

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 9, 2025

COMPASS DIVERSIFIED HOLDINGS  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction  
of incorporation)

001-34927  
(Commission  
File Number)

57-6218917  
(I.R.S. Employer  
Identification No.)

COMPASS GROUP DIVERSIFIED HOLDINGS LLC  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction  
of incorporation)

001-34926  
(Commission  
File Number)

20-3812051  
(I.R.S. Employer  
Identification No.)

301 Riverside Avenue, Second Floor, Westport, CT 06880  
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: (203) 221-1703

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of Each Class   | Trading Symbol(s) | Name of Each Exchange on Which Registered |
|---|-------------------|---|
| Shares representing beneficial interests in Compass Diversified Holdings                    | CODI              | New York Stock Exchange                   |
| Series A Preferred Shares representing beneficial interests in Compass Diversified Holdings | CODI PR A         | New York Stock Exchange                   |
| Series B Preferred Shares representing beneficial interests in Compass Diversified Holdings | CODI PR B         | New York Stock Exchange                   |
| Series C Preferred Shares representing beneficial interests in Compass Diversified Holdings | CODI PR C         | New York Stock Exchange                   |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).  Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Section 1 Registrant's Business and Operations**  
**Item 1.01 Entry into a Material Definitive Agreement**

On January 9, 2025, Compass Group Diversified Holdings LLC (the "Company"), sponsor of Compass Diversified Holdings ("Holdings" and, together with the Company, collectively "CODI," "us," "we" or "our"), entered into a First Incremental Facility Amendment (the "Amendment") to its existing Credit Agreement (as defined below). The Amendment was by and among the Company, the lenders party thereto (the "Lenders"), and Bank of America, N.A., as administrative agent for the Lenders (the "Administrative Agent"). Terms not defined in this Item 1.01 shall have the meanings ascribed to them in the Credit Agreement.

The Amendment modifies the Company's Third Amended and Restated Credit Agreement, dated as of July 12, 2022, as amended, among the Company, the Lenders, the Administrative Agent and [the other financial institutions party thereto] (the "Credit Agreement"), to provide for (a) an additional advance of the term loan in the aggregate amount of \$200 million (the "Incremental Term Loan") on the date of the Amendment, and (b) delayed draw term loan commitments in the aggregate amount of \$100 million (the "Incremental Delayed Draw Term Loan Commitments," and the loan drawn thereunder is referred to herein as the "Incremental Delayed Draw Term Loan"), which may be reduced or terminated by the Company upon five business days' notice and pursuant to which the Company may make no more than two draws by July 9, 2025. The proceeds from the Incremental Term Loan and the Incremental Delayed Draw Term Loan will be used for new acquisitions, working capital, capital expenditures and other general corporate purposes.

The Incremental Term Loan, along with the existing term loan under the Credit Agreement, will require quarterly repayments of principal amount ranging from \$3.75 million to \$11.25 million, commencing March 31, 2025, with a final payment of principal and interest due on July 12, 2027.

The Company will pay to the Administrative Agent, for the account of each Lender in accordance with its applicable percentage of the Incremental Delayed Draw Term Loan Commitments, a commitment fee equal to the product of (i) a rate ranging from 0.25% to 0.45% per annum, based on the Consolidated Total Leverage Ratio, times (ii) the actual daily amount by which the Incremental Delayed Draw Term Loan Commitments exceed the Incremental Delayed Draw Term Loan. Such commitment fee only accrues during the period when the Incremental Delayed Draw Term Loan Commitments are available (the "Availability Period"), which is the period from January 9, 2025 to the earlier of (a) July 9, 2025 and (b) the date on which the Incremental Delayed Draw Term Loan Commitments have been terminated.

Commencing on the first quarter ending after the earlier of (i) the date Incremental Delayed Draw Term Loan is fully drawn and (ii) the end of the Availability Period, the Company will be required to make quarterly repayments of principal amount ranging from 0.625% to 1.875% of the drawn Incremental Delayed Draw Term Loan (which amounts will be reduced by certain prepayment, if any), unless such loan is accelerated sooner.

The Amendment contains customary representations and warranties. All other material terms and conditions of the Credit Agreement were unchanged.

A copy of the Amendment is attached hereto as Exhibit 10.1 and is incorporated herein by reference. The foregoing description of the Amendment is qualified in its entirety by reference to the full text of the Amendment.

**Section 2 Financial Information**  
**Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off Balance Sheet Arrangement of a Registrant**

The information set forth in Item 1.01 above with respect to the Amendment is incorporated herein in its entirety.

