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Compass Diversified Holdings Subsidiary, Sterno Products, Acquires sevenOKs

Accretive Add-On Acquisition Strengthens Sterno Products' Comprehensive Line of Industry Leading Products for the Foodservice Market

WESTPORT, Conn., Aug. 31, 2017 /PRNewswire/ -- Compass Diversified Holdings (NYSE: CODI) ("CODI" or the "Company"), an owner of leading middle market businesses, announced today that its subsidiary, Sterno Products, LLC ("Sterno Products"), has acquired sevenOKs, Inc. ("sevenOKs"), a leading provider of insulated food carriers for the foodservice and retail markets.

Based in La Porte, Indiana, sevenOKs is one of North America's top manufacturers and distributors of premium insulated hot and cold food carriers and accessories for restaurant delivery, stadium concessions, catering operations and school nutrition programs. All sevenOKs products are engineered and assembled in-house through a zero-defect manufacturing process, allowing for high customer flexibility with customization options and short lead times. For the fiscal year ended December 31, 2016, sevenOKs reported net revenue of approximately \$4 million. CODI funded the purchase price through a draw on its revolving credit facility.

"This marks our second accretive add-on acquisition since acquiring Sterno Products in 2014," stated Alan Offenber, CEO of Compass Diversified Holdings. "As with the 2016 acquisition of Northern International, adding sevenOKs furthers Sterno Products' expansion into complementary categories with its extensive foodservice product line. Looking ahead, CODI will continue seeking opportunities to acquire and grow leading middle market businesses that generate strong cash flows and support our ability to provide consistent distributions to our shareholders."

Don Hinshaw, President and CEO of Sterno Products, commented, "The acquisition of sevenOKs is a natural extension of our company's 100-year mission to provide our customers with quality products that help keep food at ideal serving temperatures. Adding this premium brand strengthens Sterno Products' comprehensive portfolio of industry leading products, while also expanding our presence in the foodservice market."

About Compass Diversified Holdings ("CODI")

CODI owns and manages a diverse family of established North American middle market businesses. Each of its current subsidiaries is a leader in its niche market.

CODI maintains controlling ownership interests in each of its subsidiaries in order to maximize its ability to impact long term cash flow generation and value. 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 to make cash distributions to its shareholders.

Our nine majority-owned subsidiaries are engaged in the following lines of business:

- | The design and marketing of purpose-built tactical apparel and gear serving a wide range of global customers (**5.11**);
- | The manufacture of quick-turn, small-run and production rigid printed circuit boards (**Advanced Circuits**);
- | The manufacture of engineered magnetic solutions for a wide range of specialty applications and end-markets (**Arnold Magnetic Technologies**);
- | Environmental services for a variety of contaminated materials including soils, dredged material, hazardous waste and drill cuttings (**Clean Earth**);
- | The design, manufacture and marketing of airguns, archery products, optics and related accessories (**Crosman**);
- | The design and marketing of wearable baby carriers, strollers and related products (**Ergobaby**);
- | The design and manufacture of premium home and gun safes (**Liberty Safe**);

- | The manufacture and marketing of branded, hemp-based food products (**Manitoba Harvest**); and
- | The manufacture and marketing of portable food warming fuels and creative ambience solutions for the hospitality and consumer markets (**Sterno Products**).

This press release may contain certain forward-looking statements, including statements with regard to the future performance of CODI. Words such as "believes," "expects," "projects," 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. Certain factors could cause actual results to differ materially from those projected in these forward-looking statements, and some of these factors are enumerated in the risk factor discussion in the Form 10-K filed by CODI with the SEC for the year ended December 31, 2016 and other filings with the SEC. 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.

View original content:<http://www.prnewswire.com/news-releases/compass-diversified-holdings-subsiidiary-sterno-products-acquires-sevenoks-300511770.html>

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