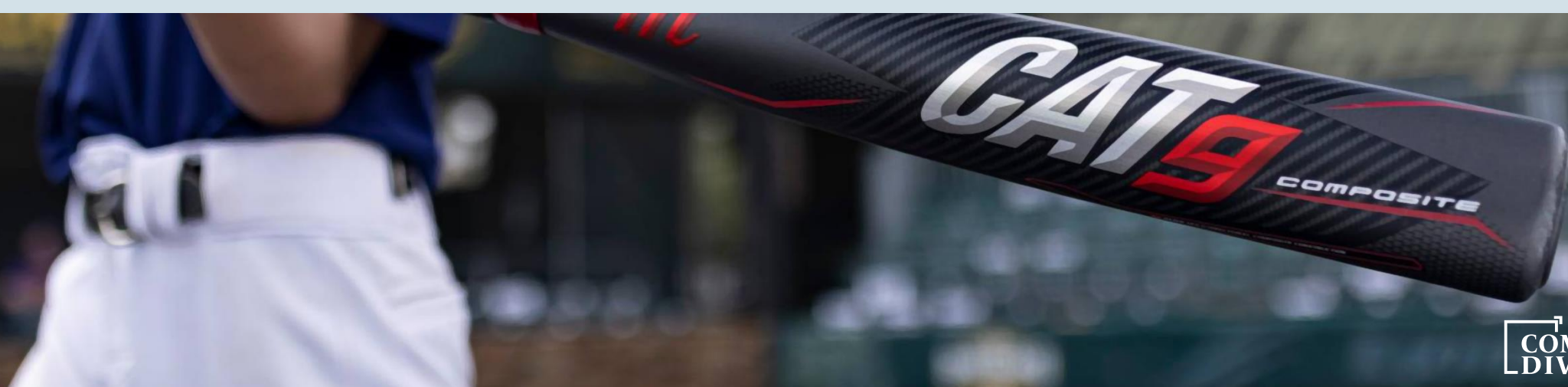
Chief Operating Officer

Managing Partner

Investment Committee Member

Joined The Compass Group in 2005

Graduate of University of Notre Dame and Columbia Business School



Agenda

- 1** Introduction — Elias Sabo
- 2** Marucci Sports Presentation — Kurt Ainsworth
- 3** Marucci Sports Q&A — Kurt Ainsworth
- 4** CODI Remarks — Elias Sabo
- 5** CODI Subsidiary Update — Pat Maciariello
- 6** CODI Financial Review — Ryan Faulkingham
- 7** CODI Q&A — Elias Sabo, Ryan Faulkingham & Pat Maciariello
- 8** Closing Remarks — Elias Sabo



Compass Diversified (NYSE: CODI)

Overview



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 we operate 6 branded consumer and 4 niche industrial subsidiaries

