



DA Davidson Diversified Industrials & Services Virtual Conference

September 22, 2020



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Please refer to the Company's Annual Report on Form 10-K, filed on February 28, 2020, which is available on its website at www.oriongroupholdingsinc.com or at the SEC's website at www.sec.gov, for additional and more detailed discussion of risk factors that could cause actual results to differ materially from our current expectations, estimates or forecasts.



Core Values Consistent with Strategy



We take pride in our personal workmanship and that of the entire organization; we are committed to ensuring that each task is properly performed the first time' and we will continuously improve upon everything we do, every day



We are responsible and accountable for our own personal safety; we are equally responsible for the safety of all our coworkers and any others we come into contact with; and we are authorized to and obligated to stop work whenever an unsafe condition, or situation is observed



We are committed to performing assigned tasks in the most efficient, timely and cost effective manner; we expect employees to safeguard company assets; and we always act in the best interest of the company



The foundation of our success rests upon integrity; we view integrity as our ability to be honest, ethical, sincere and forthright in our dealings with others; we will apply the foundation of integrity in everything we do; and when the Company makes a commitment, that commitment must be kept

Company Overview

Orion Group Holdings, Inc., a leading specialty construction company, provides services in the Infrastructure, Industrial, and Building sectors through its marine construction segment and its concrete construction segment in the continental United States, Alaska, Canada and the Caribbean Basin.

NYSE: ORN

Headquarters: Houston, Texas

of Employees: ~2,700

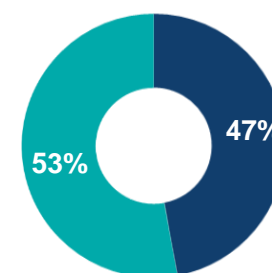
Market Cap: \$86 million*

Average project duration: 6-9 Months

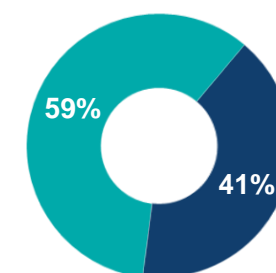
Book value per share \$4.78

■ Marine

■ Concrete



Q2'20 LTM Revenue



Q2'20 Backlog



Services

- Broad range of marine construction including marine transportation facility construction and dredging services
- Concrete construction services including light commercial, structural and industrial services



Customers

- Federal, State, Municipal Governments (42% of Revenue in LTM Q2'20)
- Private commercial and industrial clients (58% of Revenue in LTM Q2'20)



Competition

- Highly fragmented market
- Barriers to entry
- Local, regional, and national competitors



Financials (LTM)

- **\$749.6 MM** Revenue
- **\$51.2 MM** Adj. EBITDA
- **\$528.4 MM** Backlog (6/30/20)

