



 **GULF ISLAND**

INVESTOR PRESENTATION

November 2024

CAUTIONARY STATEMENT

This presentation contains forward-looking statements in which the Company discusses its potential future performance, operations and projects. Forward-looking statements, within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995, are all statements other than statements of historical facts, such as projections or expectations relating to operating results; diversification and entry into new end markets; industry outlook; timing of investment decisions and new project awards; cash flows and cash balance; capital expenditures; liquidity; and execution of strategic initiatives. The words “anticipates,” “may,” “can,” “plans,” “believes,” “estimates,” “expects,” “projects,” “intends,” “likely,” “will,” “to be,” “potential” and any similar expressions are intended to identify those assertions as forward-looking statements. The timing and amount of any share repurchases will be at the discretion of management and will depend on a variety of factors including, but not limited to, the Company’s operating performance, cash flow and financial position, the market price of its common stock and general economic and market conditions. The share repurchase program may be modified, increased, suspended or terminated at any time at the Board’s discretion.

The Company cautions readers that forward-looking statements are not guarantees of future performance and actual results may differ materially from those anticipated, projected or assumed in the forward-looking statements. Important factors that can cause its actual results to differ materially from those anticipated in the forward-looking statements include: supply chain disruptions, inflationary pressures, economic slowdowns and recessions, natural disasters, public health crises, labor costs and geopolitical conflicts, and the related volatility in oil and gas prices and other factors impacting the global economy; cyclical nature of the oil and gas industry; competition; reliance on significant customers; competitive pricing and cost overruns on its projects; performance of subcontractors and dependence on suppliers; timing and its ability to secure and commence execution of new project awards, including fabrication projects for refining, petrochemical, LNG, industrial and sustainable energy end markets; its ability to maintain and further improve project execution; nature of its contract terms and customer adherence to such terms; suspension or termination of projects; changes in contract estimates; customer or subcontractor disputes; operating dangers, weather events and availability and limits on insurance coverage; operability and adequacy of its major equipment; its ability to raise additional capital; its ability to amend or obtain new debt financing or credit facilities on favorable terms; its ability to generate sufficient cash flow; its ability to resolve any material legal proceedings; its ability to execute its share repurchase program and enhance shareholder value; its ability to obtain letters of credit or surety bonds and ability to meet any indemnification obligations thereunder; consolidation of its customers; financial ability and credit worthiness of its customers; adjustments to previously reported profits or losses under the percentage-of-completion method; its ability to employ a skilled workforce; loss of key personnel; utilization of facilities or closure or consolidation of facilities; failure of its safety assurance program; barriers to entry into new lines of business; weather impacts to operations; any future asset impairments; changes in trade policies of the U.S. and other countries; compliance with regulatory and environmental laws; lack of navigability of canals and rivers; systems and information technology interruption or failure and data security breaches; performance of partners in any future joint ventures and other strategic alliances; shareholder activism; and other factors described under “Risk Factors” in Part I, Item 1A of the Company’s annual report on Form 10-K for the year ended December 31, 2023, as updated by subsequent filings with the SEC.

Additional factors or risks that the Company currently deems immaterial, that are not presently known to the Company or that arise in the future could also cause the Company’s actual results to differ materially from its expected results. Given these uncertainties, interested parties are cautioned that many of the assumptions upon which the Company’s forward-looking statements are based are likely to change after the date the forward-looking statements are made, which it cannot control. Further, the Company may make changes to its business plans that could affect its results. The Company cautions interested parties that it undertakes no obligation to publicly update or revise any forward-looking statements, which speak only as of the date made, for any reason, whether as a result of new information, future events or developments, changed circumstances, or otherwise, and notwithstanding any changes in its assumptions, changes in business plans, actual experience or other changes.

NON-GAAP MEASURES

This presentation includes certain non-GAAP measures, including earnings before interest, taxes, depreciation and amortization (“EBITDA”), adjusted EBITDA, adjusted revenue and new project awards. The Company believes EBITDA is a useful supplemental measure as it reflects the Company’s operating results and expectations of future performance excluding the non-cash impacts of depreciation and amortization. The Company believes adjusted EBITDA is a useful supplemental measure as it reflects the Company’s EBITDA adjusted to remove certain nonrecurring items (including a gain from the sale of assets held for sale and gains from the impact of insurance recoveries and costs associated with damage previously caused by Hurricane Ida) and the operating results for the Company’s Shipyard Division (the wind down of which was substantially completed in the fourth quarter 2023). The Company believes adjusted revenue is a useful supplemental measure as it reflects the Company’s revenue adjusted to remove revenue for the Company’s Shipyard Division (the wind down of which was substantially completed in the fourth quarter 2023). The Company believes new project awards is a useful supplemental measure as it represents work that the Company is obligated to perform under its current contracts. New project awards represent the expected revenue value of contract commitments received during a given period, including scope growth on existing contract commitments. See slides 37-39 for reconciliations of the relevant amounts to the most comparable GAAP measures.

Non-GAAP measures are not intended to be replacements or alternatives to GAAP measures, and interested parties are urged to consider these non-GAAP measures in addition to, and not in substitution for, measures prepared in accordance with GAAP. The Company may present or calculate non-GAAP measures differently from other companies.

COMPANY OVERVIEW

~\$165 million

of consolidated TTM
adjusted revenue*

~\$113 million

market capitalization
at Nov. 12, 2024

~\$67 million

cash balance
at Sept. 30, 2024

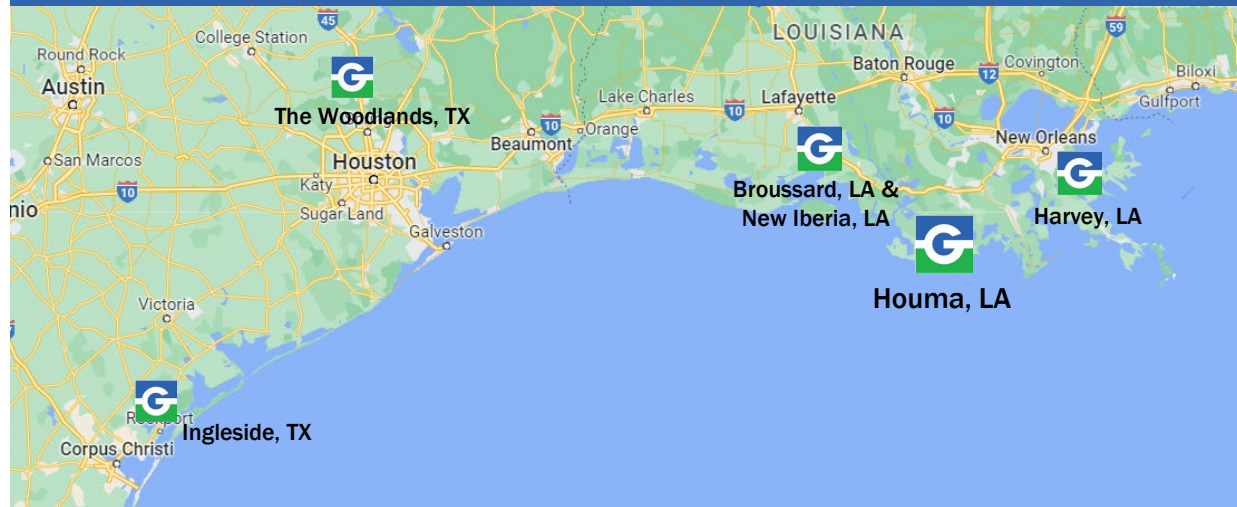
Significant progress on Strategic Transformation has positioned Gulf Island to pursue Profitable Growth