KEY DIFFERENTIATORS



Long-term, Opportunistic Approach in Sectors with Management Expertise



Value Creation Through Actively Partnering with Management



Superior Governance and Transparency

Subsidiaries

5.11



CODI BY THE NUMBERS

As of 9/30/2021

1998

FOUNDED
IPO in 2006

\$6.9B⁺

AGGREGATE TRANSACTIONS
22 Platforms & 30 Add-Ons

\$2.8B

ASSETS MANAGED
10 Current Platforms

~\$465M

Available Revolver
Permanent Capital Base

\$1.9B⁺

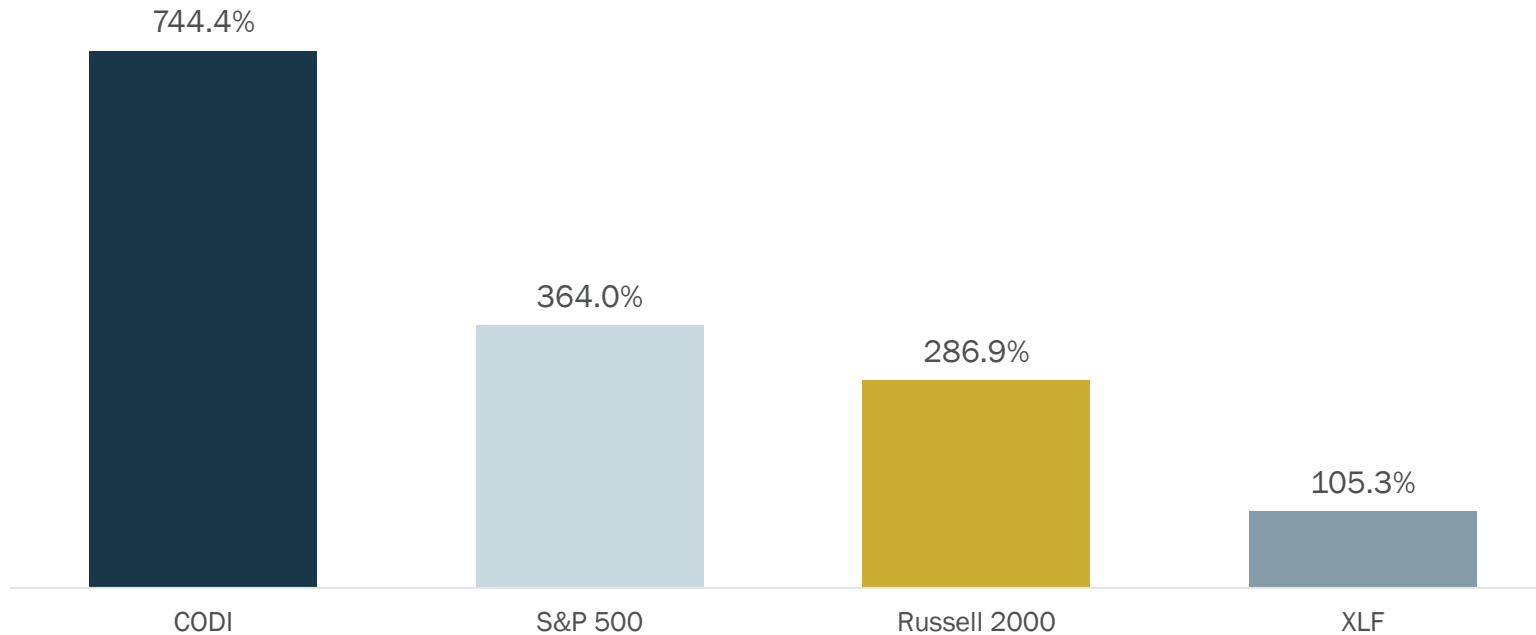
TTM Proforma Revenue

\$381M⁺

TTM Proforma Adjusted EBITDA

Company Management Team Successfully Executing on Strategy to Create Value

Total return from May 16, 2006 through December 7, 2021⁽¹⁾



\$1.00 invested at IPO is worth \$8.44 today vs. \$4.64 in the S&P 500 or \$3.87 in the Russell 2000



CODI has been executing the same strategy for more than 23 years and has consistently generated superior results



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

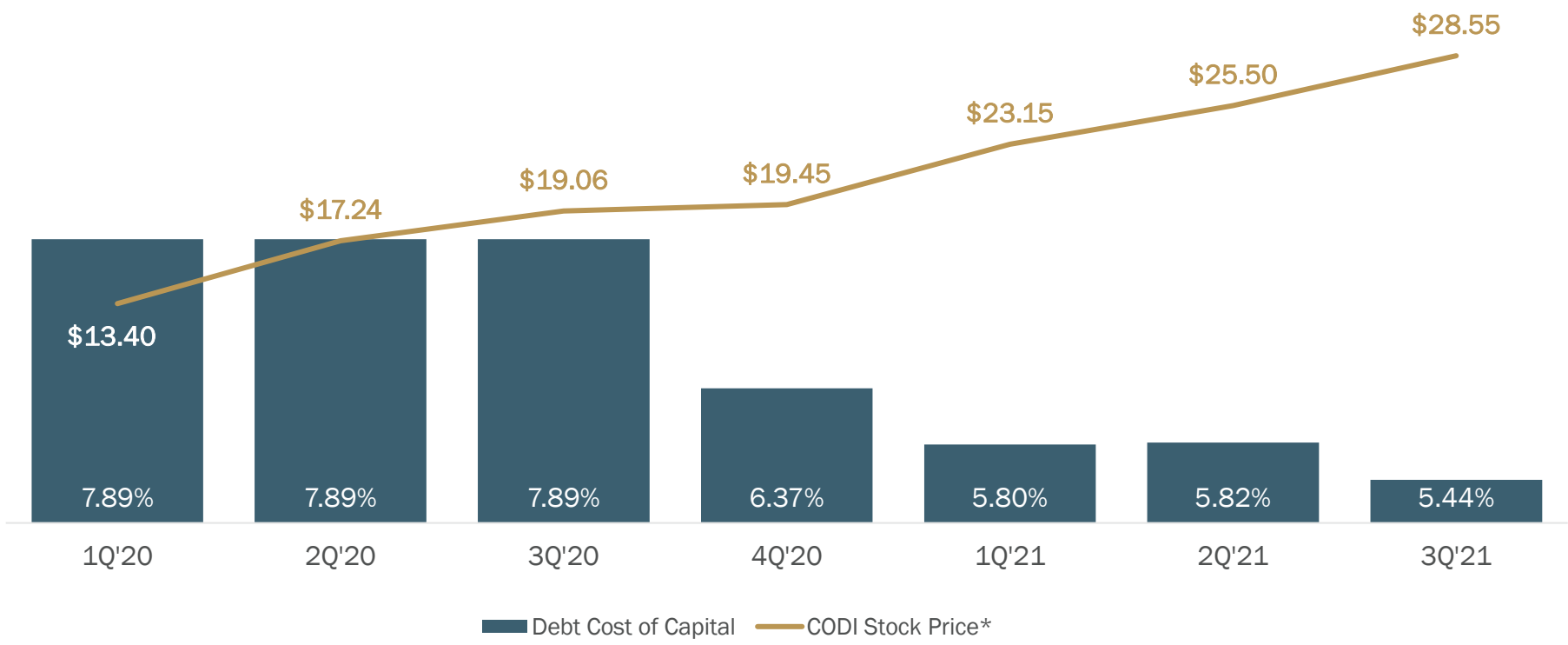



15+ year history as a public company manager, patient deployer of capital, ability to grow and manage businesses for the long term



Highly accountable organization focused on generating consistent strong shareholder returns

Lower Debt Cost of Capital Enables Greater Shareholder Returns



 Building a competitive advantage and driving long-term shareholder value

* Stock prices represent CODI's closing stock price on last trading day of quarter. DEBT cost of capital calculated using o/s debt and preferred.





Kurt Ainsworth

Co-Founder & CEO, Marucci Sports

Co-Founded Marucci Sports in 2009

Appointed CEO in April 2014

Led Marucci for nearly 13 years, overseeing product innovation, direct to consumer sales and marketing strategy

Spearheaded growth by leading the acquisition of Marucci Bat Company, Victus Sports, Carpenter Trade, two wood mills, and Lizard Skins

Brokered a strategic alliance with Baseball Performance Lab

Former MLB pitcher for the San Francisco Giants and Baltimore Orioles, and Olympic Gold Medalist

Graduate of Louisiana State University





Long-Term Strategic Vision for CODI





Our Goal:

**\$1 Billion of EBITDA
in 5 – 7 Years**

Positioning CODI for Long-Term Success and Value Creation

Benefits of Scale



Diversification in companies and industries creating reduced financial volatility