**Section 7 Regulation FD**  
**Item 7.01 Regulation FD Disclosure**

On January 10, 2025, CODI issued a press release announcing the entry into the Amendment. A copy of the press release is attached as Exhibit 99.1 hereto.

The foregoing description of the press release is qualified in its entirety by reference to the complete text of the press release furnished as Exhibit 99.1 hereto, which is incorporated by reference herein. The information in this Item 7.01 and Exhibit 99.1 is being furnished and shall not be deemed "filed" for purposes of Section 18 of the

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Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth in such filing.

**Section 9 Financial Statements and Exhibits**

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits.

| <b>Exhibit Number</b> | <b>Description</b>  |
|-----------------------|---|
| 10.1                  | <a href="#">First Incremental Facility Amendment, dated January 9, 2025, by and among Compass Diversified Holdings LLC, Bank of America, N.A., and the lenders party thereto.</a> |
| 99.1                  | <a href="#">Press Release of CODI dated January 10, 2025.</a>   |
| 104                   | Cover Page Interactive Data File (embedded within the Inline XBRL document)   |

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: January 10, 2025

COMPASS DIVERSIFIED HOLDINGS

By: /s/ Stephen Keller  
Stephen Keller  
*Regular Trustee*

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: January 10, 2025

COMPASS GROUP DIVERSIFIED HOLDINGS LLC

By: /s/ Stephen Keller  
Stephen Keller  
*Chief Financial Officer*

Term Loan: 20451UAS4

Incremental Delayed Draw Term Loan: [ ]

FIRST INCREMENTAL FACILITY AMENDMENT

Dated as of January 9, 2025

among

COMPASS GROUP DIVERSIFIED HOLDINGS LLC,  
as the Borrower,

BANK OF AMERICA, N.A.,  
as Administrative Agent

and

FIFTH THIRD BANK, NATIONAL ASSOCIATION  
and TRUIST BANK,  
as Documentation Agents

and

TD BANK, N.A.,  
CIBC BANK USA  
and WELLS FARGO BANK, NATIONAL ASSOCIATION,  
as Co-Syndication Agents

Arranged By:

BANK OF AMERICA, N.A.,  
TD BANK, N.A.,  
CIBC BANK USA  
and WELLS FARGO BANK, NATIONAL ASSOCIATION,  
as Joint Lead Arrangers

and

BANK OF AMERICA, N.A.  
and TD BANK, N.A.,  
as Joint Bookrunners

## FIRST INCREMENTAL FACILITY AMENDMENT

THIS FIRST INCREMENTAL FACILITY AMENDMENT (this "Amendment") dated as of January 9, 2025 to the Third Amended and Restated Credit Agreement referenced below is by and among Compass Group Diversified Holdings LLC, a Delaware limited liability company (the "Borrower"), the Lenders identified on the signature pages hereto and Bank of America, N.A., in its capacity as Administrative Agent (in such capacity, the "Administrative Agent").

### WITNESSETH

WHEREAS, revolving credit and term loan facilities have been extended to the Borrower pursuant to that certain Third Amended and Restated Credit Agreement dated as of July 12, 2022 (as amended, hereby and as may be further modified, supplemented, increased and extended from time to time, the "Credit Agreement") by and among the Borrower, the Lenders identified therein and the Administrative Agent; and

WHEREAS, the Borrower has notified the Administrative Agent that pursuant to Section 2.01(c) of the Credit Agreement, certain Lenders identified on the signature pages hereto (collectively, the "Incremental Term Loan Lenders") have agreed to (a) provide an additional advance of the Term Loan in the aggregate amount of \$200,000,000 advanced on the Incremental Amendment Effective Date (defined below) (the "Incremental Term Loan") and (b) provide delayed draw term commitments in the aggregate amount of \$100,000,000 (the "Incremental Delayed Draw Term Loan"), which advances shall constitute Incremental Term Facilities.

NOW, THEREFORE, IN CONSIDERATION of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Defined Terms. Capitalized terms used herein but not otherwise defined herein shall have the meanings provided to such terms in the Credit Agreement (as amended by this Amendment).
2. Establishment of Incremental Term Facilities.
  - 2.1 Incremental Facility Amendment. This Amendment is an Incremental Facility Amendment.
  - 2.2 Incremental Term Loan.
    - (a) The Incremental Term Loan constitutes an Incremental Term Facility incurred pursuant to Section 2.01(c) of the Credit Agreement.
    - (b) Subject to the terms and conditions set forth herein and the Credit Agreement (as amended by this Amendment), each Incremental Term Loan Lender severally agrees to make its portion of the Incremental Term Loan to the Borrower in Dollars in a single advance on the date hereof in an amount not to exceed such Lender's commitment to the Incremental Term Loan set forth on Schedule 1 hereto. The Incremental Term Loan is an addition of the Term Loan. The advance of the Term Loan

made on the Closing Date and the Incremental Term Loan on the Incremental Amendment Effective Date shall be deemed one term loan constituting the Term Loan and shall be subject to all of the terms and conditions applicable to the Term Loan.