*as of 9/21/2020

Investment Highlights

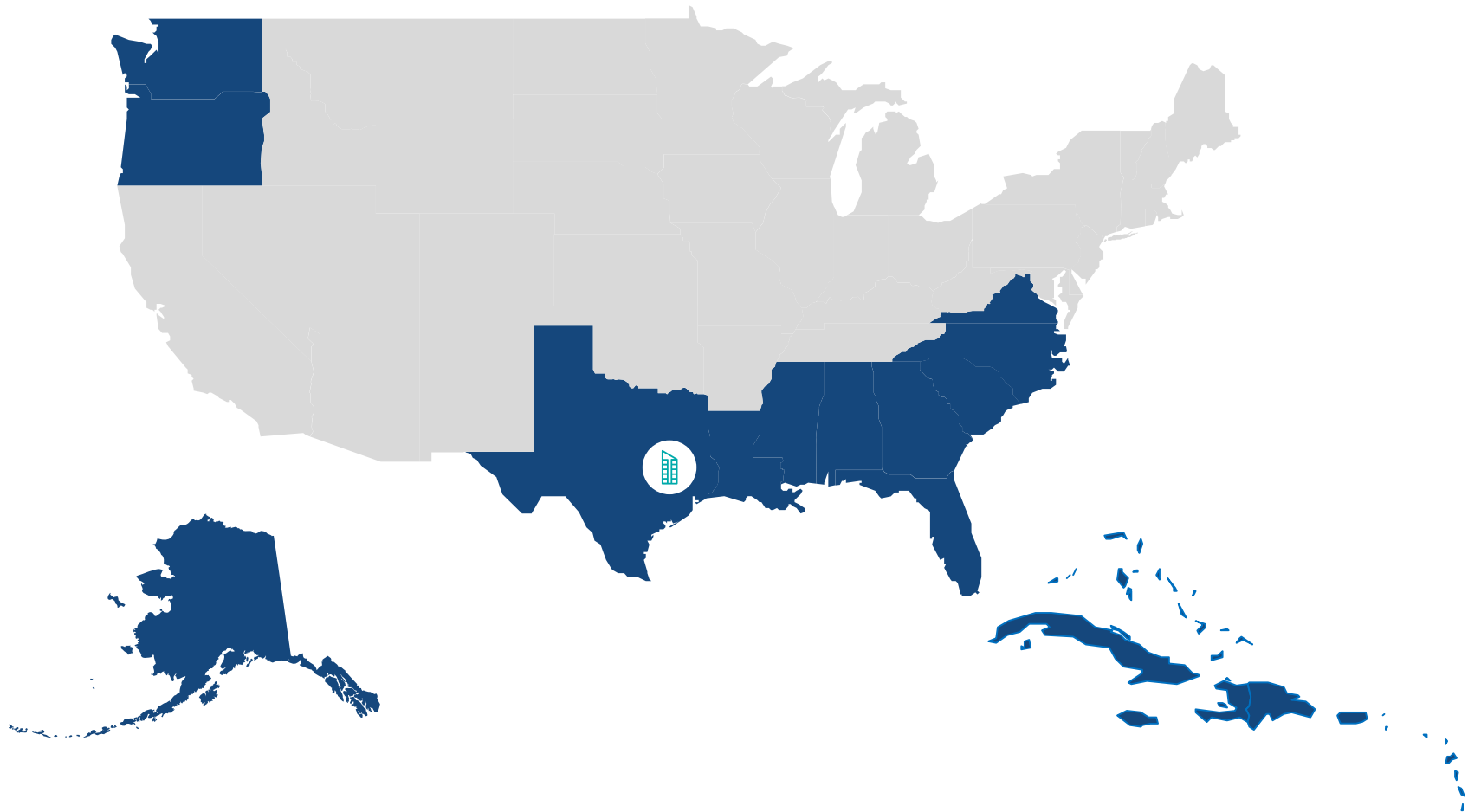
- Diverse end markets with favorable macro trends
- Unique turnkey project capabilities
- Specialized fleet of equipment creates barriers to entry and a competitive advantage
- Results reflect impact of operational transformation improvements in labor efficiency and equipment utilization



Attractive Geographic Footprint



= Headquarters



Favorable Macro Drivers Across Business Segments



Marine

- Port expansions and maintenance
- Downstream energy
- Bridges and causeways
- Marine infrastructure
- Coastal rehabilitation



Concrete

- Institutional developments and expansion
- Structural developments
- Recreational developments
- Industrial developments

