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## Compass Diversified Holdings Announces Partial Divestiture of Fox Factory Holding Corp. for \$71.8 Million of Net Proceeds

### Company Retains 14% Ownership of FOX Common Stock

WESTPORT, Conn., Nov. 22, 2016 /PRNewswire/ -- Compass Diversified Holdings (NYSE: CODI) ("CODI" or the "Company"), an owner of leading middle market businesses, announced today that Fox Factory Holding Corp. ("FOX") (Nasdaq: FOXF) closed on a secondary public offering of 4,025,000 shares of FOX common stock held by certain FOX stockholders, including CODI. CODI sold a total of 3,500,000 shares of FOX common stock in the secondary public offering for total net proceeds of approximately \$71.8 million.

Upon completion of the offering, CODI's ownership in FOX was reduced from approximately 23% to 14% or 5,108,718 shares of FOX's common stock.

Alan Offenberg, CEO of Compass Diversified Holdings, commented, "With today's transaction, we have further bolstered our financial liquidity for capitalizing on strategic add-on and platform acquisition opportunities, while increasing the total gains realized from investments in our subsidiaries to approximately \$650 million. We continue to be a substantial shareholder in FOX and remain excited about the company's growth potential."

### 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 eight 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 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**).

In addition, we own approximately 14% of the common stock of Fox Factory Holding Corp. ("FOX", Nasdaq: FOXF), a former subsidiary business that completed its initial public offering in August 2013. FOX designs and manufactures high-performance suspension products primarily for mountain bikes, side-by-side vehicles, on-road and off-road vehicles and trucks, all-terrain vehicles, snowmobiles, specialty vehicles and applications, and motorcycles.

*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, 2015 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.*

To view the original version on PR Newswire, visit:<http://www.prnewswire.com/news-releases/compass-diversified-holdings-announces-partial-divestiture-of-fox-factory-holding-corp-for-718-million-of-net-proceeds-300367563.html>

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