

GREAT LAKES  
**DREDGE & DOCK**  
CORPORATION

NOBLE CAPITAL  
MARKETS'  
SEVENTEENTH  
ANNUAL INVESTOR  
CONFERENCE  
PRESENTATION

JANUARY 2021

Dredging Worldwide Since 1890.

GREAT LAKES DREDGE & DOCK CORPORATION > INFRASTRUCTURE SOLUTIONS

INFO@GLDD.COM | GLDD.COM

# SAFE HARBOR

## **Forward-Looking Statements**

This presentation includes “forward-looking” statements within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, the Private Securities Litigation Reform Act of 1995 or in releases made by the SEC, all as may be amended from time to time. Such statements include declarations regarding the intent, belief, or current expectations of the Company and its management. The Company cautions that any such forward-looking statements are not guarantees of future performance, and involve a number of risks, assumptions and uncertainties that could cause actual results of the Company and its subsidiaries, or industry results, to differ materially from those expressed or implied by any forward-looking statements contained herein, including, but not limited to, as a result of the factors, risks and uncertainties described in securities filings of the Company made with the SEC, including the Company’s most recent Report on Form 10-K and Form 10-Q. You should not place undue reliance upon these forward-looking statements provided herein are made only as of the date

hereof or as a specified date herein and the Company does not have or undertake any obligation to update or revise them, unless required by law.

## **Non-GAAP Measures**

This presentation includes certain non-GAAP measures, including Adjusted EBITDA from continuing operations, Pro Forma Adjusted EBITDA from continuing operations and operational results excluding restructuring. In addition to providing key metrics for management to evaluate the Company’s performance, we believe these measurements assist investors in their understanding of period-to-period operating performance and in identifying historical and prospective trends. Reconciliations of these non-GAAP financial measures to the most comparable GAAP measure are available in the Appendix. Investors are urged to consider these non-GAAP measures in addition to, and not in substitution for, measures prepared in accordance with GAAP.

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# TABLE OF CONTENTS

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-  1 COMPANY OVERVIEW
-  2 INVESTMENT HIGHLIGHTS
-  3 FINANCIAL OVERVIEW
-  4 APPENDIX





## COMPANY OVERVIEW

# 1 ABOUT US **SNAPSHOT**

- ✓ 130 YEAR HISTORY
- ✓ DEEMED ESSENTIAL CRITICAL INFRASTRUCTURE SERVICE DURING COVID-19 PANDEMIC
- ✓ DOMESTIC & INTERNATIONAL DREDGING
- ✓ CAPITAL, COASTAL PROTECTION & RESTORATION
- ✓ PORT DEEPENING, SHORELINE PROTECTION, BARRIER ISLANDS & LAND RECLAMATION
- ✓ AN INCIDENT & INJURY-FREE® (IIF®) COMPANY

LTM REVENUE \$726 MILLION

LTM EBITDA<sup>a</sup> \$154 MILLION

COMPANY BACKLOG \$661 MILLION

\$ as of September 30, 2020





# ABOUT US **SNAPSHOT**

## GREAT LAKES DREDGE & DOCK COMPANY



### Overview

- The largest provider of dredging services in the United States
- Dredge Act and Jones Act provide significant barriers to entry in the domestic market
- A long history of performing significant international projects
- Large and diverse fleet of hydraulic, mechanical and hopper dredges

### Core Services

- Port, harbor and waterway maintenance, deepening and expansion
- Coastal restoration and protection
- Land reclamation
- Lake and river dredging
- Pipeline, cable and tunnel trenching
- Subaqueous rock drilling and blasting
- Environmental restoration

### Clients

- Federal, state, local, and foreign governments, and domestic and foreign private companies, such as utilities and energy companies

**~1,200**  
EMPLOYEES<sup>a</sup>

**~\$726M**  
REVENUE

**~\$661M**  
BACKLOG<sup>b</sup>

Note: Figures as of Trailing Twelve Month Period ended September 30, 2020  
(a) as of FYE 2019; (b) Company Backlog at 9/30/2020





# ABOUT US 2020 HIGHLIGHTS

## GREAT LAKES DREDGE & DOCK COMPANY



### New build – a 6,500-cubic-yard-capacity trailing suction hopper dredge

- Increases the capabilities of our hopper fleet in the coastal protection and maintenance markets
- Addresses specific needs in the growing offshore wind market



### Stock repurchase program

- Demonstrates the Board's confidence in our future and our commitment to delivering value to all of our shareholders
- Our strong cash flow and balance sheet enable us to repurchase our stock, while maintaining ample liquidity to have the flexibility to support our growth.