Growing **Services business**
provides stable growth platform

Fabrication business strategically
positioned in attractive end markets

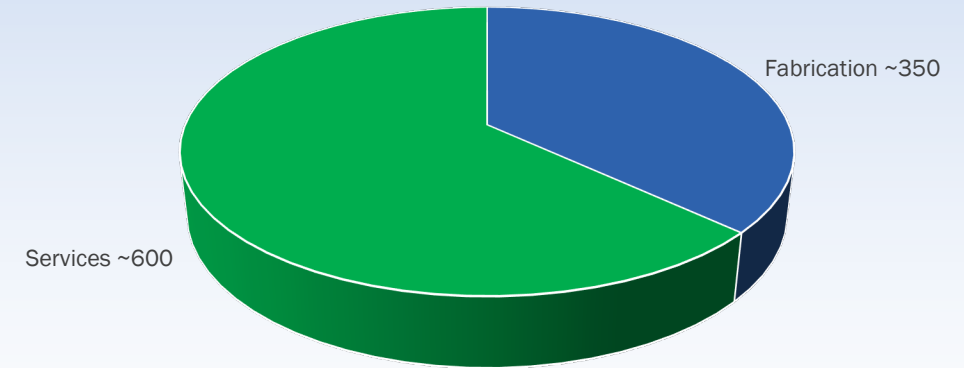
Gulf Island (GIFI) is a leading fabricator of complex steel structures and modules and services provider to the industrial and energy sectors. The Company is headquartered in The Woodlands, TX with its primary operating facilities in Houma, LA.

Locations



- Gulf Island's primary operating and fabrication facilities in Houma, LA support both Fabrication and Services
- The Houma facilities (owned) consist of approximately 160 acres on the Houma Navigation Canal, providing direct water access to the Gulf of Mexico
- Operating locations in Ingleside (owned), Harvey (leased) and Broussard (leased) further support Services and provide an expanded geographic reach for personnel

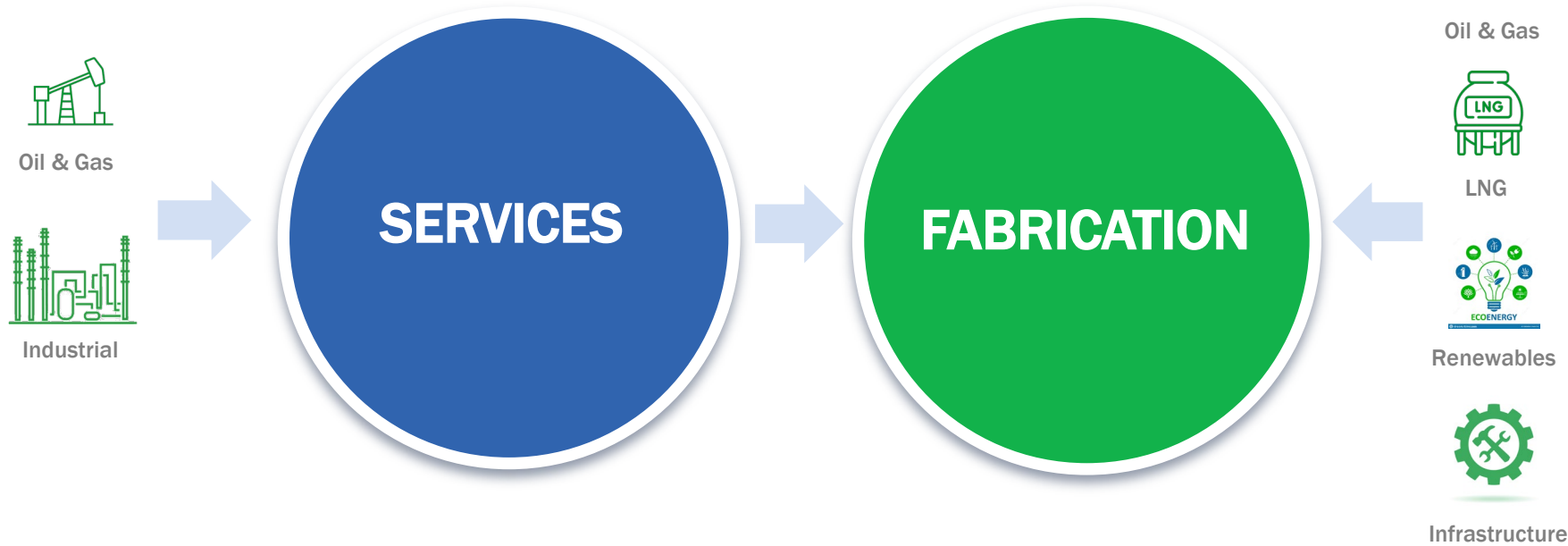
Experienced Labor Force



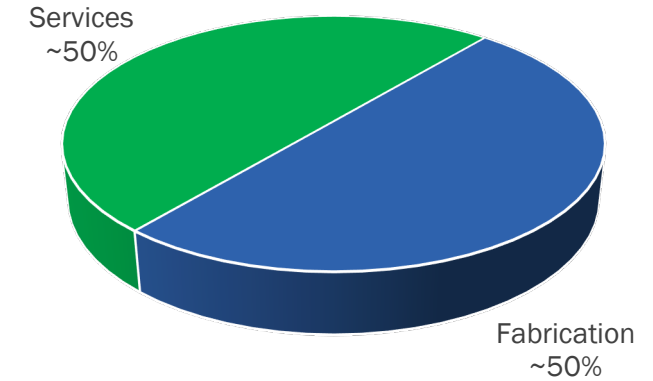
- Strong team of project professionals with demonstrated experience to support both small-scale and large-scale projects
- Non-union, skilled labor force capable of fabricating complex steel structures and providing offshore and onshore services
- Proven ability to ramp-up headcount to support large-scale fabrication projects based on deep pool of skilled craft labor in Houma region

Skilled, craft labor workforce and strategic location with direct water access is an important competitive advantage.

Operates Through Two Operating Segments



Revenue Mix



Current mix (for full year 2023) reflects strength of Services business and low volume of large-scale fabrication revenue. Relative mix will change if large-scale fabrication projects are in backlog.

Fabrication business will benefit in the near term from favorable end market trends (especially in the Gulf of Mexico), while opportunities in energy transition present attractive long-term growth potential. Services platform provides benefit of stable, predictable results while also driving pull-through Fabrication work.

Maintenance & Decommissioning	Scaffolding	Coatings	Cleaning & Environmental	Welding Enclosures	Municipal & Civil
Welding Fitting Rigging Equipment Operations Firewatch	Traditional SafeDeck	Blasting/Painting Insulation Fireproofing Ultra High Pressure	Cleaning Flushing Decommissioning Support Maintenance Support	Spark Containment Pressurized Enclosures Firewatch	Pump Stations Levee Reinforcement Bulkheads Spud Barge Ops Other Public Works
					

Gulf Island's Services Division provides a wide range of services on offshore and inland platforms and structures and at industrial facilities. Contracts are generally structured as time & materials or cost-reimbursable.

Maintenance & Decommissioning



Launcher Skid installation in connection with a subsea tie-back project.

Offshore Hookup



Hookup of a Tension Leg Platform at an offshore location. Facilities are connected to subsea equipment on the ocean floor to allow for hydrocarbon production.

Coatings



Coating project on offshore platform. Offshore environments are harsh, so maintenance coatings are critical to maintaining the life expectancy of an asset.

Scaffold



Scaffolding installation on an inshore project. Scaffolding allows easy access to remote areas.

Services business has benefited from favorable end market trends and the contribution of the division's welding enclosures business line.