Larger businesses with enhanced systems, capabilities and controls

- Deeper Management Teams
- Sarbanes Oxley Compliance
- ESG Focus



Lower weighted average cost of capital



Enhanced ability to capitalize on new acquisition opportunities

- CODI Brand recognition

Multipronged Strategy to Growing EBITDA and Reaching CODI's Goal

Growth Drivers

1

Business transformation

- Recently focused on premium, highly-differentiated brands
- Increases our consolidated core growth rate
- Positioned to capitalize on evolving economic factors and robust consumer demand

2

Capital Allocation

- Acquire new Platform businesses
- Sustainably invest in our current subsidiaries
 - Add-on acquisitions
 - Growth capital expenditures

3

Healthcare vertical

- Advantageous demographic indicators
- Compelling targets aligned with CODI's acquisition profile

1 Business Transformation



February 2019
(Divestiture)

Raised awareness, grew customer base across North America, and drove category expansion

Opportunistically sold to strategic consolidator to accelerate MH's growth through use of consolidators brand, supply chain, distribution and infrastructure



May 2019
(Divestiture)

Strengthened brand, industry leadership and financial performance

Capitalized on organic growth opportunities and compelling add-on acquisitions

Opportunistically sold to strategic consolidator with revenue synergies and infrastructure



April 2020
(Acquisition)

Acquired leading manufacturer and distributor of baseball and softball equipment for \$200mm

Added Lizard Skins, which brings complementary products and high brand awareness

Increased YTD Sept. '21 revenue by 82.5% and Adj. EBITDA by 175.4% on a proforma basis over the same prior year period



October 2020
(Acquisition)

Acquired market leader with strong brand awareness and diverse customer base for \$454mm

Increased YTD Sept. '21 revenue by 55.5% and Adj. EBITDA by 89.3% on a proforma basis over the same prior year period



July 2021
(Divestiture)

Scaled the business and cemented Liberty's leading status

Supported Liberty's growth as a leading national brand

Opportunistically sold after owning for >10 years due to change in strategic direction at CODI



September 2021
(Acquisition)

Acquired high growth, luxury goods brand with differentiated go-to-market approach for \$256mm

Appointed two experienced, independent directors to company Board:

- Frederic Cumenal, Former CEO of Tiffany & Co
- David Arnold, Vice Chairman of Robb Report



Acceleration of Core Consolidated Growth Rate

2 Capital Allocation — Identifying New Opportunities for Growth

✓ Platform Acquisitions

- Continue the same strategy acquiring leading **niche industrial** and **branded consumer** companies
- Target 1 to 2 Platform Acquisitions per year
- Target companies in the \$200 – \$800mm size

✓ Investment in Subsidiaries

- Strategic Add-Ons – Target 2-3 per year
- Growth Capex – Recent spend \$20-\$30mm per year

Optimal Future Structure

- ~15 Subsidiary companies mixed among niche industrial, branded consumer and healthcare
- Each Subsidiary company has the potential to reach \$70m+ EBITDA

3 Exploring New Healthcare Vertical



Attractive, high-growth market with strong industry tailwinds



Acyclical industry that will bring valuable diversification and stability



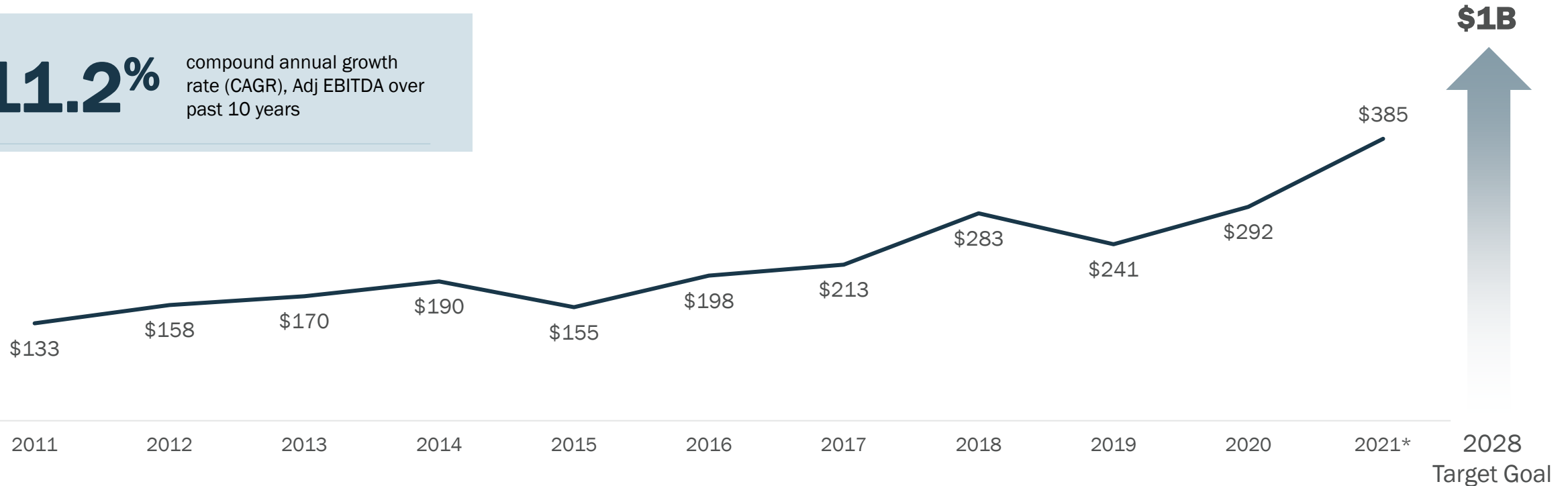
Strong alignment with CODI's existing Subsidiaries priorities

Driving Financial and Operational Results Over the Last 10 Years

Proforma Adjusted EBITDA Since 2011⁽¹⁾

11.2%

compound annual growth rate (CAGR), Adj EBITDA over past 10 years



Transformed company from 8 subsidiaries and \$133mm in Adjusted EBITDA in 2011 to 10 subsidiaries and \$385mm Adjusted EBITDA Midpoint Guidance