### Moving headquarters to Houston

- A testament to the region's extraordinary diversity of talent and competitive landscape
- Supports our important connections and outreach in geographies that will better serve our customer base



### Design first Jones Act compliant, purpose-built vessel for subsea rock installation

- Represents critical step forward for US renewables and offshore wind industry
- First step in establishing US-based rock supply chain for the offshore wind industry
- Vessel to be built by US shipyard and expected to be operational as early as Q1 2024





# ABOUT US DREDGING MARKETS

NORTH AMERICA'S LEADING DREDGER WITH 130 YEARS OF EXPERIENCE



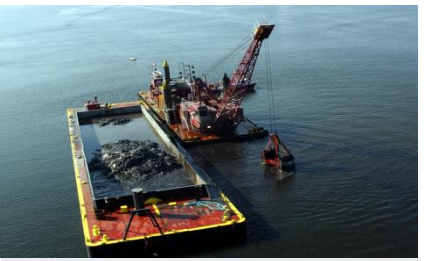
**CAPITAL**  
42% OF REVENUE<sup>(A)</sup>

↓  
PORT DEEPENING /  
EXPANSION, COASTAL  
RESTORATION, LAND  
RECLAMATION, & EXCAVATION  
OF UNDERWATER TRENCHES  
**BID MARKET SHARE<sup>(B)</sup> 33%**



**COASTAL PROTECTION**  
25% OF REVENUE<sup>(A)</sup>

↓  
CREATING AND REBUILDING  
BEACHES  
**BID MARKET SHARE<sup>(B)</sup> 22%**



**MAINTENANCE**  
15% OF REVENUE<sup>(A)</sup>

↓  
MAINTAINING DEPTH OF  
WATERWAYS AND HARBORS  
**BID MARKET SHARE<sup>(B)</sup> 41%**



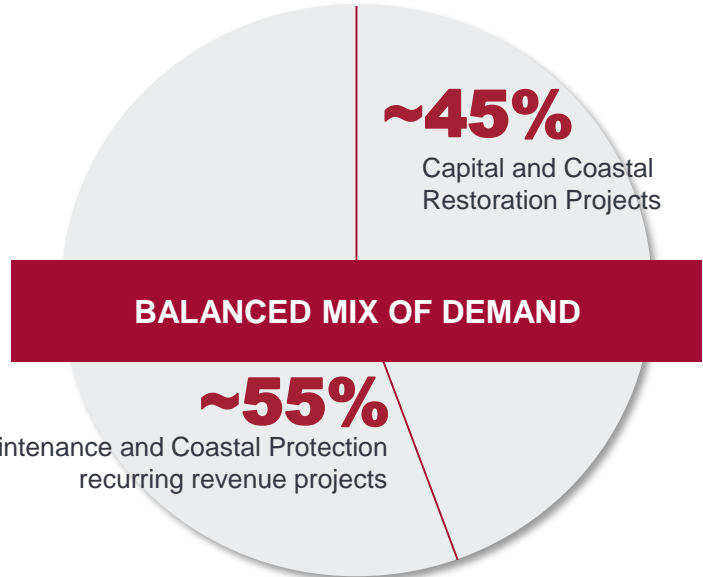
**FOREIGN**  
7% OF REVENUE<sup>(A)</sup>

↓  
INTERNATIONAL LAND  
RECLAMATIONS, CHANNEL  
DEEPENING & PORT  
INFRASTRUCTURE DEVELOPMENT  
**3-YEAR AVERAGE REVENUE:  
\$35MM**



**RIVERS & LAKES**  
11% OF REVENUE<sup>(A)</sup>

↓  
INLAND MAINTENANCE AND LAKE  
DREDGING, ENVIRONMENTAL &  
HABITAT RESTORATION  
**BID MARKET SHARE<sup>(B)</sup> 4%**



(a) Revenue of FY 2019  
(b) The Company's dredging bid market is defined as the aggregate dollar value of domestic projects on which the Company bid or could have bid if not for capacity constraints. Bid market share represents bid market average over the prior three years (2017-2019)





# ABOUT US DREDGING FLEET

LARGE & FLEXIBLE FLEET WITH TWO MAJOR VESSELS ADDED TO FLEET SINCE 2018



## HOPPER

- 6 VESSELS: 5 U.S., 1 MIDDLE EAST (5 U.S. FLAGGED, 1 INTERNATIONAL FLAGGED)
- THE ELLIS ISLAND IS THE LARGEST HOPPER IN THE US FLEET
- HIGHLY MOBILE, ABLE TO OPERATE IN ROUGH WATERS
- LITTLE INTERFERENCE WITH OTHER SHIP TRAFFIC



## MECHANICAL

- 5 VESSELS: 5 U.S. (ALL U.S. FLAGGED)
- OPERATES ONE OF TWO ENVIRONMENTALLY FRIENDLY ELECTRIC CLAMSHELL DREDGES IN THE U.S.
- THE DREDGE 58 IS THE LARGEST CLAMSHELL IN THE US FLEET
- MANEUVERABILITY IN TIGHT AREAS SUCH AS DOCKS AND TERMINALS