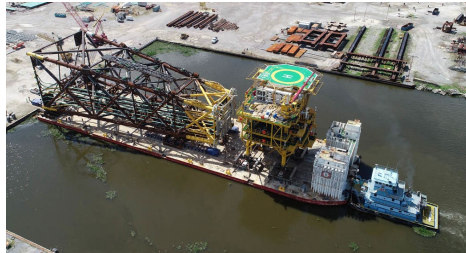
Modules, Skids & Piping Systems

Equipment
Modules/Skids
Process Modules/Skids
Pipe Racks
Pipe Spools
Specialty Piping



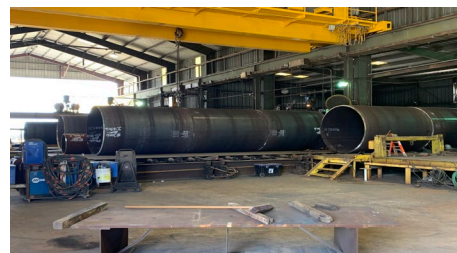
Offshore O&G Structures

Jacket Foundations
Decks
Hulls
Process Modules/Skids
Sub-sea Tiebacks



Rolled Goods, Docks & Terminals

Piles/Monopiles
Large OD Pipe
Mooring Dolphins
Dock Structures
Walkways



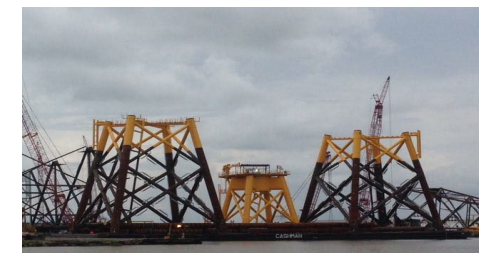
Subsea Structures

PLETS/PLEMS
Inline Sleds
Jumpers
Suction Piles
Manifolds
Mudmats



Offshore Wind Structures

Jacket Foundations
Electrical Substations
Steel Components
Support Structures



Gulf Island's Fabrication Division fabricates a wide range of steel structures for onshore and offshore customers. Contracts are generally structured as fixed-price or a hybrid of fixed-price, time & materials and cost-reimbursable.

Ethane Cracker Modules



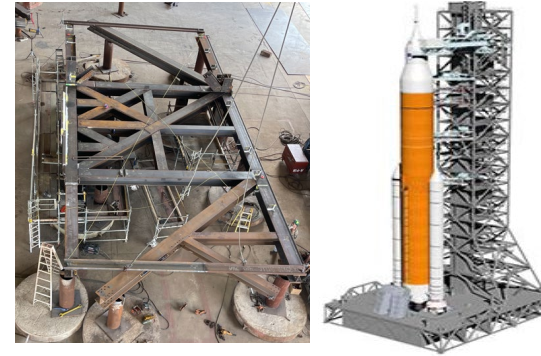
2,900-ton Secondary Quench Exchanger (SQE) module and three 2,500-ton process modules for Ethane Cracker Facility.

Offshore Wind Turbine Foundations



Five 400-ton Jacket Foundations with Piles and five 360-ton Transition Pieces for Offshore Turbine Foundations.

Mobile Launcher 2 Truss Components



Multiple structural truss components for NASA's Mobile Launcher 2 Project which will be used for the Artemis Space Program.

Subsea Structures



Structures associated with a Gulf of Mexico subsea development consisting of Suction Piles, Sleepers, Mudmats, Jumpers and PLET pin piles.

Small-scale fabrication business benefiting from strong trends in the Gulf Coast region. Bidding activity in the large-scale fabrication market is strong driven by favorable end market trends and limited industry capacity.

Safety

A strong safety culture is a critical element of Gulf Island's success, and the Company is committed to the safety and health of its employees and subcontractors.

Community

Gulf Island is committed to training the next generation of skilled craft professionals. The Company is also a vital part of the local community and is giving back and supporting good causes. Employees participate in a variety of community activities, including Junior Achievement, Relay for Life, and Hurricane relief.

Environment

Gulf Island is focused on reducing its carbon footprint and protecting the environment within daily operations, with an emphasis on spill prevention, water and waste management, air emissions, and other natural resource conservation.

Diversity

Gulf Island is focused on promoting diversity and inclusion in the workplace. The Company's commitment to diversity extends across all divisions and disciplines, starting with the Board of Directors, who adopted a policy of promoting diversity on the Board.

Gulf Island works to build a sustainable and resilient Company for the employees and the communities in which it operates.



- Average Total Recordable Incident Rate of 0.50 since 2019
- One Lost Time Incident since 2019 (over 10.0 million hours worked)



Training Future Craft Professionals

- Del Mar College – Funds received from Texas Workforce Commission to upskill and reskill craft employees
- Louisiana Workforce Commission – Internal training developed to upskill craft employees

Philanthropy and Community Involvement

- Relay for Life in Terrebonne Parish
- Junior Achievement in Houston
- LA Bayou Toy Drive
- TFMC Houston Heart Walk
- South LA Veterans Outreach
- Roux for a Reason
- Children’s Water Safety Awareness



BUSINESS TRANSFORMATION

Legacy Gulf Island

- Complex shipbuilding and fabrication contracts
- Reliant on the cyclical marine and offshore O&G end markets
- Heavily dependent on large, high-risk, fixed-price contracts
- High customer concentration
- Multiple facilities with significant under-utilized capacity and siloed organizational structure
- Over \$300 million of high-risk shipbuilding backlog in break-even or loss position
- Over \$290 million of outstanding bonds with ongoing high bonding requirements
- Litigation risk and overhang related to previous Shipyard contracts (MPSV Litigation)



The New Gulf Island

- Specialty services and fabrication business with focus on repeat customers, products and services
- Improved utilization, cost structure, competitiveness and project execution
- Higher mix of stable (time & material and cost-reimbursable) services work
- Expanded customer base
- Strong balance sheet and liquidity with significantly reduced bonding requirements
- Focus on value delivery (location, people, safety, quality and schedule assurance)
- Focus on sustainable growth end markets for fabrication, including LNG, renewables and diversified industrial
- Resolved MPSV Litigation in October 2023



In 2020 Gulf Island outlined a transformational strategy intended to improve the Company's liquidity and operational performance to position the Company to pursue stable, profitable growth. With the significant progress achieved on the phase one initiatives, Gulf Island has shifted to phase two of its strategic transformation.

- Reduce risk profile and strengthen liquidity
- Improve resource utilization and centralize key project resources
- Improve competitiveness and project execution

1

- Sold Shipyard operating assets and certain long-term contracts (2Q21) and completed remaining Shipyard Division projects (1Q24)
- Resolved MPSV Litigation (4Q23)
- Increased mix of T&M and cost-reimbursable contracts
- Improved project cash flow

- Combined Fabrication activities within one division (1Q22)
- Closed certain under-utilized facilities (4Q20), consolidated operations (1Q22) and sold excess property (3Q22 & 1Q24)
- Made strategic changes to key personnel and added functional expertise

- Applied disciplined approach to pursuing/bidding projects
- Increased rigor around post award project reviews with a focus on risk mitigation and accountability
- Initiated lessons learned program

- **Grow and diversify services business**
- **Expand skilled labor force**
- **Further strengthen project execution**
- **Pursue new growth end markets**

2

- Grow offshore customer base and broaden services offerings
- Expand services offerings to onshore markets
- Acquired services business of Dynamic Industries (4Q21)
- Commenced a welding enclosures services offering (3Q22)
- Launched a cleaning and environmental services offering (2Q24)