(c) The Incremental Term Loan is incurred in reliance of Section 2.01(c)(i)(B) of the Credit Agreement.

2.3 Incremental Delayed Draw Term Loan.

(a) The Incremental Delayed Draw Term Loan constitutes an Incremental Term Facility incurred pursuant to Section 2.01(c) of the Credit Agreement.

(b) Subject to the terms and conditions set forth herein and the Credit Agreement (as amended by this Amendment), each Incremental Term Loan Lender severally agrees to make its portion of the Incremental Delayed Draw Term Loan to the Borrower in Dollars in up to two advances available during the Incremental Delayed Draw Term Loan Period (as defined below) in an amount not to exceed such Lender's commitment to the Incremental Delayed Draw Term Loan set forth on Schedule 1 hereto.

(c) The Incremental Delayed Draw Term Loan is incurred in reliance of Section 2.01(c)(i)(B) of the Credit Agreement.

3. Amendments to the Credit Agreement.

3.1 The definition of "Applicable Percentage" in Section 1.01 is amended by adding a new clause (d) to read as follows:

(d) with respect to the Lender's Incremental Delayed Draw Term Loan Commitment at any time, the percentage (carried out to the ninth decimal place) of the aggregate Incremental Delayed Draw Term Loan Commitments represented by such Lender's Incremental Delayed Draw Term Loan Commitment at such time.

3.2 The table in the definition of "Applicable Rate" in Section 1.01 is amended by adding "and Incremental DDTL Commitment Fee" in the column titled "Commitment Fee".

3.3 The definition of "Commitment" in Section 1.01 is amended by adding "and the Incremental Delayed Draw Term Loan Commitment of such Lender".

3.4 The definition of "Existing Portfolio Companies" in Section 1.01 is amended and restated to read as follows:

"Existing Portfolio Companies" means (i) Arnold Magnetics, together with its Wholly-Owned Subsidiaries as of the First Incremental Facility Amendment Effective Date, (ii) BOA together with its Wholly-Owned Subsidiaries as of the First Incremental Facility Amendment Effective Date, (iii) Sterno, together with its Wholly-Owned Subsidiaries as of the First Incremental Facility Amendment Effective Date, (iv) Foam Fab, together with its Wholly-Owned Subsidiaries as of the First Incremental Facility Amendment Effective Date, (v) 5.11, together with its Wholly-Owned Subsidiaries as of the First Incremental Facility Amendment Effective Date, (vi) Velocity, together with its Wholly-Owned Subsidiaries as of the First Incremental Facility Amendment Effective Date, (vii) Lugano, together with its Wholly-Owned Subsidiaries

as of the First Incremental Facility Amendment Effective Date, (viii) PrimaLoft, together with its Wholly-Owned Subsidiaries as of the First Incremental Facility Amendment Effective Date, (ix) Honey Pot, together with its Wholly-Owned Subsidiaries as of the First Incremental Facility Amendment Effective Date, (x) any Target acquired by an Existing Portfolio Company in a Permitted Eligible Acquisition as long as (A) the aggregate consideration to be paid in such Acquisition does not exceed \$50,000,000 and (B) as of the date of consummation of such Acquisition, the amount of Portfolio Company EBITDA of such Existing Portfolio Company attributable to such Target after giving effect to such Acquisition on a Pro Forma Basis shall not exceed twenty percent (20%) of such Portfolio Company EBITDA, and (xiii) any (A) Target acquired by an Existing Portfolio Company in a Permitted Eligible Acquisition that does not comply with the requirements of clause (xii) above or (B) any New Portfolio Company with respect to which, in each case of any such Target or New Portfolio Company, a classification or reclassification as an Existing Portfolio Company has been approved by Required Lenders in their sole discretion (it being agreed and understood that (1) Lenders shall make reasonable efforts to indicate their response within fifteen (15) days of receiving a request for a classification or reclassification of any such Target or New Portfolio Company as an Existing Portfolio Company, and (2) any Lender that approves the classification or reclassification of such Target or New Portfolio Company as an Existing Portfolio Company shall deliver to the Administrative Agent, together with its response, a written approval in the form of Exhibit K), in each case to the extent that any such company has become a Subsidiary of the Borrower pursuant to a Permitted Eligible Acquisition and remains a Subsidiary of the Borrower.