* Midpoint of full year 2021 Proforma Adjusted Consolidated EBITDA Guidance

¹ All figures in chart are proforma for acquisitions in given year and reflective of discontinued operations

CODI's Corporate Values



CODI is Committed to Continuing to Advance Corporate Values

Long-term approach enables subsidiaries to conduct business in a socially responsible and ethical manner

SINCE INCEPTION CODI HAS OPERATED WITH ESG TOP OF MIND



STRONG GOVERNANCE MODEL

- Transparency and accountability



ENGAGING WITH OUR LOCAL COMMUNITIES

- Active member in communities in which we operate
- Consistently has given time and financial resources to multiple local charities

OUR PEOPLE ARE OUR GREATEST ASSET

- Investing in talented, capable and experienced management teams
- Employees have strong emotional and financial investment toward success
- CGM's great culture evidenced by 95% retention rate over the last four years
- With diversity as an important component of effective governance, currently over 40% of CGM's employees are women
- Recent surveys indicate that 49% of millennials chose their careers based on companies with sustainability goals

ONGOING ENHANCEMENT TO SOCIAL COMMITMENTS

Human Capital

- Hired Head of ESG, Zoe Koskinas, to further integrate ESG across company and subsidiaries
- Zoe leads a dedicated ESG team of 3

ESG Initiatives

- Developing CODI's Global ESG Policies and Procedures
- Leveraging ESG learnings to help subsidiary companies implement ESG policies, processes and reporting

COMMITMENT TO RESPONSIBLE INVESTING IN ACTION

We pride ourselves on being business builders. We take a long-term approach to supporting the companies we acquire and commit significant capital to facilitate our subsidiaries' growth initiatives.

~\$771m

Since inception, CODI has invested ~\$771m in subsidiary companies for add-on acquisitions

\$94m+

CODI has committed \$94m+ in growth capital expenditures to current subsidiaries

These efforts enable opportunities for our employees, vendors and local communities to flourish

CODI Continues to Advance Its Governance Standards

SINCE ITS FORMATION CODI HAS PROVIDED A STRONG GOVERNANCE FRAMEWORK FOR ITS SHAREHOLDERS

The majority of the Board of Directors is independent

CODI has split the roles of CEO and Chairman

- Chairman of the Board is fully independent

Highly qualified Board's across all our subsidiary companies

- 19 independent directors appointed to boards of existing subsidiary companies

FURTHER ENHANCEMENTS TO CODI'S GOVERNANCE MODEL

Senior leadership and Board of Directors are highly supportive and engaged on ESG

- Management reports on ESG to the Board quarterly

Enhancement to CODI's Board

- Engaged Spencer Stuart on Board refresh process
- Will plan to seek shareholder approval for annual director elections

COMMITMENT TO RESPONSIBLE INVESTING IN ACTION

BOA

Within 10 years, we are committed to eliminating virgin fossil fuel based plastics and driving production waste to zero.



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



Introduced Everlove by Ergobaby, a first of its kind carrier buyback, restoration and resale program designed to create a more sustainable future

5.11+

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

Subsidiary Update



Well positioned businesses with attractive attributes



CODI's Performance through challenging times

Strong positioning and exceptional execution by CODI subsidiary management teams have allowed CODI to excel despite macro headwinds

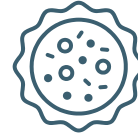
2021 GLOBAL HEADWINDS



Rapid Inflation



Extremely tight labor supply



Covid related factory shutdowns



Shipping Disruption

CODI RESULTS

Through the first three quarters CODI's financial performance is at a record levels:

25.4%

Consolidated revenue growth YTD September 2021

41.4%

Consolidated Adj. EBITDA growth YTD September 2021

230

Basis point expansion in EBITDA margins
YTD September 2021

Lugano Diamonds & Jewelry Poised for Growth Amid Macro Trends

Designer, Manufacturer and Marketer of One-of-a-Kind, High-End Jewelry



Founded in 2004 and competes in the high-end jewelry market (\$50,000 and above)



World-class design capabilities creates highly desired products



Unique event-based marketing strategy reaches target audience



Long-lasting client connections bring high-value, discerning and loyal clientele



Disrupting high-end jewelry industry with disintermediated supply chain and owned inventory

Diverse Retail Product Offering Across Multiple Price Points

Super High-End Jewelry
(highest priced pieces with rare stones)



Unique Design Jewelry
(bespoke designs based on unique materials or customer specs)



Diamond Jewelry
(white or colored diamond jewelry)



\$256mm

Purchase Price
(September 2021)

TTM 9/30/21 Revenue
\$103M

TTM 9/30/21 EBITDA
\$35M



Lugano is Ideally Positioned to Benefit From CODI's Resources and Capital



Well-positioned to emerge as a leading domestic and international luxury brand by leveraging CODI's strong experience building consumer brands



Additional capital flexibility will enable Lugano to opportunistically procure rare stones, expand its internal manufacturing capabilities, and accelerate its retail salon deployment



Company works with Kimberley Process certified suppliers, CODI working with Company to further enhance social compliance efforts



Strong existing management team with plans to significantly grow headcount and infrastructure to support growth



Financial Review



Revenue and EBITDA

(Figures in all tables below are in Millions)

PF REVENUE – QTD

| | Three months ended September 30, 2021 | Three months ended September 30, 2020 | Increase (decrease) | % |
|-------------------|--|--|------------------------|-------|
| Niche Industrial | \$205.0 | \$179.7 | \$25.3 | 14.1% |
| Branded Consumer* | \$301.9 | \$249.1 | \$52.8 | 21.2% |
| PF Net Revenues | \$506.9 | \$428.8 | \$78.1 | 18.2% |

PF ADJ. EBITDA – QTD

| | Three months ended September 30, 2021 | Three months ended September 30, 2020 | Increase (decrease) | % |
|-------------------|--|--|------------------------|-------|
| Niche Industrial | \$33.5 | \$30.8 | \$2.7 | 8.8% |
| Branded Consumer* | \$65.5 | \$52.8 | \$12.7 | 24.1% |
| PF Adj. EBITDA | \$99.0 | \$83.6 | \$15.4 | 18.5% |