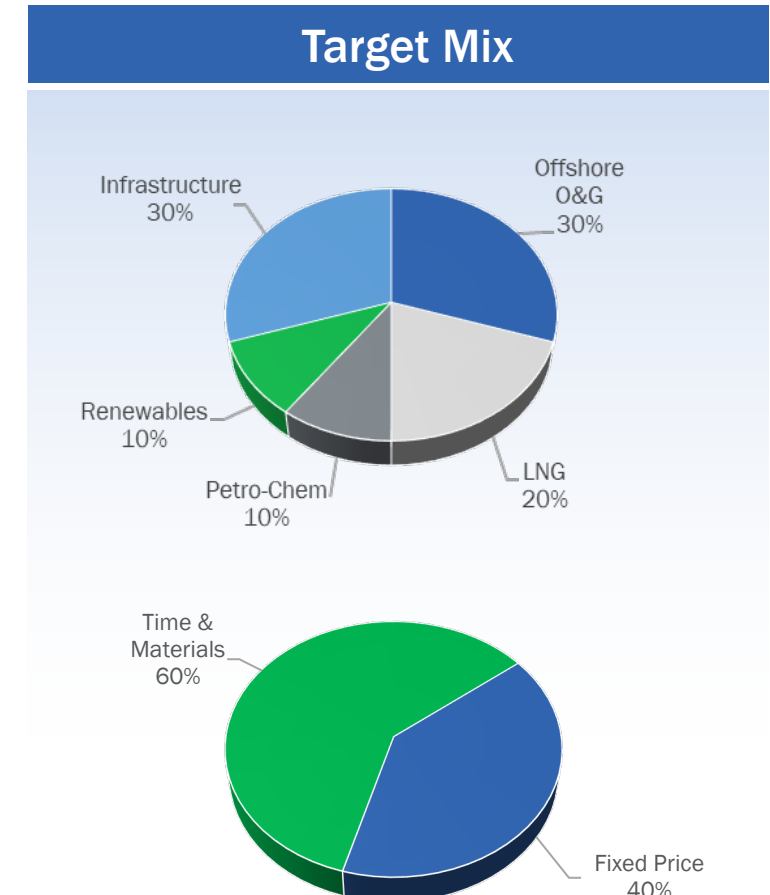
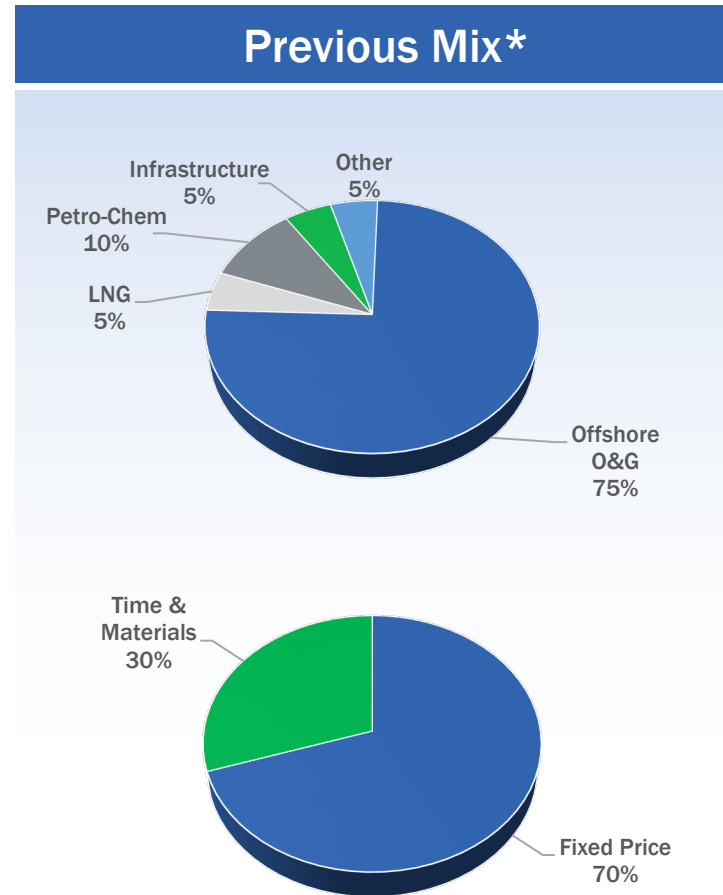
- Improve recruiting by expanding geographic and industry reach
- Enhance retention of skilled labor workforce
- Increase focus on training and mentoring

- Further strengthen processes, procedures and personnel
- Invest in automation
- Remain disciplined

- Near-term focus on higher-growth end markets such as LNG and Petro-Chem
- Longer-term focus includes sustainable energy end markets, including offshore wind

Shifting End Market and Contract Mix

- LNG and Petro-Chem expected to provide near-term growth opportunity for Fabrication, driving transition to target mix
- Renewable and infrastructure expected to drive longer-term growth opportunity in large-project Fabrication
- Growth in Services expected to result in more diversified, stable business mix
- Sale of Shipyard and growth of Services significantly reduced risks and volatility due to lower mix of large, fixed price contracts



More diverse business mix and higher time & materials (including cost-reimbursable) contracts will result in a more stable, predictable earnings stream. *Previous mix represents estimated amounts for 2020.

Two 40-vehicle ferries for North Carolina DOT

- Both ferries have been delivered and accepted by the customer
- Warranty period for the first vessel expired in 2Q24 and warranty period for the second vessel expires in 1Q25
- Design deficiencies resulted in construction challenges and increased costs; Gulf Island filed a lawsuit against the customer to pursue recovery of the cost impacts of the design deficiencies

One 70-vehicle ferry for Texas DOT

- Ferry delivered and accepted by the customer
- Warranty period ended in 3Q24

Litigation with Hornbeck Offshore (MPSV Litigation)

- The litigation was resolved on Oct. 4, 2023
- In connection with the resolution, Gulf Island 1) wrote off a \$12.5 million noncurrent asset and 2) agreed to pay its Surety \$20.0 million (“Note”), plus interest at a fixed rate of 3.0% per annum, with principal and interest payable in 15 equal annual installments of ~\$1.7 million, beginning on Dec. 31, 2024 and ending on Dec. 31, 2038
- Due to the favorable terms of the Note, the present value of the obligation is ~\$13.7 million

In 2021, Gulf Island sold its Shipyard Division’s operating assets and certain long-term construction contracts. Three ferry contracts were retained, and the vessels have been delivered and accepted by the customers. Final completion of the wind down of the Shipyard Division operations will occur in 1Q25 upon completion of the final warranty period for the ferry projects.

KEY INVESTMENT HIGHLIGHTS

1

Attractive End Markets

- Gulf of Mexico production remains strong and capital spending increases are projected for 2025
- Renewables and offshore wind provide longer-term growth opportunity for Fabrication

2

Positioned for Growth

- Baseload of stable craft labor and strategic location
- Long-standing customer relationships and reputation for quality and safety

3

Improving Margin Profile

- Growth in Services will provide stable, profitable mix
- Improving Fabrication volumes will drive operating leverage

4

Strong Balance Sheet

- Financial stability
- Cash position offers flexibility to pursue strategic growth opportunities and ability to return capital to shareholders

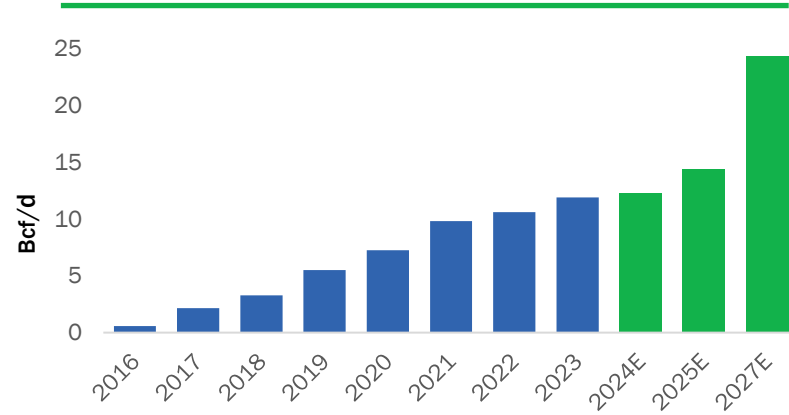
5

Experienced Management Team

- Management team with extensive and complementary industry experience
- Proven track record of successfully executing against strategic initiatives