3.5 The definition of “New Portfolio Company” in Section 1.01 is amended and restated to read as follows:

“New Portfolio Company” means (i) a Target acquired after the First Incremental Facility Amendment Effective Date by the Borrower or any Acquisition Subsidiary as a new portfolio company pursuant to a Permitted Eligible Acquisition or (ii) a Target acquired after the First Incremental Facility Amendment Effective Date by an Existing Portfolio Company or any Acquisition Subsidiary as an add-on acquisition by such Existing Portfolio Company in a Permitted Eligible Acquisition, in each case together with, if applicable, the Acquisition Subsidiary and the Wholly-Owned Subsidiaries of such Target and to the extent that any such Target remains a Subsidiary of the Borrower and either (A) is not deemed an Existing Portfolio Company pursuant to clause (xi) of the definition of “Existing Portfolio Company” or (B) has not been classified or reclassified as an Existing Portfolio Company. For the avoidance of doubt, New Portfolio Companies shall in all instances exclude any Outside Companies.

3.6 The following new definitions are added to Section 1.01 in the appropriate alphabetical order to read as follows:

“First Incremental Facility Amendment” means that certain First Incremental Facility Amendment dated as of the First Incremental Facility Amendment Effective Date by and among the Borrower, the Lenders party thereto and the Administrative Agent.

“First Incremental Facility Amendment Effective Date” means January 9, 2025.

“Honey Pot” means THP Topco, Inc., a Delaware corporation.



“Incremental DDTL Availability Period” means the period from January 9, 2025 and the earlier of (a) July 9, 2025 and (b) the date on which the Incremental Delayed Draw Term Loan Commitment has been terminated (including fully drawn).

“Incremental DDTL Commitment Fee” has the meaning specified in Section 2.09(c).

“Incremental Delayed Draw Term Loan Commitment” means, as to each applicable Lender, its obligation to make a portion of the Incremental Delayed Draw Term Loan during the Incremental DDTL Availability Period to the Borrower pursuant to Section 2.01(b)(ii), hereunder, in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Lender’s name on Schedule 1 to the First Incremental Facility Amendment under the caption “Incremental Delayed Draw Term Loan Commitment” or in the Assignment and Assumption or other documentation pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement. The Incremental Delayed Draw Term Loan Commitment of all the Lenders as of January 9, 2025 shall be \$100,000,000.

“Incremental Delayed Draw Term Loan” has the meaning specified in Section 2.01(b)(ii).

“Term Loan” has the meaning specified in Section 2.01(b)(i).

3.7 Section 2.01(b) is amended and restated to read as follows:

(b) Term Loan.

(i) Subject to the terms and conditions set forth herein, each Lender severally agrees to make its portion of a term loan (the “Term Loan”) to the Borrower in Dollars on the Closing Date in an amount not to exceed such Lender’s Term Loan Commitment. Amounts repaid on the Term Loan may not be reborrowed. The Term Loan may consist of Base Rate Loans or Term SOFR Loans, or a combination thereof, as further provided herein; provided, however, all Borrowings made on the Closing Date shall be made as Base Rate Loans unless the Administrative Agent shall have received an acceptable funding indemnity letter with respect to a Borrowing of Term SOFR Loans.

(ii) Incremental Delayed Draw Term Loan Commitment. Subject to the terms and conditions set forth herein, each Lender with an Incremental Delayed Draw Term Loan Commitment severally agrees to make its portion of a term loan (the “Incremental Delayed Draw Term Loan”) to the Borrower from time to time in no more than two draws on any Business Day during the Incremental DDTL Availability Period in a principal amount not to exceed such Lender’s Incremental Delayed Draw Term Loan Commitment. Amounts repaid on the Incremental Delayed Draw Term Loan may not be reborrowed. The Incremental Delayed Draw Term Loan may consist of Base Rate Loans or Term SOFR Loans, or a combination thereof, as further provided herein.