Marine Segment Capabilities



Marine Transportation Facility Construction

- Port Facility
- Wharves
- Cruise Ship Terminals

- Bulkheads
- Military Installations
- Liquid Cargo Terminals

- Piers
- Dry Bulk Terminals
- Container Terminals

- Docks
- Marinas

Dredging Services

- Marine Construction
- Wildlife Refuge Creation
- Electric Capabilities

- Intracoastal Waterway Maintenance
- Reclamation
- Hurricane Restoration

- Port Expansion
- Port Deepening
- Beach Nourishment

Marine Environmental Structures

- Shoreline Protection
- Environmental Remediation
- GeoTube® Installation

- Wetlands Creation
- Concrete Mattress Installation
- Sea-Grass Bed Creation

- Erosion Control
- Levee Installation

Marine Pipeline Construction

- Pipeline Anchoring
- Communication Pipeline
- Tie-ins

- Cool Water Intakes
- Effluent Discharge Outfalls
- Intakes

- Velocity Control Structures
- Transmission Pipelines
- Risers

- Outfalls
- Hot-taps
- Jetting

Specialty Services

- Heavy Lift
- Diving
- Towing

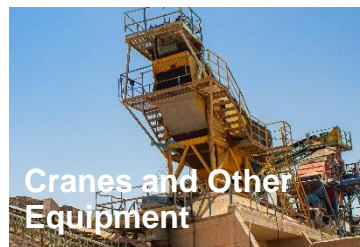
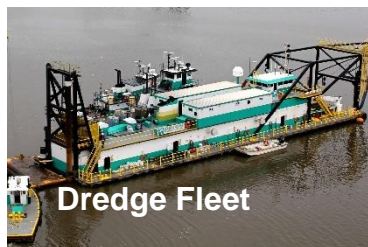
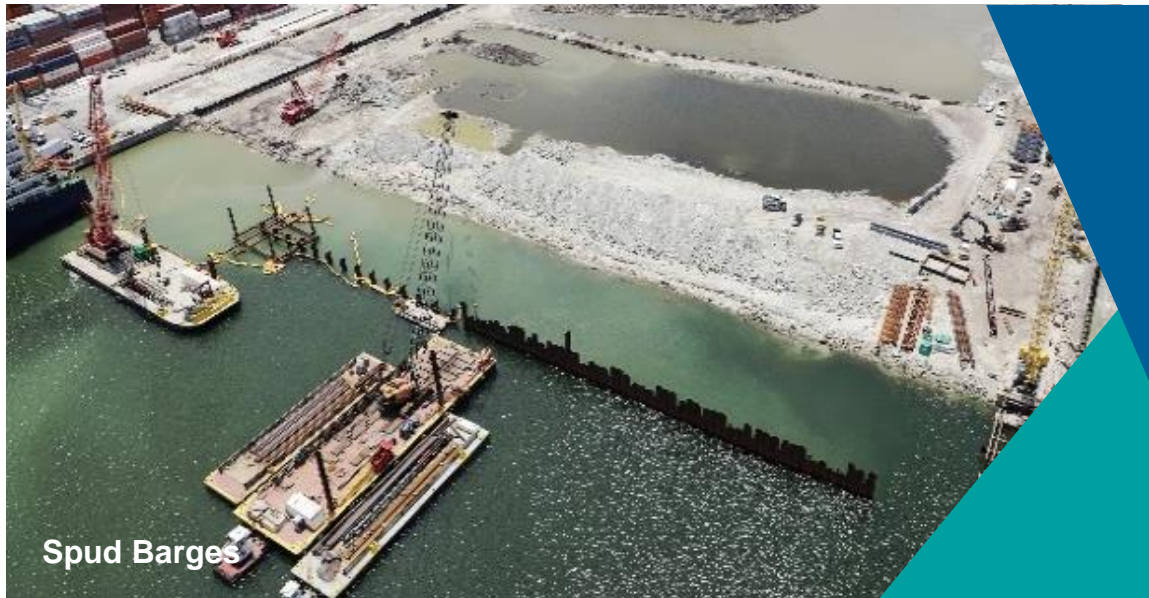
- Inspections
- Demolition
- Surveying

- Encapsulation
- Repair
- Salvage

Fleet of Specialized Marine Equipment

Over 300 Vessels & Pieces of Equipment

- 51 spud and material barges
- 21 tug and push boats
- 43 crawler and hydraulic cranes
- 7 cutter suction dredges
- 1 portable dredge ~400 pieces of other equipment



\$2.59

Book Value per Share

Estimated Replacement
Value of Over

\$200 million

Commercial Concrete Construction Overview

One of the Largest Texas-based Concrete Contractors

- Concrete construction primarily driven by population growth
- Houston and Dallas/Fort Worth are two of the Top 10 growing metro MSA's in U.S.
 - Significant market share in Houston
 - Expanded to D/FW market in 1995
 - Expanded to Austin market in 2017
- Provides turnkey services covering all phases of commercial concrete construction
- Acquired in 2015



Breadth of Concrete Services

Provides Services Across Three Avenues:

- **Light Commercial** – Horizontally poured concrete, tilt-walls, trenches, rebar installation, and pumping services
- **Structural** – Elevated concrete pouring, including columns, elevated beams, and structural walls
- **Industrial** – Warehouses, manufacturing plants, water treatment facilities, and refineries



150

Avg. Projects/Yr.