1. Attractive End Markets - Fabrication

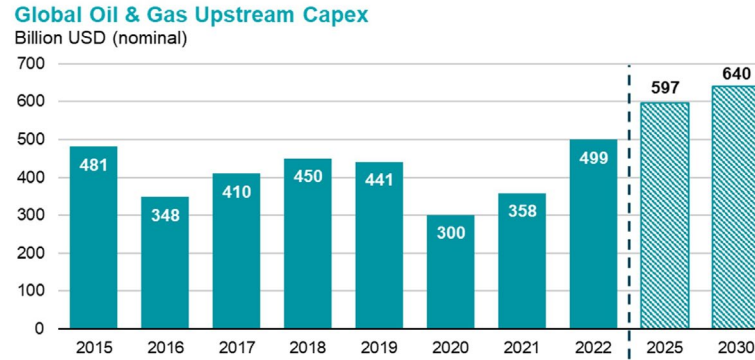
LNG



Source: U.S. Energy Information Administration

- Global demand for gas expected to result in increased investment in U.S. LNG
- U.S. LNG capacity was ~11.4 Bcf/d at the end of 2023, and EIA expects capacity to more than double by 2027 from a total of 10 new projects
- 8 LNG export projects are under construction in the US and Mexico with a combined 10.8 Bcf/d of LNG export capacity

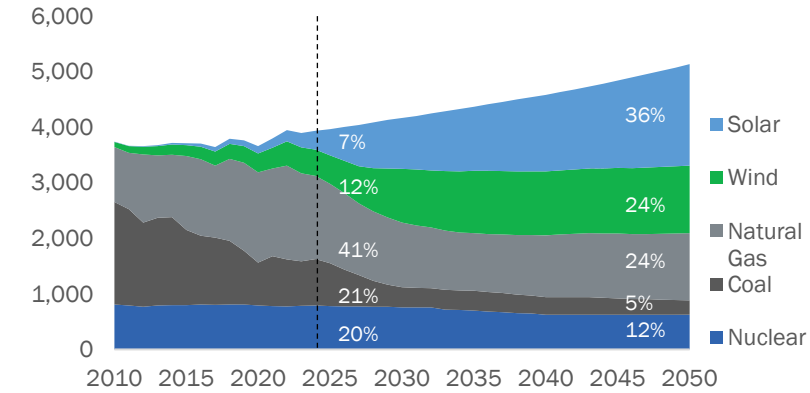
Global O&G Upstream Capex



Source: IEF, S&P Global Commodity Insights

- O&G upstream capital expenditures increased by 39% in 2022 to \$499 billion, the highest level since 2014
- Annual upstream investment will need to increase from \$499 billion in 2022 to \$640 billion in 2030 to ensure adequate supplies
- To keep up with demand, GOM producers will have to invest capital

Renewable Energy



Source: US Energy Information Administration, Annual Energy Outlook 2023

- Carbon capture, utilization and storage projects in the Gulf of Mexico are growing
- Gulf Island's strategic location and capabilities to provide craft labor and fabricated structures provides a competitive advantage
- Inflation Reduction Act (IRA) driven investments in energy security and climate change expected to drive growth

Favorable trends in the Gulf of Mexico and the accelerating Energy transition are driving favorable growth trends.

1. Attractive End Markets - Services

Offshore Services



- High energy prices driving strong offshore O&G activity in the Gulf of Mexico resulting in increased offshore services spending
- Offshore services demand benefitting from capital spending and maintenance that had been deferred in recent years
- Labor availability is limited resulting in favorable end market trends

Onshore Services



- DSS Acquisition provides stronger onshore services opportunities
- Offshore professionals and services provide a platform for onshore services growth

New Services



- Long-term customer base and suite of services provides opportunity to cross-sell services
- Partnering with engineering companies to provide turnkey solutions
- Welding Enclosures and new Cleaning and Environmental business lines provide additional services offerings to customers

High energy prices and labor constraints creating unique opportunity for growing Services platform.

Skilled Labor Force

- **Experienced** and **tenured** labor force is an important strategic advantage given labor constraints
- Non-union, skilled labor capable of fabricating **complex steel structures**
- Over **600** offsite services professionals provides steady foundation for Services growth
- Skilled labor force delivers superior **project efficiency** and **labor productivity** driving increased value for customers

Strategic Location

- Located 30 miles from the Gulf of Mexico, Houma offers a strategic location that provides **direct Gulf of Mexico water access**
- Over **\$20 billion** of anticipated energy capital spend in the next 3-5 years within 200 miles of the Houma facility
- Houma facility (consisting of **160 acres** on the east bank of the Houma Navigation Canal), provides **opportunity for expansion**
- Large pool of **skilled craft labor** in Houma and the surrounding area

2. Positioned For Growth

- Strong execution drives customer loyalty
- High quality, diversified customer base
- DSS Acquisition expanded customer base providing cross-sell opportunities
- Services platform provides opportunity for pull-through fabrication work
- Many clients embracing sustainability, providing new opportunities for growth

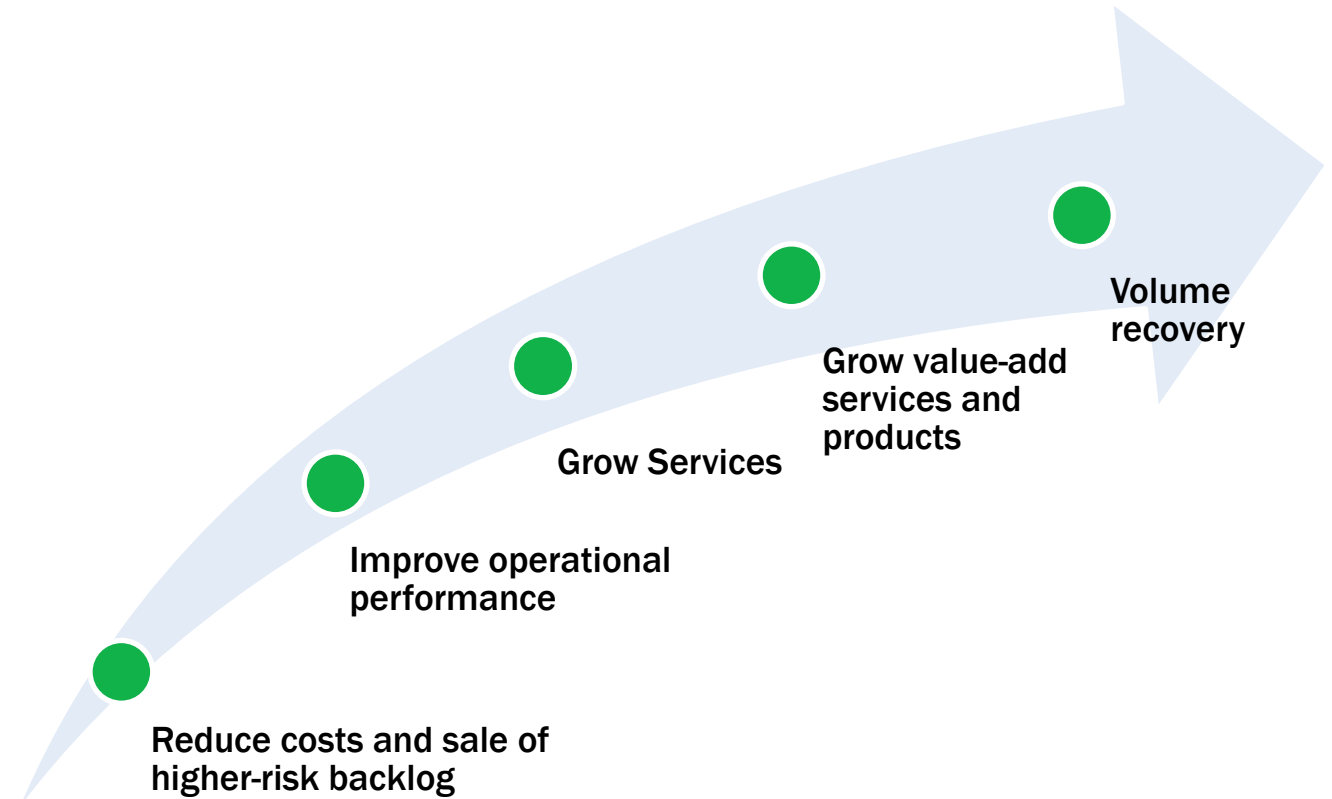
Loyal Customer Base



Deep industry relationships and history of quality execution.