3.8 A new Section 2.06(c) is added to read as follows:

The Borrower may, upon notice to the Administrative Agent, terminate the Incremental Delayed Draw Term Loan Commitments, or from time to time permanently reduce the

Incremental Delayed Draw Term Loan Commitments; provided that (i) any such notice shall be received by the Administrative Agent not later than 11:00 a.m. five (5) Business Days prior to the date of termination or reduction and (ii) any such partial reduction shall be in an aggregate amount of \$1,000,000 or any whole multiple of \$500,000 in excess thereof. The Administrative Agent will promptly notify the Lenders of any such notice of termination or reduction of the Incremental Delayed Draw Term Loan Commitments. Any reduction of the Incremental Delayed Draw Term Loan Commitments shall be applied to the Incremental Delayed Draw Term Loan Commitments of each Lender according to its Applicable Percentage. All fees and interest accrued until the effective date of any termination of the Incremental Delayed Draw Term Loan Commitments shall be paid on the effective date of such termination.

3.9 Section 2.07(c) is amended and restated in its entirety to read as follows:

(c) **Term Loans.** (i) The Borrower shall repay to the Lenders the aggregate principal amount of the Term Loan on the following dates in the respective amounts set forth opposite such dates (which amounts shall be reduced as a result of the application of prepayments in accordance with the order of priority set forth in [Section 2.05](#)), unless accelerated sooner pursuant to [Section 8.02](#):

| <b>Payment Dates</b> | <b>Principal Repayment Installments</b> |
|----------------------|---|
| September 30, 2022   | \$2,500,000.00                          |
| December 31, 2022    | \$2,500,000.00                          |
| March 31, 2023       | \$2,500,000.00                          |
| June 30, 2023        | \$2,500,000.00                          |
| September 30, 2023   | \$2,500,000.00                          |
| December 31, 2023    | \$2,500,000.00                          |
| March 31, 2024       | \$2,500,000.00                          |
| June 30, 2024        | \$2,500,000.00                          |
| September 30, 2024   | \$2,500,000.00                          |
| December 31, 2024    | \$2,500,000.00                          |
| March 31, 2025       | \$3,750,000.00                          |
| June 30, 2025        | \$3,750,000.00                          |
| September 30, 2025   | \$7,500,000.00                          |
| December 31, 2025    | \$7,500,000.00                          |
| March 31, 2026       | \$7,500,000.00                          |
| June 30, 2026        | \$7,500,000.00                          |
| September 30, 2026   | \$11,250,000.00                         |
| December 31, 2026    | \$11,250,000.00                         |
| March 31, 2027       | \$11,250,000.00                         |

*provided, however,* that (i) the final principal repayment installment of the Term Loan shall be repaid on the Maturity Date and in any event shall be in an amount equal to the aggregate principal amount of the Term Loan outstanding on such date, (ii) if any principal repayment installment to be made by the Borrower (other than principal repayment installments on Term

SOFR Loans) shall come due on a day other than a Business Day, such principal repayment installment shall be due on the next succeeding Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be and (iii) if any principal repayment installment to be made by the Borrower on a Term SOFR Loan shall come due on a day other than a Business Day, such principal repayment installment shall be extended to the next succeeding Business Day unless the result of such extension would be to extend such principal repayment installment into another calendar month, in which event such principal repayment installment shall be due on the immediately preceding Business Day.

(ii) Commencing on the first fiscal quarter ending after the earlier of (A) the date Incremental Delayed Draw Term Loan is fully drawn and (B) the end of the Incremental DDTL Availability Period, the Borrower shall repay to the Lenders on the following dates the percentage amount of the drawn Incremental Delayed Draw Term Loan set forth opposite such dates (which amounts shall be reduced as a result of the application of prepayments in accordance with the order of priority set forth in Section 2.05), unless accelerated sooner pursuant to Section 8.02:

| <b>Payment Dates</b> | <b>Principal Repayment Percentage</b> |
|----------------------|---------------------------------------|
| March 31, 2025       | 0.625%                                |
| June 30, 2025        | 0.625%                                |
| September 30, 2025   | 1.250%                                |
| December 31, 2025    | 1.250%                                |
| March 31, 2026       | 1.250%                                |
| June 30, 2026        | 1.250%                                |
| September 30, 2026   | 1.875%                                |
| December 31, 2026    | 1.875%                                |
| March 31, 2027       | 1.875%                                |

*provided, however*, that (i) the final principal repayment installment of the Incremental Delayed Draw Term Loan shall be repaid on the Maturity Date and in any event shall be in an amount equal to the aggregate principal amount of the Incremental Delayed Draw Term Loan outstanding on such date, (ii) if any principal repayment installment to be made by the Borrower (other than principal repayment installments on Term SOFR Loans) shall come due on a day other than a Business Day, such principal repayment installment shall be due on the next succeeding Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be and (iii) if any principal repayment installment to be made by the Borrower on a Term SOFR Loan shall come due on a day other than a Business Day, such principal repayment installment shall be extended to the next succeeding Business Day unless the result of such extension would be to extend such principal repayment installment into another calendar month, in which event such principal repayment installment shall be due on the immediately preceding Business Day.