PF REVENUE – YTD

| | Nine months ended September 30, 2021 | Nine months ended September 30, 2020 | Increase (decrease) | % |
|-------------------|---|---|------------------------|-------|
| Niche Industrial | \$559.1 | \$491.3 | \$67.8 | 13.8% |
| Branded Consumer* | \$884.2 | \$659.8 | \$224.4 | 34.0% |
| PF Net Revenues | \$1,443.3 | \$1,151.1 | \$292.2 | 25.4% |

PF ADJ. EBITDA – YTD

| | Nine months ended September 30, 2021 | Nine months ended September 30, 2020 | Increase (decrease) | % |
|-------------------|---|---|------------------------|-------|
| Niche Industrial | \$93.9 | \$85.7 | \$8.2 | 9.6% |
| Branded Consumer* | \$200.1 | \$122.2 | \$77.9 | 63.7% |
| PF Adj. EBITDA | \$294.0 | \$207.9 | \$86.1 | 41.4% |

Guidance

Reported Positive YTD Financial Results and Raised Guidance

RAISED FULL YEAR GUIDANCE

\$380 – 390_{mm}

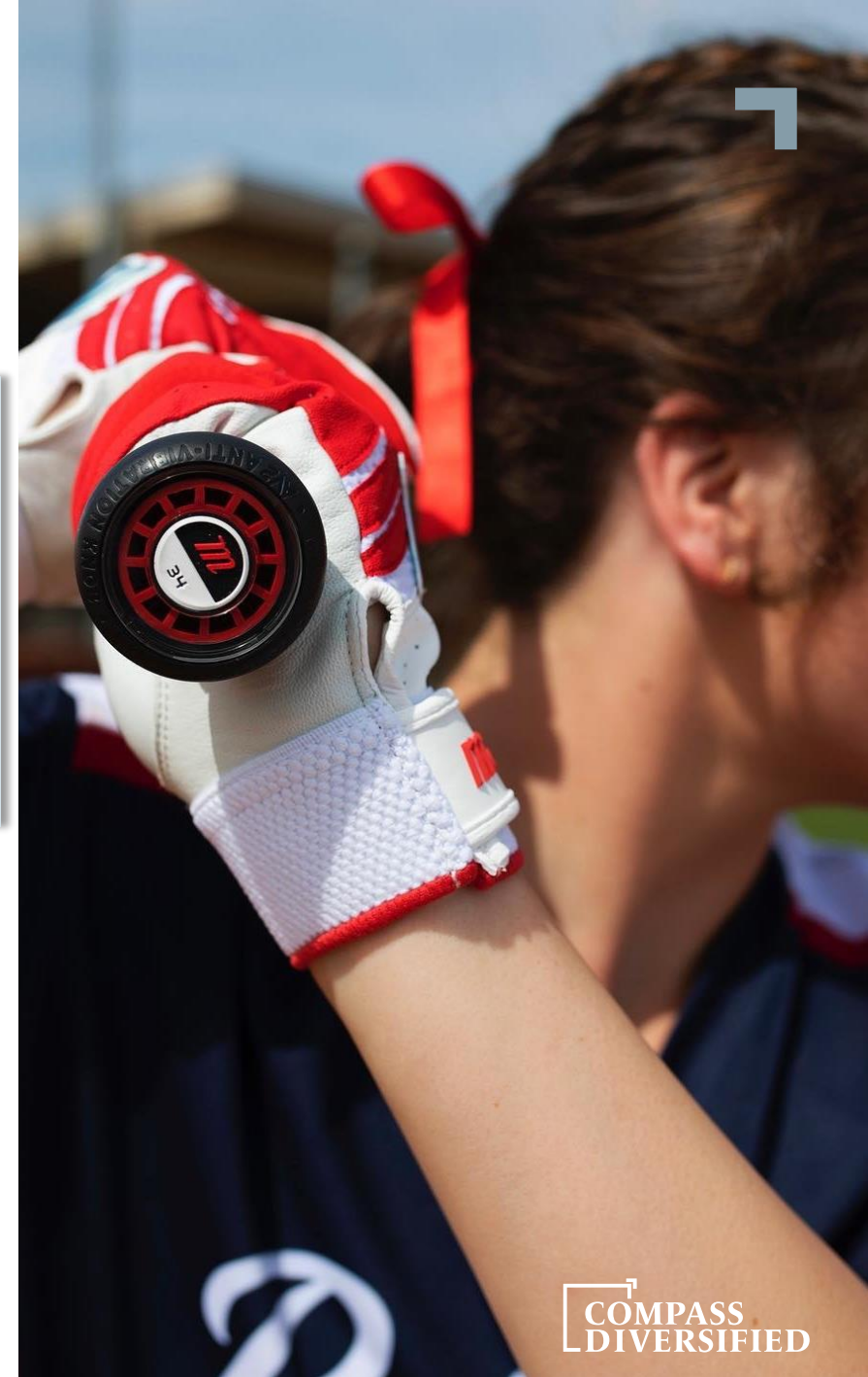
Full Year 2021 Pro Forma Adjusted
EBITDA guidance

30 – 33%

Implied YOY growth in Pro Forma
Adjusted EBITDA

Better than 55%

Payout Ratio expected to improve for
full year 2021

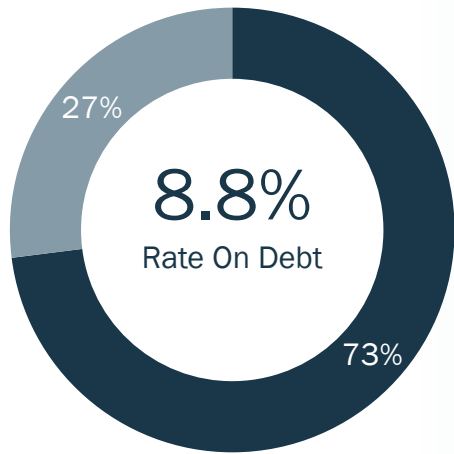


CODI's Strengthened Capital Structure

Consistent Financial Policy:
Leverage 3.0 to 3.5 times



DEC 2011



■ Equity ■ Debt

~5.5 Years
Tenor on debt

4% Cost
OID

PURSUIT OF A LOWER WACC

Since 2018

8.0% Senior Unsecured 8-Year Bond Due 2026
\$400 million in March 2018 + \$200 million May 2020