3. Improving Margin Profile

- Reduced cost structure and exit of lower margin backlog
- Improved operational performance and more disciplined bidding
- Growing Services platform provides more stable, predictable results
- Increase in value-added services and products will benefit margins
- Volume recovery in Fabrication will drive improved utilization and overhead absorption



Several favorable margin drivers should result in improving margin profile in coming years.

4. Strong Balance Sheet

Cash balance of ~\$67 million at Sept. 30, 2024

Ended 3Q24 with a cash and investments balance of \$66.8 million.

Surety requirements reduced; debt is long-term with favorable terms

Shipyards Transaction improved liquidity and significantly reduced ongoing bonding and letters of credit requirements of the business. The MPSV Litigation settlement resulted in long-term debt of \$20.0 million with favorable terms (3.0% fixed rate and 15 year pay back period), resulting in debt with a present value of ~\$13.7 million.

Liquidity and cash position allows Gulf Island to pursue growth

Net working capital position of \$81.3 million (excluding current debt) at Sept. 30, 2024, and ownership of Houma facility, provide additional balance sheet support. Gross U.S federal NOL carryforwards of \$135.3 million at Dec. 31, 2023, expected to result in low federal tax expense on earnings for the foreseeable future.

Share repurchase program

In Oct. 2024, the Company's Board approved an extension to its share repurchase program through Dec. 2025, authorizing the repurchase of up to \$5.0 million of the Company's outstanding common stock. As of Sept. 30, 2024, the Company had repurchased \$1.0 million of common stock under the program.

The Shipyards Transaction, the sale of under-utilized assets, and improved profitability provide a solid balance sheet that will support Gulf Island's strategic growth objectives.

5. Experienced Management Team

Richard W. Heo, PhD

PRESIDENT & CEO

Joined Gulf Island in 2019

Previous Experience

- McDermott International, Inc. – Senior Vice President of North, Central and South America business unit
- Chicago Bridge & Iron N.V. (“CB&I”) – Executive Vice President of Fabrication Services business unit; President of Engineered Products business unit
- KBR, Inc. – Various senior leadership positions in the Technology business unit

Jamie L. Morvant

SR VICE PRESIDENT – Operations

Joined Gulf Island in 2000

Westley S. Stockton

EXECUTIVE VICE PRESIDENT & CFO

Joined Gulf Island in 2018

Previous Experience

- CB&I – Senior Vice President & Chief Accounting Officer; Senior leadership positions within financial operations and M&A
- PricewaterhouseCoopers – Audit related roles
- Arthur Andersen – Audit related roles

Matt R. Oubre

SR VICE PRESIDENT – Commercial

Joined Gulf Island in 2021 through DSS Acquisition (with Dynamic since 1998)

Senior leadership has average industry experience of ~27 years.

FINANCIAL OVERVIEW



Consolidated adjusted revenue* of \$37.2 million

Adjusted revenue for 3Q24 approximated adjusted revenue* of \$37.7 million in the prior-year period. Revenue during 3Q24 benefited from growth in small-scale fabrication, offset by lower revenue for the Services Division. *See slides 37-39 for reconciliations of consolidated revenue to consolidated adjusted revenue.

Consolidated adjusted EBITDA* of \$2.9 million

Adjusted EBITDA* increased 11% year-over-year, as growth in small-scale fabrication was offset by lower EBITDA for the Services Division. *See slides 37-39 for reconciliations of consolidated net income (loss) to consolidated adjusted EBITDA.

Cash and investments balance of \$66.8 million (at Sept. 30, 2024)

Quarter-end cash and investments balance increased \$18.9 million from Dec. 31, 2023, due to solid year-to-date operating results and the sale of assets held for sale in 1Q24 for net cash proceeds of \$8.5 million.

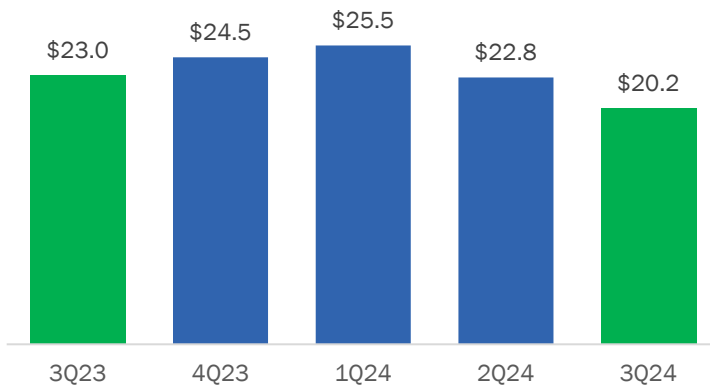
New project awards of \$36.9 million

New project awards of \$36.9 million were related to small-scale fabrication and offshore services work.

Third Quarter Performance - Services

Services Revenue

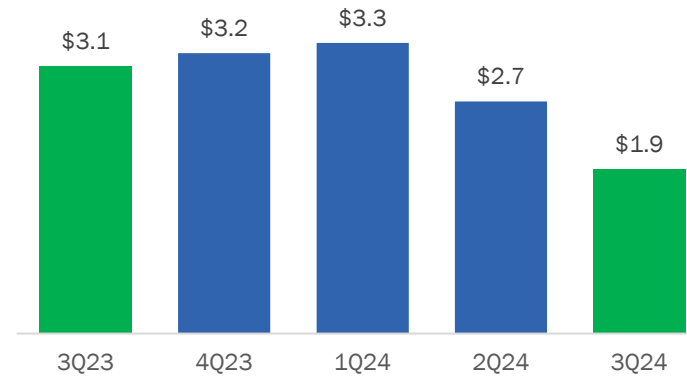
\$ in millions



3Q24 revenue decreased 11.9% compared to the prior year period, due primarily to delayed timing of certain project opportunities (primarily for the division's Welding Enclosures business line) and delays caused by hurricane activity in the quarter.

Services EBITDA*

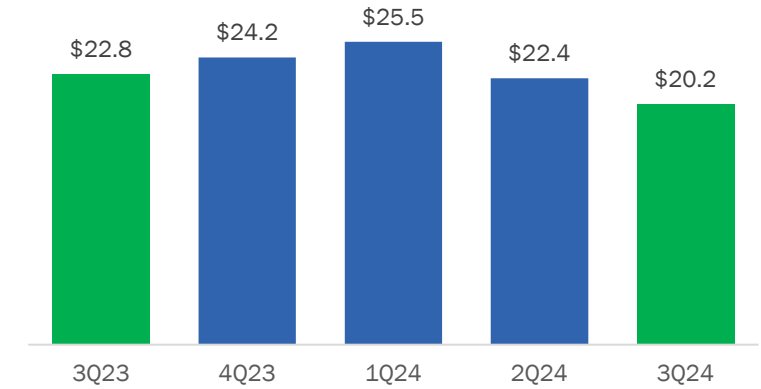
\$ in millions



3Q24 EBITDA* was \$1.9 million (or 9.3% of revenue), versus \$3.1 million (or 13.4% of revenue) for the prior year period. The lower operating results were due primarily to lower revenue, including the impact of hurricane activity, a lower margin project mix and investments in the division's new Cleaning & Environmental services business line. *See slides 37-39 for reconciliations of operating income to EBITDA.