4,000+

Completed Projects

12 Yr.

Avg. Customer Tenure

90%

Repeat Business

High Quality Customer Base

Marine Segment

Concrete Segment

Federal Government Customers



State Government Customers



Local Government Customers

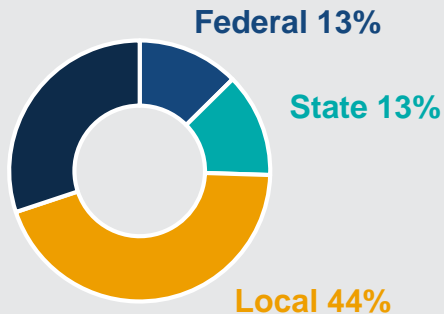


Private Customers



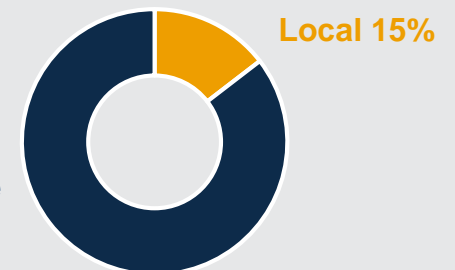
2019 Revenue by Customer

Private 30%



2019 Revenue by Customer

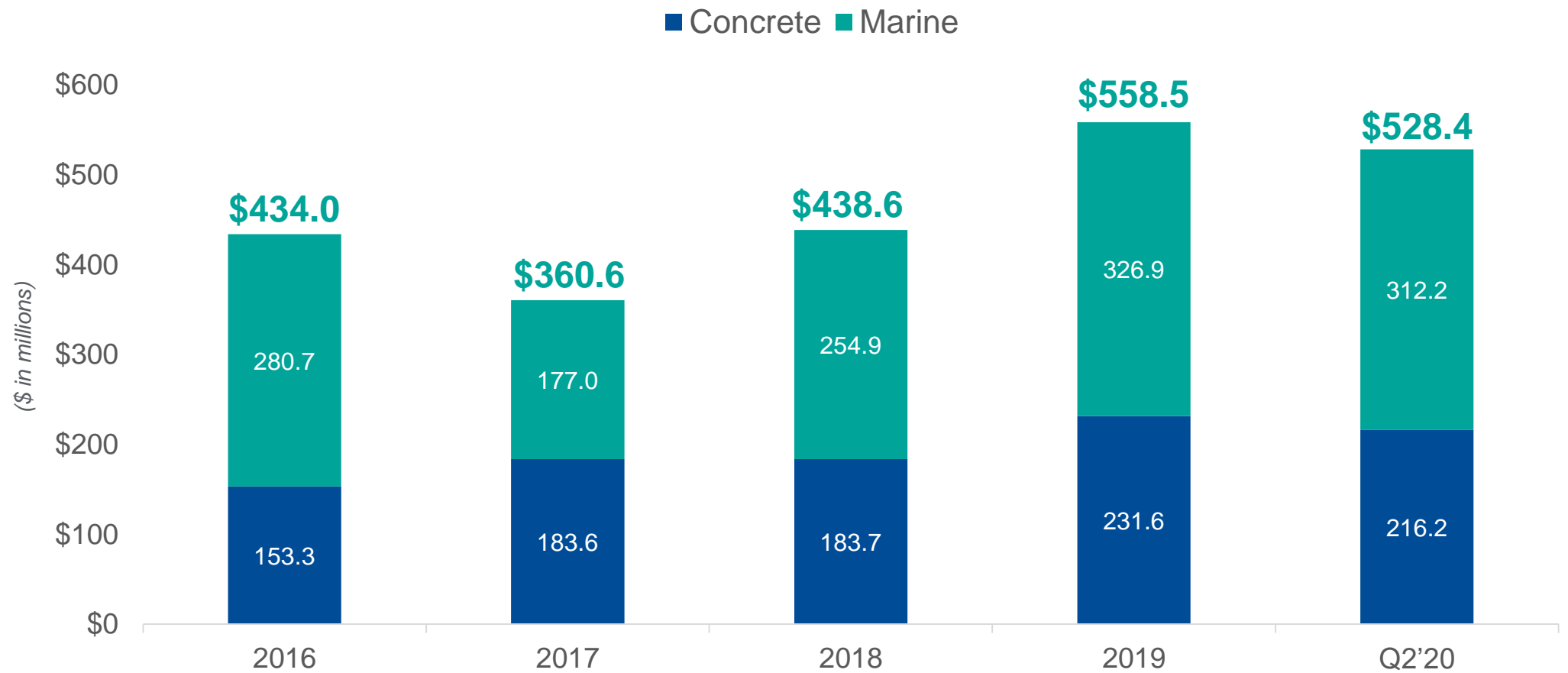
Private 85%



Recent Project Awards

Project	Segment	Location	Value	Start Date
Construction of Multi-use Tower Structure	Concrete	Texas	\$30 million	Q2'20
Corpus Christi Ship Channel	Marine	Texas	\$17 million	Q2'20
Port Mansfield Dredging	Marine	Texas	\$15 million	Q3'20
Deep Hole Dredging	Marine	Texas	\$5 million	Q3'20

Backlog at Near Record Levels



Expansion In Industrial Sector

Service	Orion Capabilities	
	Existing	New
Structural Excavations & Backfill	✓	
Foundations (Drive, Piles, Pile Caps, Footings, Piers)	✓	
Form/Concrete/Rebar	✓	
Columns/Pipe Supports/Walls	✓	
Slab-on-grade and Paving	✓	
Elevated Concrete	✓	
Hoisting	✓	
Utilities, Waterproofing & Coatings		✓ ⁽¹⁾

(1) Represents scopes of work that will be subcontracted.



The industrial sector represents a broad range of opportunities for our company. By leveraging our skill sets and customer base, we are expanding our addressable markets to provide high-quality services to meet more of our customers needs.