3.8 A new Section 2.09(c) is added to read as follows:

(c) Incremental DDTL Commitment Fee. The Borrower shall pay to the Administrative Agent, for the account of each Lender in accordance with its Applicable Percentage, a commitment fee (the "Incremental DDTL Commitment Fee") equal to the product

of (i) the Applicable Rate times (ii) the actual daily amount by which the Incremental Delayed Draw Term Loan Commitments exceed the Incremental Delayed Draw Term Loans, subject to adjustment as provided in Section 2.15. The Incremental DDTL Commitment Fee shall accrue at all times during the Incremental DDTL Availability Period, and shall be due and payable quarterly in arrears on the last Business Day of each March, June, September and December, commencing with March 31, 2025, and on the last day of the Incremental DDTL Availability Period. The Incremental DDTL Commitment Fee shall be calculated quarterly in arrears, and if there is any change in the Applicable Rate during any quarter, the actual daily amount shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect.

4. Conditions Precedent. This Amendment shall become effective as of the date hereof (the "Incremental Amendment Effective Date") upon receipt by the Administrative Agent of the following conditions precedent in each case in a manner satisfactory to the Administrative Agent:

4.1 Amendment. Receipt by the Administrative Agent of executed counterparts of this Amendment properly executed by a Responsible Officer of the Borrower, each Incremental Term Loan Lender, the Lenders constituting Required Lenders, and the Administrative Agent.

4.2 Opinions of Counsel. Receipt by the Administrative Agent of favorable opinions of legal counsel to the Borrower, addressed to the Administrative Agent and each Lender, dated as of the date of this Amendment.

4.3 Resolutions. Receipt by the Administrative Agent of such certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers of the Borrower as the Administrative Agent may reasonably require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Amendment.

4.4 Pro Forma Compliance Certificate. The Administrative Agent shall have received a Pro Forma Compliance Certificate demonstrating that after giving effect to the Incremental Term Facilities contemplated herein the Borrower is in compliance with the financial covenants in Section 7.11 of the Credit Agreement on a Pro Forma Basis.

4.5 Collateral Documents. Receipt by the Administrative Agent of such amendments to the Collateral Documents as the Administrative Agent may reasonably request to cause the Collateral Documents to secure the Obligations after giving effect to the Incremental Facility contemplated herein.

4.6 Fees. Receipt by the Administrative Agent, each lead arranger for the transactions contemplated by this Amendment and the Lenders of any fees required to be paid on or before the date of this Amendment, including those detailed in that certain Fee Letter, dated as of December 3, 2024, by and among the Borrower and BofA Securities.

4.7 Attorney Costs. The Borrower shall have paid all reasonable and documented fees, charges and disbursements of counsel to the Administrative Agent to the extent invoiced prior to or on the date hereof.

5. Reaffirmation. The Borrower acknowledges and reaffirms that (a) it is bound by all of the terms of the Loan Documents to which it is a party and (b) it is responsible for the observance and full performance of all Obligations, including, without limitation, the repayment of the Loans and reimbursement of any drawings on any Letter of Credit. Furthermore, the Borrower acknowledges and confirms that (a) the Administrative Agent, the Lenders and the L/C Issuer have performed fully all of their obligations under the Credit Agreement and the other Loan Documents and (b) by entering into this Amendment, the Administrative Agent, the Lenders and the L/C Issuer do not waive or release any term or condition of the Credit Agreement or any of the other Loan Documents or any of their rights or remedies under such Loan Documents or any applicable law or any of the obligations of the Borrower thereunder.

6. Miscellaneous.

6.1 The Credit Agreement (as amended hereby) and the obligations of the Borrower thereunder and under the other Loan Documents are hereby ratified and confirmed and shall remain in full force and effect according to their terms. This Amendment shall not be deemed or construed to be a satisfaction, reinstatement, novation or release of any Loan Document or a waiver by the Administrative Agent, any Lender or the L/C Issuer of any rights and remedies under the Loan Documents, at law or in equity.