Services New Project Awards

\$ in millions



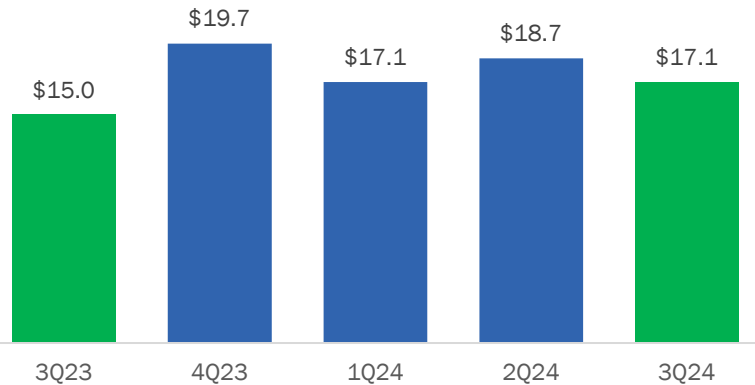
3Q24 new project awards were \$20.2 million, representing an 11.3% year-over-year decrease, due primarily to lower offshore services work.

Expanded Services platform provides benefit of stable, predictable growth while also providing pull-through Fabrication opportunities.

Third Quarter Performance - Fabrication

Fabrication Revenue

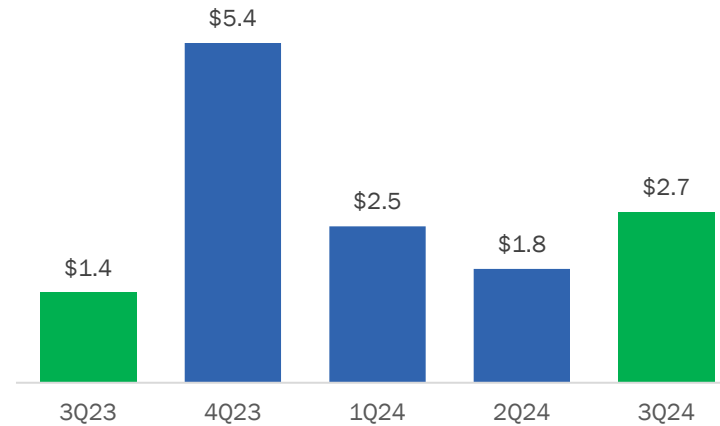
\$ in millions



3Q24 revenue increased 14.2% compared to the prior year period, due primarily to higher small-scale fabrication activity.

Fabrication Adjusted EBITDA*

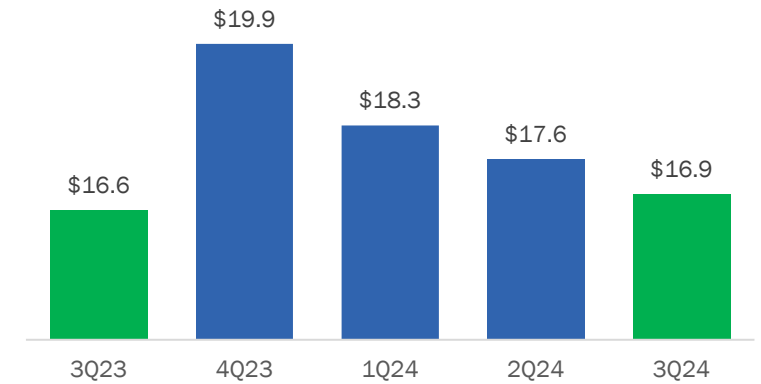
\$ in millions



3Q24 adjusted EBITDA* was \$2.7 million, versus \$1.4 million for the prior year period. The higher operating results were due primarily to higher revenue and improved utilization of facilities and resources, offset partially by a lower margin project mix. *See slides 37-39 for reconciliations of operating income to adjusted EBITDA.

Fabrication New Project Awards

\$ in millions

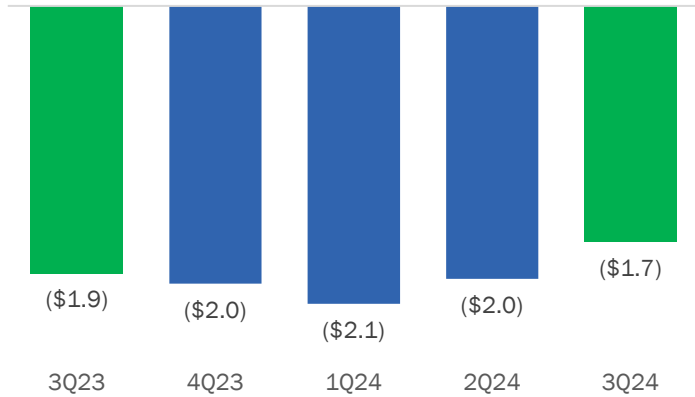


3Q24 new project awards were \$16.9 million, representing a 1.9% year-over-year increase, due primarily to higher small-scale fabrication work.

Operating results reflect growth in small-scale fabrication, partially offset by the partial under-utilization of facilities and resources. Potential for higher volumes related to large fabrication work would improve utilization levels and provide increased profitability.

Corporate EBITDA*

\$ in millions

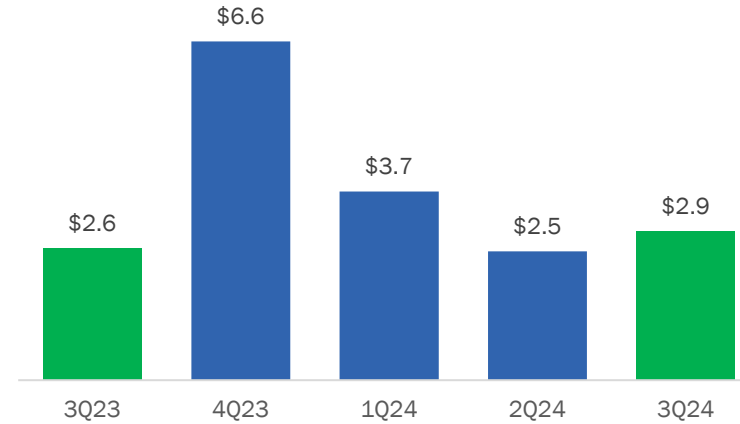


3Q24 EBITDA* was a loss of \$1.7 million.

*See slides 37-39 for reconciliations of operating loss to EBITDA.

Consolidated Adjusted EBITDA*

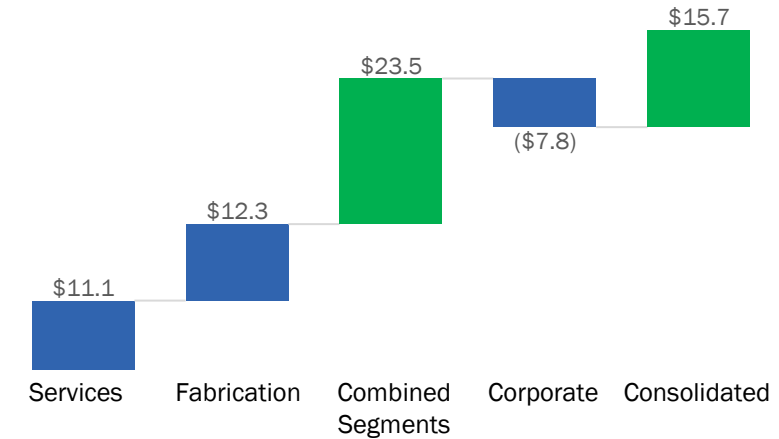
\$ in millions



3Q24 adjusted EBITDA* was \$2.9 million, versus \$2.6 million for the prior year period, as improved results for Fabrication were partially offset by lower results for Services. *See slides 37-39 for reconciliations of consolidated net income to consolidated adjusted EBITDA.

