



News Release

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Conrad Industries Announces 2025 Results and Backlog

Morgan City, Louisiana (March 31, 2026) - Conrad Industries, Inc. (OTCID: CNRD) today announced its 2025 results and backlog.

For the quarter ended December 31, 2025, Conrad had net income of \$4.7 million and earnings per diluted share of \$0.94 compared to net loss of \$14,000 and earnings per diluted share of \$0.00 during the fourth quarter of 2024. The Company reported net income of \$19.9 million and income per diluted share of \$3.96 for the twelve months ended December 31, 2025 compared to net income of \$11.2 million and income per diluted share of \$2.24 for the twelve months ended December 31, 2024. Net income recognized for the twelve months ending December 31, 2024 included collection of an \$8.04 million judgment in a lawsuit, which increased Other Income by \$8.04 million and net income by approximately \$5.8 million. The Company's financial reports are available at www.otcmarkets.com.

Our backlog as of December 31, 2025 was \$213.9 million, compared to \$293.8 million at December 31, 2024, and \$253.8 million at December 31, 2023.

Cecil A. Hernandez, President and Chief Executive Officer, stated, "Our operating results improved in 2025 despite a continued challenging environment marked by steel tariffs, elevated material costs, labor constraints, and broader economic and geopolitical uncertainty. While these factors contributed to delays in certain contract awards, we remain cautiously optimistic about 2026. That optimism is grounded in the diversity of our business, strong execution across multiple markets, and the continued expansion of our government and infrastructure work, including additional YRBM contract awards with the U.S. Navy."

Mr. Hernandez continued, "At the same time, we are selectively diversifying into complementary areas such as industrial

fabrication, which we believe can provide incremental opportunities while leveraging our existing capabilities. Together with our core shipbuilding and repair operations, we believe these efforts will help position us to navigate uncertainty while continuing to strengthen our business. Our focus remains on disciplined execution, maintaining workforce stability, and selectively pursuing work that aligns with our capabilities and risk profile. None of this would be possible without the dedication of our employees, whose commitment to safety, quality, and execution continues to be a differentiating strength for our company."

Mr. Hernandez concluded, "For the long term, we are aligning our five Gulf Coast facilities into a coordinated production system that will support government and commercial programs, lifecycle repair services, and industrial fabrication. We believe this operating model will improve throughput, flexibility, and capital efficiency, while positioning us to participate in emerging opportunities across defense, infrastructure, and industrial markets. Our diversified capabilities, experienced workforce, and disciplined execution provide a strong foundation as we pursue continued progress in 2026 and beyond."

Conrad Industries, Inc., established in 1948 and headquartered in Morgan City, Louisiana, designs, builds and overhauls a wide variety of steel marine vessels, including barges, dredges and dredge support equipment, tugboats, ferries, tow boats, drydocks, liftboats, and other offshore support vessels, as well as other steel products for both the commercial and government customers. The company provides conversion, 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, changes in other material and labor costs, changes in U.S. tariff and trade policies and the potential impact of such changes on our business, changes in inflation, labor and supply constraints, changes in interest rates, our reliance on cyclical industries, our reliance on principal customers and government contracts, including any funding limitations or other

disruptions resulting from a government shutdown or policy changes, our ability to perform contracts at costs consistent with estimated costs utilized in bidding for our projects, our ability to timely complete projects, variations in quarterly revenues and earnings resulting from the percentage of completion accounting method, our customers' financial condition and risk of default, the possible termination of certain contracts included in our backlog at the option of customers, operating risks, including operability and adequacy of our equipment, 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, changes in local, state and federal government regulations, the availability and cost of capital, geopolitical conflicts and tensions, risk of failure of any bank in which we deposit our funds, potential occurrence of a health crisis similar to or worse than the COVID-19 pandemic, and general industry and economic conditions, including the price of oil and gas. Certain of these risks and assumptions, and other risks and assumptions, are discussed in more detail in our Annual Report, included under the heading "*Business Overview - Risk Factors.*" 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.