



# News Release

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## Conrad Industries Announces 2023 Results and Backlog

Morgan City, Louisiana (April 1, 2024) – Conrad Industries, Inc. (OTC Pink: CNRD) today announced its 2023 results and backlog.

The Company reported net loss of \$27.0 million and loss per diluted share of \$5.39 for the twelve months ended December 31, 2023 compared to net loss of \$17.4 million and loss per diluted share of \$3.47 for the twelve months ended December 31, 2022. The Company's financial reports are available at [www.otcmarkets.com](http://www.otcmarkets.com).

Our backlog as of December 31, 2023 was \$253.8 million, compared to \$244.1 million at December 31, 2022, and \$148.5 million at December 31, 2021.

Johnny Conrad, Chairman and CEO stated, "Our results for 2023 reflect a continued challenging operating environment, including challenges associated with continued high steel prices, inflationary price increases in other materials and equipment, supply chain disruptions, a tight labor market resulting in difficulties in retaining and hiring direct labor and rising interest rates during 2022 and 2023. A significant portion of our 2023 losses were related to fixed price new construction contracts that were signed prior to the substantial increases in inflation, higher labor costs and supply chain issues. These factors, along with the complexity of the new construction projects, were the primary drivers of the losses in 2023."

Mr. Conrad continued, "Although we face substantial uncertainties in our markets, we believe we are well-positioned to take advantage of opportunities as market fundamentals improve, due to our shipyard capacity, our investments in improving our shipyards' capabilities and efficiencies, and our experienced team. Bid activity has been good and we believe the jobs we have recently signed include lessons learned on previous jobs, are not as complex and are better priced. We believe some delayed customer orders

will move forward as steel prices stabilize or our customers' business opportunities or fleet replacement needs require new vessels. We also remain optimistic about opportunities in our repair and conversions segment."

Mr. Conrad concluded, "Despite the many challenges we have confronted, we remain optimistic about the long-term prospects for our business. We believe that our ability to provide products and services to a variety of customers and to respond to demand for new types of vessels is a competitive strength. The infrastructure, government, pressurized barge, offshore wind and other markets are presenting us with exciting opportunities. We are intently focused on executing our backlog effectively, obtaining new profitable projects and returning our Company to profitability, in order to benefit our stockholders, employees, customers, suppliers and our community."

Conrad Industries, Inc., established in 1948 and headquartered in Morgan City, Louisiana, designs, builds and overhauls barges, dredges and dredge support equipment, tugboats, ferries, drydocks, liftboats, offshore support vessels and other steel products for both the commercial and government markets. The company provides both repair and new construction services at its five shipyards located in southern Louisiana and Texas.

*Cautionary statement:* This press release contains forward-looking statements, which are all statements other than those of historical facts, and reflect our expectations as of the date of this press release about future events. When used in this press release, the words "anticipate," "believe," "estimate," "expect," "project," and similar expressions are intended to identify forward looking statements. Such statements reflect our current views with respect to future events and are subject to certain risks, uncertainties and assumptions, including risks and uncertainties related to changes in steel prices, other material and labor costs, generally high inflation in the U.S. economy, labor and supply constraints, changes in interest rates, our reliance on cyclical industries, our reliance on principal customers and government contracts, our ability to perform contracts at costs consistent with estimated costs utilized in bidding for the projects, our ability to deliver projects on time, variations in quarterly revenues and earnings resulting from the percentage of completion accounting method, customer financial condition and risk of default, and possible termination of contracts included in our backlog at the option of customers, operating risks, competition for marine vessel contracts, our ability to retain and implement effective succession plans for key management personnel and to continue to attract and retain skilled workers, state and federal regulations, the availability and cost of capital, the wars and violence in

Ukraine and Israel and surrounding areas, risk of failure of any bank in which we deposit our funds, potential resurgence of COVID-19 and its variants or the occurrence of another health crisis, and general industry and economic conditions. Certain of these risks and assumptions, and other risks and assumptions are discussed in more detail in our Annual Report and subsequent reports available on [www.otcmarkets.com](http://www.otcmarkets.com). Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, believed, estimated or expected. We do not intend to update these forward-looking statements. Although we believe that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove correct.