TTM Consolidated Adjusted EBITDA*

\$ in millions



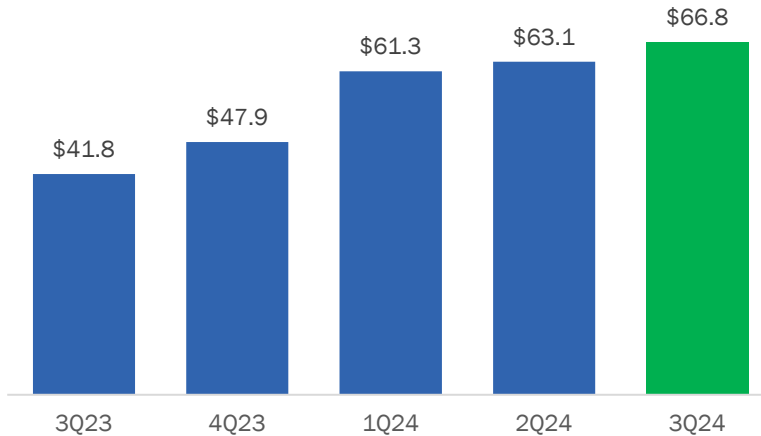
Trailing twelve month (TTM) adjusted EBITDA* was \$15.7 million, driven by Services and small-scale fabrication for Fabrication. *See slides 37-39 for reconciliations of consolidated net income to consolidated adjusted EBITDA.

Base Services business, combined with higher volume levels and strong execution for small-scale fabrication, has resulted in sustainable adjusted EBITDA performance. Growth from large-scale fabrication projects would leverage Fabrication and Corporate's costs and improve profitability.

Third Quarter Balance Sheet and Liquidity

Total Cash Position

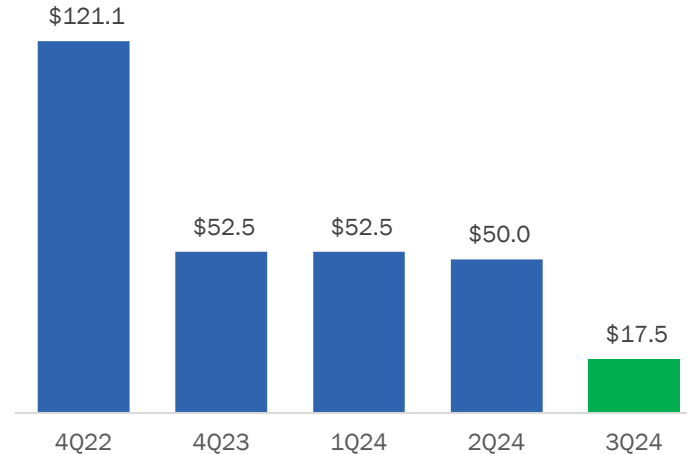
\$ in millions



Total cash and investments was \$66.8 million at Sept. 30, 2024, an increase of \$18.9 million from Dec. 31, 2023, due to solid year-to-date operating results and the sale of assets held for sale in 1Q24 for net cash proceeds of \$8.5 million.

Total Surety Bonds

\$ in millions



Significant decrease in outstanding surety bonds due to the Shipyard Transaction (2Q21) and the resolution of the MPSV Litigation (4Q23). Remaining surety bonds at Sept. 30, 2024, include \$12.6 million for the ferry contracts (which will terminate in 1Q25 upon expiration of the final warranty period for the ferry projects) and \$4.9 million for various Fabrication contracts and certain insurance coverages.



SUMMARY



- Progress on business transformation has created a **stronger, more predictable business** positioned for profitable growth
- Shipyard exit and MPSV Litigation settlement significantly **reduced risk profile** and **improved liquidity**
- Fabrication segment benefits from people and process improvements and by **improving end markets**
- Growing Services business will provide **improved visibility** and result in a more **stable and diversified business** mix with higher margins
- **Favorable end market trends in small scale fabrication** expected to drive near-term growth opportunity and **sustainable energy expected to drive long-term opportunity**
- **Strong balance sheet** positions the Company to pursue strategic growth and provides an opportunity to return capital to shareholders

APPENDIX

Services Segment EBITDA

\$ in millions

	3Q23	4Q23	1Q24	2Q24	3Q24	TTM
Operating income	\$ 2.58	\$ 2.74	\$ 2.87	\$ 2.19	\$ 1.40	\$ 9.19
Depreciation and amortization	0.50	0.49	0.48	0.49	0.50	1.95
EBITDA	\$ 3.08	\$ 3.23	\$ 3.35	\$ 2.68	\$ 1.89	\$ 11.14

Fabrication Segment EBITDA & Adjusted EBITDA

\$ in millions

	3Q23	4Q23	1Q24	2Q24	3Q24	TTM
Operating income	\$ 0.90	\$ 6.12	\$ 4.72	\$ 1.13	\$ 2.03	\$ 14.00
Depreciation and amortization	0.81	0.79	0.64	0.67	0.63	2.73
EBITDA	1.72	6.90	5.36	1.80	2.67	16.73
Gain on property sale (1)	-	-	(2.88)	-	-	(2.88)
Hurricane Ida charges (gains) (1)	(0.29)	(1.53)	-	-	-	(1.53)
Adjusted EBITDA	\$ 1.43	\$ 5.38	\$ 2.48	\$ 1.80	\$ 2.67	\$ 12.32

Corporate Segment EBITDA

\$ in millions

	3Q23	4Q23	1Q24	2Q24	3Q24	TTM
Operating loss	\$ (2.00)	\$ (2.08)	\$ (2.22)	\$ (2.04)	\$ (1.78)	\$ (8.12)
Depreciation and amortization	0.08	0.08	0.08	0.08	0.08	0.31
EBITDA	\$ (1.92)	\$ (2.00)	\$ (2.14)	\$ (1.96)	\$ (1.70)	\$ (7.81)

(1) Reflects the removal of a gain resulting from the sale of assets held for sale and the removal of charges and gains resulting from the net impact of insurance recoveries and costs associated with damage previously caused by Hurricane Ida.

Note: Certain totals may not recalculate due to rounding.

Consolidated EBITDA & Adjusted EBITDA (Excluding Shipyard Segment)

\$ in millions

	3Q23	4Q23	1Q24	2Q24	3Q24	TTM
Net income (loss)	\$ (33.24)	\$ 7.09	\$ 6.24	\$ 1.89	\$ 2.32	\$ 17.54
Income tax expense (benefit)	(0.00)	(0.03)	0.01	(0.00)	0.00	(0.02)
Interest expense (income), net	(0.40)	(0.38)	(0.54)	(0.60)	(0.65)	(2.18)
Operating income (loss)	(33.64)	6.68	5.71	1.28	1.67	15.34
Depreciation and amortization	1.39	1.35	1.19	1.24	1.21	4.99
EBITDA	(32.25)	8.03	6.90	2.52	2.88	20.33
Gain on property sale (1)	-	-	(2.88)	-	-	(2.88)
Hurricane Ida charges (gains) (1)	(0.29)	(1.53)	-	-	-	(1.53)
Shipyard operating loss (income) (2)	35.12	0.11	(0.34)	(0.01)	(0.02)	(0.27)
Adjusted EBITDA	\$ 2.58	\$ 6.61	\$ 3.68	\$ 2.51	\$ 2.86	\$ 15.66

Consolidated Revenue & Adjusted Revenue (Excluding Shipyard Segment)

\$ in millions

	3Q23	4Q23	1Q24	2Q24	3Q24	TTM
Revenue	\$ 5.02	\$ 44.55	\$ 42.88	\$ 41.26	\$ 37.64	\$ 166.33
Shipyard segment revenue (2)	32.70	(0.56)	(0.41)	(0.04)	(0.49)	(1.49)
Adjusted revenue	\$ 37.73	\$ 43.99	\$ 42.47	\$ 41.23	\$ 37.15	\$ 164.84

(1) Reflects the removal of a gain resulting from the sale of assets held for sale and the removal of charges and gains resulting from the net impact of insurance recoveries and costs associated with damage previously caused by Hurricane Ida.

(2) Reflects the removal of revenue, gross profit (loss) and operating losses, as applicable, for the Shipyard segment, which was substantially wound down in 4Q23; revenue, gross loss and operating loss for the Shipyard segment for 3Q23 includes a charge of \$32.5 million associated with the resolution of the MPSV Litigation (see slide 19).

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