6.2 The Borrower hereby represents and warrants to the Administrative Agent, the Lenders and the L/C Issuer as follows:

(a) The Borrower has taken all necessary action to authorize the execution, delivery and performance of this Amendment. This Amendment and the execution and performance hereof by the Borrower do not conflict with the Borrower's Organization Documents or any law, agreement or obligation by which the Borrower is bound.

(b) This Amendment has been duly executed and delivered by the Borrower and constitutes the Borrower's legal, valid and binding obligations, enforceable in accordance with its terms, subject to bankruptcy, insolvency and similar laws affecting the enforceability of creditors' rights generally and to general principles of equity.

(c) No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery or performance by, or enforcement against, the Borrower of this Amendment.

(d) The representations and warranties of the Borrower contained in Article V of the Credit Agreement or in any other Loan Document, or which are contained in any document furnished at any time under or in connection therewith, are true and correct in all material respects (or, in the case of any such representations and warranties qualified by materiality or Material Adverse Effect, in all respects as drafted) as of the date hereof with the same effect as if made on and as of the date hereof, except to the extent such representations and warranties specifically refer to an earlier date, in which case such representations and warranties are true and correct in all material respects (or, in the case of any such representations and warranties qualified by materiality or Material Adverse Effect, in all respects as drafted) as of such earlier date.

(e) Before and after giving effect to the Incremental Facilities contemplated herein, no event has occurred and is continuing which constitutes a Default or an Event of Default.

6.3 This Amendment shall constitute a Loan Document for all purposes. This Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall constitute one and the same instrument. Delivery of an executed counterpart of this Amendment by telecopy or other electronic means (such as by email in “pdf” or “tif” format) shall be effective as an original and shall constitute a representation that an executed original shall be delivered. This Amendment constitutes the entire contract among the parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof.

6.4 THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. THE TERMS OF SECTIONS 10.14 AND 10.15 OF THE CREDIT AGREEMENT ARE INCORPORATED HEREIN BY REFERENCE, *MUTATIS MUTANDIS*.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, each of the parties hereto has caused caused a counterpart of this First Incremental Facility Amendment to be duly executed and delivered as of the date first above written.

BORROWER:

COMPASS GROUP DIVERSIFIED HOLDINGS LLC,  
a Delaware limited liability company

By: /s/ Stephen Keller  
Name: Stephen Keller  
Title: Chief Financial Officer

[SIGNATURE PAGES CONTINUE]

ADMINISTRATIVE AGENT:

BANK OF AMERICA, N.A., as Administrative Agent

By: /s/ Kelly Weaver

Name: Kelly Weaver

Title: Vice President



LENDERS:

BANK OF AMERICA, N.A., as an Incremental Term Loan Le

By: /s/ Timothy J. Waltman  
Name: Timothy J. Waltman  
Title: Senior Vice President



CIBC BANK USA, as an Incremental Term Loan Lender and a

By: /s/ Jeff Groenewold  
Name: Jeff Groenewold  
Title: Managing Director

WELLS FARGO BANK, NATIONAL ASSOCIATION, as an  
Required Lender

By:           /s/ Karla Kaplan            
Name: Karla Kaplan  
Title: Managing Director

FIFTH THIRD BANK, NATIONAL ASSOCIATION, as an In  
Required Lender

By: /s/ Geoffrey Jinnah  
Name: Geoffrey Jinnah  
Title: Principal, Assistant Vice President



JPMORGAN CHASE BANK, N.A., as a Required Lender

By: /s/ Diane Bredehoft  
Name: Diane Bredehoft  
Title: Authorized Officer

SCHEDULE 1

INCREMENTAL TERM LOAN COMMITMENTS

| Lender                                 | Incremental Term Loan Commitment | Applicable Percentage of Commitments |
|--|----------------------------------|--------------------------------------|
| Bank of America, N.A.                  | \$74,000,000.00                  | 37.000000000 %                       |
| TD Bank, N.A.                          | \$30,000,000.00                  | 15.000000000 %                       |
| CIBC Bank USA                          | \$30,000,000.00                  | 15.000000000 %                       |
| Wells Fargo Bank, National Association | \$30,000,000.00                  | 15.000000000 %                       |
| Fifth Third Bank, National Association | \$20,000,000.00                  | 10.000000000 %                       |
| Truist Bank                            | \$16,000,000.00                  | 8.000000000 %                        |
| TOTAL                                  | \$200,000,000.00                 | 100.000000000 %                      |