7.785% Preferred Equity Issuances
\$215 million in March 2018 and November 2019

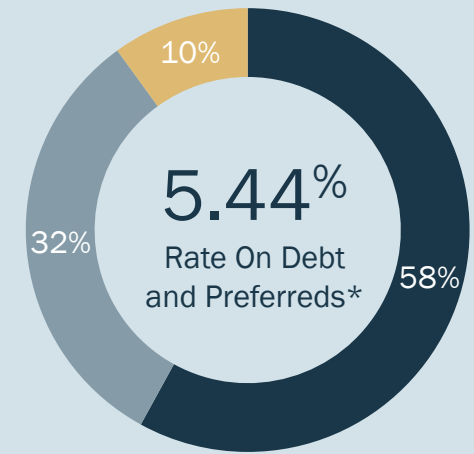
Redeemed Senior Unsecured Bond Due 2026

5.25% Senior Unsecured Bond due 2029
\$1 billion in March 2021

Complete Simplification of Tax Structure
September 2021

5.0% Senior Unsecured 10-Year Bond Due 2032
\$300 million in November 2021

SEPT 2021



■ Equity ■ Debt ■ Preferred

~9.5 Years
Tenor on debt

0% Cost
OID

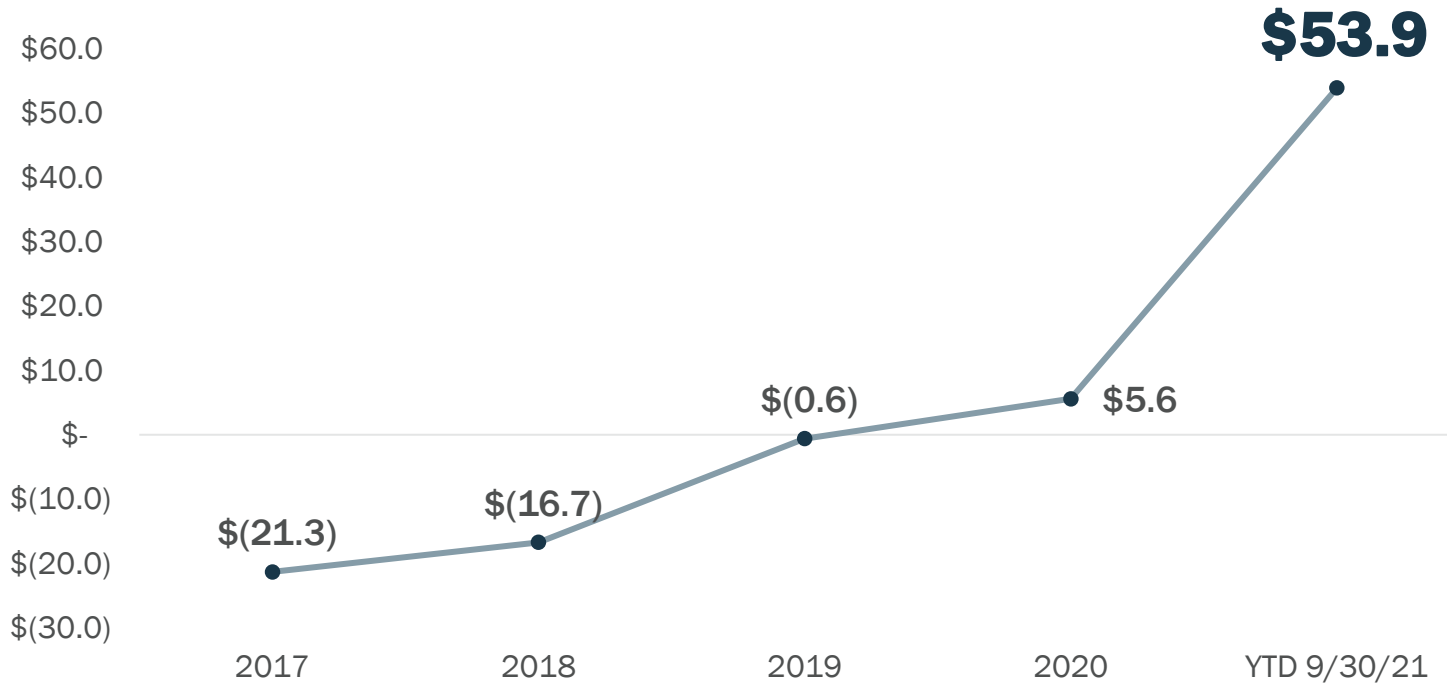
* Rate drops to 4.56% if revolver is fully funded

Lowering our WACC strengthens our competitive advantage and drives shareholder returns

Transformed Business Stands to Benefit from Increased Retained Cash

Significant increase in retained cash since 2017
(Before change in working capital)

Growth in Retained Cash Over Past Five Years in USD (millions)



Strong subsidiary operating performance leading to record retained cash performance



Robust retained cash offers enhanced opportunity for growth

- Deploying capital in pursuit of new acquisitions
- Investing in subsidiaries
- Organically delivering