Recent Annual Results

(\$ in thousands except EPS data)	2017	2018	2019	1H 2020
Contract Revenues	\$578,553	\$520,894	\$708,390	\$350,333
Operating Income	\$1,538*	(\$39,811)**	\$2,193	\$8,449
Adjusted EBITDA	\$31,070	\$24,036	\$36,797	\$24,861
Adjusted EPS	(\$0.14)	(\$0.37)	\$0.00	\$0.12
Operating Cash Flows	\$34,133	\$21,931	(\$716)	\$33,074

Recent Quarterly Results

(\$ in thousands)	1H 2020	1H 2019	Variance
Contract Revenues	\$350,333	\$309,090	13%
Operating Income	\$8,449	(\$6,600)	228%
Adjusted EBITDA	\$24,861	\$13,191	88%
Adjusted EBITDA Margin (%)	7.1%	4.3%	280 bps

Contract Revenues were up due to:

- Increased project execution in the marine segment
- Concrete segment significantly improved operating performance driven by higher production volumes

Operating income increased due to:

- Mixture of higher margin projects, favorable Labor and Equipment utilization
- Improved man hours per cubic yard

Liquidity to Fund Operations

As of June 30, 2020
(\$ in millions)

Cash and equivalents \$10.3

Current Assets \$191.4

Working Capital \$54.0

Total Assets \$371.4

Current Liabilities \$137.5

Total Debt \$52.0

Total Liabilities \$228.0

Shareholder's Equity \$143.4



- Conservative Balance Sheet
- Low Leverage
- Strong Liquidity Position
- Access to Capital Markets
- In excess of \$750 million in bonding Capacity



Appendix

EBITDA/Adjusted EBITDA reconciliation

Adj. EBITDA and EBITDA Margin Reconciliation

(\$ in thousands)	2012	2013	2014	2015	2016	2017	2018	2019	1H 2020
Net income (loss)	(\$11,866)	\$331	\$6,877	(\$8,060)	(\$3,620)	\$400	(\$94,422)	(\$5,359)	\$4,751
Income tax	(\$4,640)	(\$937)	\$3,175	(\$2,519)	\$1,581	(\$4,541)	(\$12,233)	\$1,868	\$1,357
Interest expense, net	\$708	\$512	\$677	\$3,116	\$6,172	\$5,720	\$7,807	\$6,455	\$2,477
Depreciation and amortization	\$21,570	\$21,538	\$23,451	\$28,083	\$34,162	\$29,491	\$31,799	\$28,407	\$13,896
EBITDA ⁽¹⁾	\$5,772	\$21,444	\$34,180	\$20,620	\$38,295	\$31,070	(\$67,049)	\$31,371	\$22,481
Changes in Cost Estimate	--	--	--	--	--	--	\$22,770	--	--
Reserve on disputed AR	--	--	--	--	--	--	\$4,280	--	--
Goodwill impairment charges	--	--	--	--	--	--	\$69,483	--	--
Legal settlement	--	--	--	--	--	--	(\$5,448)	--	--
Stock-based compensation	\$3,115	\$2,141	\$1,594	\$2,277	\$2,280	\$2,303	\$2,240	\$2,753	\$1,629
ERP Implementation									\$310
ISG Initiative	--	--	--	--	--	--	--	\$4,781	\$369
Severance	--	--	--	--	--	--	--	\$645	\$72
Adjusted EBITDA	\$2,657	\$19,303	\$32,586	\$18,343	\$36,015	\$28,767	\$21,796	\$34,044	\$24,861
Profit margin ⁽²⁾	-4.06%	0.09%	1.78%	-1.73%	-0.63%	0.07%	-1.81%	-0.08%	1.36%
Impact of income taxes	-1.59%	-0.26%	0.82%	-0.54%	0.27%	-0.78%	-2.34%	0.26%	0.39%
Impact of interest expense, net	0.24%	0.14%	0.18%	0.67%	1.07%	1.00%	1.50%	0.91%	0.71%
Impact of depreciation and amortization	7.39%	6.07%	6.08%	6.02%	5.91%	5.10%	6.10%	4.01%	3.97%
EBITDA margin ⁽¹⁾	1.98%	6.05%	8.86%	4.42%	6.62%	5.40%	7.68%	4.43%	6.42%

(1) EBITDA is a non-GAAP measure that represents earnings before interest, taxes, depreciation and amortization. EBITDA margin is a non-GAAP measure calculated by dividing EBITDA by contract revenues.

(2) Profit margin is calculated by dividing Net income (loss) by contract revenue