INCREMENTAL DELAYED DRAW TERM LOAN COMMITMENTS

| Lender                                 | Incremental Delayed Draw Term Loan Commitment | Applicable Percentage of Commitments |
|--|---|--------------------------------------|
| Bank of America, N.A.                  | \$37,000,000.00                               | 37.000000000 %                       |
| TD Bank, N.A.                          | \$15,000,000.00                               | 15.000000000 %                       |
| CIBC Bank USA                          | \$15,000,000.00                               | 15.000000000 %                       |
| Wells Fargo Bank, National Association | \$15,000,000.00                               | 15.000000000 %                       |
| Fifth Third Bank, National Association | \$10,000,000.00                               | 10.000000000 %                       |
| Truist Bank                            | \$8,000,000.00                                | 8.000000000 %                        |
| TOTAL                                  | \$100,000,000.00                              | 100.000000000 %                      |





## Compass Diversified Holdings Announces Amendment of its Credit Agreement

**Westport, Conn., January 10, 2025** – Compass Diversified Holdings (NYSE: CODI) (“CODI” or the “Company”), an owner of leading middle market businesses, announced that on January 9, 2025, it entered into a First Incremental Facility Amendment (the “Amendment”) to its existing Credit Agreement with Bank of America, N.A., as Administrative Agent for the Lenders party thereto.

The Amendment modifies the Company’s Third Amended and Restated Credit Agreement, dated as of July 12, 2022, as amended, among the Company, the Lenders, the Administrative Agent and the other financial institutions party thereto, to provide for (a) an additional advance of the term loan in the aggregate amount of \$200 million (the “Incremental Term Loan”) on the date of the Amendment, and (b) delayed draw term loan commitments in the aggregate amount of \$100 million (the “Incremental Delayed Draw Term Loan Commitments,” and the loan drawn thereunder is referred to herein as the “Incremental Delayed Draw Term Loan”), which may be reduced or terminated by the Company upon five business days’ notice and pursuant to which the Company may make no more than two draws by July 9, 2025.

The proceeds from the Incremental Term Loan and the Incremental Delayed Draw Term Loan will be used for new acquisitions, working capital, capital expenditures and other general corporate purposes. The Incremental Term Loan, along with the existing term loan under the Credit Agreement, will require quarterly repayments of principal amount ranging from \$3.75 million to \$11.25 million, commencing March 31, 2025, with a final payment of principal and interest due on July 12, 2027.

Commencing on the first quarter ending after the earlier of (i) the date Incremental Delayed Draw Term Loan is fully drawn and (ii) the end of the Availability Period, the Company will be required to make quarterly repayments of principal amount ranging from 0.625% to 1.875% of the drawn Incremental Delayed Draw Term Loan (which amounts will be reduced by certain prepayment, if any), unless such loan is accelerated sooner. The Amendment contains customary representations and warranties. All other material terms and conditions of the Credit Agreement were unchanged.

### About Compass Diversified

Since its IPO in 2006, CODI has consistently executed its strategy of owning and managing a diverse set of highly defensible, middle-market businesses across the industrial, branded consumer and healthcare sectors. The Company leverages its permanent capital base, long-term disciplined approach, and actionable expertise to maintain controlling ownership interests in each of its subsidiaries, maximizing its ability to

impact long-term cash flow generation and value creation. The Company provides both debt and equity capital for its subsidiaries, contributing to their financial and operating flexibility. CODI utilizes the cash flows generated by its subsidiaries to invest in the long-term growth of the Company and has consistently generated strong returns through its culture of transparency, alignment and accountability. For more information, please visit [compassdiversified.com](http://compassdiversified.com).

#### **FORWARD-LOOKING STATEMENTS**

This press release contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements with regard to the expectations related to the future performance of CODI. Words such as "believes," "expects," "will," "anticipates," "intends," "continue," "projects," "potential," "assuming," and "future" or similar expressions, are intended to identify forward-looking statements. These forward-looking statements are subject to the inherent uncertainties in predicting future results and conditions, some of which are not currently known to CODI. In addition to factors previously disclosed in CODI's reports filed with the SEC, the following factors, among others, could cause actual results to differ materially from forward-looking statements: changes in the economy, financial markets and political environment; risks associated with possible disruption in CODI's operations or the economy generally due to terrorism, natural disasters, or social, civil and political unrest; future changes in laws or regulations (including the interpretation of these laws and regulations by regulatory authorities); and other considerations that may be disclosed from time to time in CODI's publicly disseminated documents and filings. Further information regarding CODI and factors which could affect the forward-looking statements contained herein can be found in CODI's annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. Forward-looking statements speak only as of the date they are made. Except as required by law, CODI undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

#### **Investor Relations**

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