Will provide continued momentum in lowering WACC

Q&A



Appendix



Adjusted EBITDA⁽¹⁾

YTD September 30, 2021

(In Thousands)

| | Corporate | 5.11 | BOA | Ergobaby | Lugano | Marucci Sports | Velocity Outdoor | Advanced Circuits | Altor Solutions | Arnold | Sterno | Consolidated |
|---|--------------------|------------------|------------------|------------------|-----------------|------------------|------------------|-------------------|------------------|------------------|------------------|-------------------|
| Net income (loss) | \$ 8,028 | \$ 14,318 | \$ 16,908 | \$ 3,071 | \$ 681 | \$ 9,485 | \$ 19,157 | \$ 10,366 | \$ 5,892 | \$ 3,839 | \$ 1,491 | \$ 93,236 |
| Adjusted for: | | | | | | | | | | | | |
| Provision (benefit) for income taxes | — | 4,857 | 2,165 | 1,357 | 304 | 2,920 | 5,381 | 2,547 | 2,867 | 2,062 | 202 | 24,662 |
| Interest expense, net | 42,464 | 8 | — | — | — | 5 | 125 | — | — | 5 | — | 42,607 |
| Intercompany interest | (53,234) | 8,743 | 6,320 | 1,514 | 548 | 1,890 | 5,586 | 5,484 | 5,075 | 4,128 | 13,946 | — |
| Loss on debt extinguishment | 33,305 | — | — | — | — | — | — | — | — | — | — | 33,305 |
| Depreciation and amortization | 642 | 16,762 | 15,033 | 6,377 | 70 | 6,377 | 9,489 | 1,658 | 9,022 | 5,822 | 16,313 | 87,565 |
| EBITDA | 31,205 | 44,688 | 40,426 | 12,319 | 1,603 | 20,677 | 39,738 | 20,055 | 22,856 | 15,856 | 31,952 | 281,375 |
| Gain on sale of business | (72,745) | — | — | — | — | — | — | — | — | — | — | (72,745) |
| Other (income) expense | (286) | (302) | 190 | — | 22 | 881 | 2,611 | 123 | (399) | (51) | (883) | 1,906 |
| Noncontrolling shareholder compensation | — | 1,926 | 1,655 | 1,241 | — | 826 | 777 | 372 | 770 | 16 | 913 | 8,496 |
| Acquisition expenses | 39 | — | — | — | 1,827 | — | — | — | — | 310 | — | 2,176 |
| Integration service fee | — | — | 3,300 | — | — | 1,000 | — | — | — | — | — | 4,300 |
| Other | 1,085 | 273 | — | — | — | — | (2,300) | — | — | — | 333 | (609) |
| Management fees | 30,133 | 750 | 750 | 375 | 58 | 375 | 375 | 375 | 563 | 375 | 375 | 34,504 |
| Adjusted EBITDA | \$ (10,569) | \$ 47,335 | \$ 46,321 | \$ 13,935 | \$ 3,510 | \$ 23,759 | \$ 41,201 | \$ 20,925 | \$ 23,790 | \$ 16,506 | \$ 32,690 | \$ 259,403 |

Adjusted EBITDA⁽¹⁾

YTD ended September 30, 2020

(In Thousands)

| | Corporate | 5.11 | Ergobaby | Marucci Sports | Velocity Outdoor | Advanced Circuits | Altor Solutions | Arnold | Sterno | Consolidated |
|---|-------------|-----------|-----------|----------------|------------------|-------------------|-----------------|------------|-----------|--------------|
| Net income (loss) | \$ (13,346) | \$ 5,515 | \$ 1,837 | \$ (5,344) | \$ 4,245 | \$ 10,980 | \$ 4,188 | \$ (1,719) | \$ 2,131 | \$ 8,487 |
| Adjusted for: | | | | | | | | | | |
| Provision (benefit) for income taxes | — | (55) | 2,265 | (2,351) | 1,386 | 2,878 | 1,891 | (56) | 162 | 6,120 |
| Interest expense, net | 31,971 | 43 | — | 6 | 102 | — | — | — | — | 32,122 |
| Intercompany interest | (48,681) | 10,770 | 1,818 | 1,194 | 6,945 | 4,176 | 5,290 | 4,300 | 14,188 | — |
| Depreciation and amortization | 530 | 16,033 | 6,152 | 8,031 | 9,651 | 1,980 | 9,473 | 5,040 | 17,251 | 74,141 |
| EBITDA | (29,526) | 32,306 | 12,072 | 1,536 | 22,239 | 20,014 | 20,842 | 7,565 | 33,732 | 120,870 |
| OGain on sale of businesses | (100) | — | — | — | — | — | — | — | — | (100) |
| Other (income) expense | 3 | 1,398 | — | (46) | 1,048 | 126 | (438) | (1) | 86 | 2,176 |
| Noncontrolling shareholder compensation | — | 1,870 | 748 | 361 | 1,287 | 372 | 771 | 34 | 651 | 6,094 |
| Acquisition expenses | — | — | — | 2,042 | — | — | 273 | — | — | 2,315 |
| Integration services fees | — | — | — | 500 | — | — | — | — | — | 500 |
| Other | — | — | 598 | — | — | — | — | — | — | 598 |
| Management fees | 19,651 | 750 | 375 | 222 | 375 | 375 | 563 | 375 | 375 | 23,061 |
| Adjusted EBITDA | \$ (9,972) | \$ 36,324 | \$ 13,793 | \$ 4,615 | \$ 25,039 | \$ 20,887 | \$ 22,011 | \$ 7,973 | \$ 34,844 | \$ 155,514 |

Adjusted EBITDA

Year Ended December 31, 2020

(In Thousands)

| | Corporate | 5.11 | BOA | Ergobaby | Liberty | Marucci Sports | Velocity Outdoor | Advanced Circuits | 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

(In Thousands)

| | Corporate | 5.11 | Ergobaby | Liberty | Velocity Outdoor | Advanced Circuits | Arnold | Altor Solutions | 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

(In Thousands)

| | Corporate | 5.11 | Ergobaby | Liberty | Velocity Outdoor | Advanced Circuits | Arnold | Altor Solutions | 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 |

CAD Reconciliation

(In Thousands)

| | Year to Date | Year Ended | Year Ended | Year Ended | Year Ended | Year Ended |
|--|--------------|------------|------------|------------|------------|------------|
| | 9/30/2021 | 12/31/2020 | 12/31/2019 | 12/31/2018 | 12/31/2017 | 12/31/2016 |
| Net Income | \$100,901 | \$27,197 | \$307,141 | \$(1,790) | \$33,612 | \$56,530 |
| Adjustment to reconcile net income to cash provided by operating activities: | | | | | | |
| Depreciation and Amortization | 86,474 | 102,752 | 100,462 | 120,575 | 110,051 | 87,405 |
| Impairment expense | — | — | 32,881 | — | 17,325 | 25,204 |
| (Gain) loss on sale of businesses | (72,745) | (100) | (331,013) | (1,258) | (340) | (2,308) |
| Amortization of debt issuance costs premium/discount | 2,084 | 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 | 8,513 | 8,995 | 7,993 | 8,975 | 7,027 | 4,382 |
| Deferred taxes | 2,256 | (781) | (12,876) | (9,472) | (59,429) | (9,669) |
| Loss on debt extinguishment | 33,305 | — | — | — | — | — |
| Other | 5,150 | 4,981 | 17,994 | 1,440 | 3,940 | 730 |
| Changes in operating assets and liabilities | (18,790) | 3,349 | (45,293) | (6,250) | (40,394) | 18,484 |
| Net cash provided by operating activities | 147,148 | 148,625 | 84,562 | 114,452 | 81,771 | 111,372 |
| Plus: | | | | | | |
| Unused fee on revolving credit facility | 1,207 | 1,386 | 1,851 | 1,630 | 2,856 | 1,947 |
| Integration service fee | 4,300 | 2,125 | 281 | 2,719 | 3,083 | 1,667 |
| Other | 2,176 | 4,832 | 13,174 | 14,607 | 2,467 | 5,866 |
| Changes in operating assets and liabilities | 18,790 | — | 45,293 | 6,250 | 40,394 | — |
| Less: | | | | | | |
| Payments on interest rate swap | — | — | 675 | 1,783 | 3,964 | 4,303 |
| Maintenance capital expenditures | 19,063 | 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 | 18,136 | 23,678 | 15,125 | 12,179 | 2,457 | — |
| Other | 1,111 | 2,211 | 3,318 | 4,800 | 8,322 | — |
| Estimated cash flow available for distribution and reinvestment | \$135,311 | \$110,646 | \$104,038 | \$93,650 | \$92,243 | \$76,375 |

Adjusted EBITDA 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 |
|---------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Subsidiary Companies | | | | | |
| Corporate | (13,879) | (14,867) | (14,267) | (11,995) | (11,206) |
| 5.11 Tactical | 54,660 | 46,900 | 32,303 | 38,544 | 16,886 |
| BOA Technologies | 8,857 | - | - | - | - |
| Ergobaby | 15,616 | 20,263 | 21,138 | 33,041 | 32,715 |
| Marucci Sports | 9,859 | - | - | - | - |
| Liberty | 19,016 | 10,867 | 8,060 | 11,726 | 16,907 |
| Velocity Outdoor | 39,528 | 21,571 | 20,543 | 12,422 | - |
| Altor Solutions | 30,465 | 28,531 | 26,556 | - | - |
| Advanced Circuits | 26,301 | 28,926 | 29,954 | 27,241 | 26,575 |
| Manitoba Harvest | - | - | 5,494 | 6,385 | 6,657 |
| Clean Earth | - | - | 41,859 | 35,776 | 34,864 |
| Arnold Magnetics | 9,287 | 15,376 | 13,976 | 10,288 | 12,810 |
| Sterno | 49,498 | 68,529 | 63,845 | 31,622 | 31,601 |
| Lugano | - | - | - | - | - |
| Adjusted EBITDA | \$249,208 | \$226,096 | \$249,461 | \$195,050 | \$167,809 |
| Corporate | 13,879 | 14,867 | 14,267 | 11,995 | 11,206 |
| Marucci* | 4,012 | - | - | - | - |
| BOA Technologies* | 25,305 | - | - | - | - |
| Clean Earth* | - | - | - | - | - |
| Altor Solutions* | - | - | 2,890 | - | - |
| Velocity Outdoor* | - | - | 10,805 | 5,780 | - |
| Manitoba Harvest* | - | - | - | - | - |
| Sterno* | - | - | 5,490 | - | - |
| 5.11 Tactical* | - | - | - | - | 19,297 |
| Pro forma Adjusted EBITDA | \$292,404 | \$240,963 | \$282,913 | \$212,825 | \$198,312 |

Retained Cash Reconciliation

(In Millions)

| | Year to Date | Year Ended | Year Ended | Year Ended | Year Ended |
|---|--------------|------------|------------|------------|------------|
| | 9/30/2021 | 12/31/2020 | 12/31/2019 | 12/31/2018 | 12/31/2017 |
| Adjustment to reconcile CAD to retained cash: | | | | | |
| Cash Available for Distribution or Reinvestment (CAD) | \$135.3 | \$110.6 | \$104.0 | \$93.7 | \$92.2 |
| Less: | | | | | |
| Unused fees | (1.2) | (1.4) | (1.9) | (1.6) | (2.9) |
| Growth Cap Ex | (10.1) | (13.7) | (16.4) | (22.5) | (24.3) |
| Retained Cash (excluding working capital) | \$124.0 | \$95.5 | \$85.7 | \$69.6 | \$65.0 |
| Common Distribution | (70.1)* | (89.9) | (86.3) | (86.3) | (86.3) |
| Retained Cash (excluding working capital) less distribution | \$53.9 | \$5.6 | \$(0.6) | \$(16.7) | \$(21.3) |

* Excludes one-time special cash distribution of \$57.1 million paid for out of Liberty Safe sale proceeds related to offsetting a portion of the tax liability due to Company's tax reclassification.

Thank you