## HYDRAULIC

- 5 OCEAN CLASS VESSELS: 5 U.S. (ALL U.S. FLAGGED)
- 6 INLAND CLASS VESSELS: 6 U.S.
- MOST POWERFUL ROCK CUTTER DREDGES IN US MARKET
- SUPPORTED BY 8 BOOSTER PUMPING STATIONS: 8 U.S.
- CAPABLE OF EXCAVATING CHALLENGING SOILS, INCLUDING ROCK

# ABOUT US PROJECTS

## TOP RECENT DREDGING PROJECT AWARDS AS OF 9/30/2020

DATE	PROJECT / LOCATION	AMOUNT	TYPE
SEPTEMBER 2020	JACKSONVILLE DEEPENING C	\$116 MILLION	CAPITAL
SEPTEMBER 2020	POST 45, LWR CHARLESTON 4	\$53 MILLION	CAPITAL
AUGUST 2020	PASS A'LOUTRE, LA	\$58 MILLION	MAINTENANCE
AUGUST 2020	EMERALD ISLE PHASE III	\$32 MILLION	COASTAL PROTECTION
JULY 2020	ABSECON ISLAND, NJ	\$31 MILLION	COASTAL PROTECTION
JUNE 2020	SABINE PASS LNG BERTH 3, LA 2019	UNDISCLOSED	CAPITAL
JUNE 2020	CAMERON MEADOWS, LA	\$27 MILLION	MAINTENANCE
MARCH 2020	CAMINADA HEADLAND, LA	\$30 MILLION	COASTAL PROTECTION
DECEMBER 2019/FEBRUARY 2020	SOUTH ATLANTIC REGION HOPPER	\$22 MILLION	MAINTENANCE
NOVEMBER 2019	CHARLOTTE/SARASOTA BEACHES, FL	\$31 MILLION	COASTAL PROTECTION
SEPTEMBER 2019	SEA ISLE - PECK BEACH, NJ	\$41 MILLION	COASTAL PROTECTION
AUGUST 2019	MSCIP PHASE 3&4	\$57 MILLION	COASTAL RESTORATION
AUGUST 2019	BALTIMORE HBR & CHNLS	\$38 MILLION	MAINTENANCE
JULY 2019	EMERALD ISLE/PINK KNOLL/ATL BCHES	\$28 MILLION	COASTAL PROTECTION
JUNE 2019	GALVESTON SHIP CHANNEL, TX	\$21 MILLION	MAINTENANCE
JUNE 2019	SANDBRIDGE, VA	\$20 MILLION	COASTAL PROTECTION
MAY 2019	VIRGINIA BEACH, VA	\$23 MILLION	COASTAL PROTECTION
JANUARY 2019	EMERALD ISLE/INDIAN BEACH, NC	\$20 MILLION	COASTAL PROTECTION
DECEMBER 2018	CORPUS CHRISTI CHANNEL DEEPENING	\$93 MILLION	CAPITAL
SEPTEMBER 2018	TAMPA HBR, BIG BEND CHNL, FL	\$74 MILLION	CAPITAL
SEPTEMBER 2018	JACKSONVILLE DEEPENING "B"	\$210 MILLION	CAPITAL
SEPTEMBER 2018	FIRE ISLAND INLET, NY	\$26 MILLION	BEACH
JULY 2018	SAN JACINTO RIVER, TX	\$70 MILLION	RIVERS & LAKES
JUNE 2018	NAGS HEAD, NC	\$35 MILLION	COASTAL PROTECTION
JUNE 2018	MYRTLE BEACH, SC	\$35 MILLION	COASTAL PROTECTION
MAY 20108	LA QUINTA CHANNEL WIDENING	\$21 MILLION	CAPITAL
APRIL 2018	LONG BEACH, NY	\$54 MILLION	COASTAL PROTECTION
OCTOBER 2017/MARCH 2018	CHARLESTON II	\$278 MILLION	CAPITAL





## INVESTMENT HIGHLIGHTS





# INVESTMENT HIGHLIGHTS

- I** **MARKET LEADER** IN DOMESTIC DREDGING<sup>a</sup>
- II** ROBUST MARKET OUTLOOK WITH HIGHLY VISIBLE **OPPORTUNITY**
- III** MAJOR COMMITMENT TO **FLEET IMPROVEMENT**
- IV** SUCCESSFULLY COMPLETED **RESTRUCTURING PROGRAM**
- V** **EXPERIENCED** MANAGEMENT TEAM





# INVESTMENT HIGHLIGHTS

## I. LEADING FRANCHISE → LARGEST U.S. DREDGING CONTRACTOR



GREAT LAKES IS THE **LARGEST** PROVIDER OF DREDGING SERVICES IN THE **UNITED STATES**



COMPETITORS INCLUDE **NATIONAL** & **REGIONAL** PLAYERS



ONLY U.S. DREDGING CONTRACTOR OPERATING IN THE **INTERNATIONAL** MARKET



GREAT LAKES HAS MAINTAINED ITS POSITION AS **MARKET LEADER** FOR DECADES

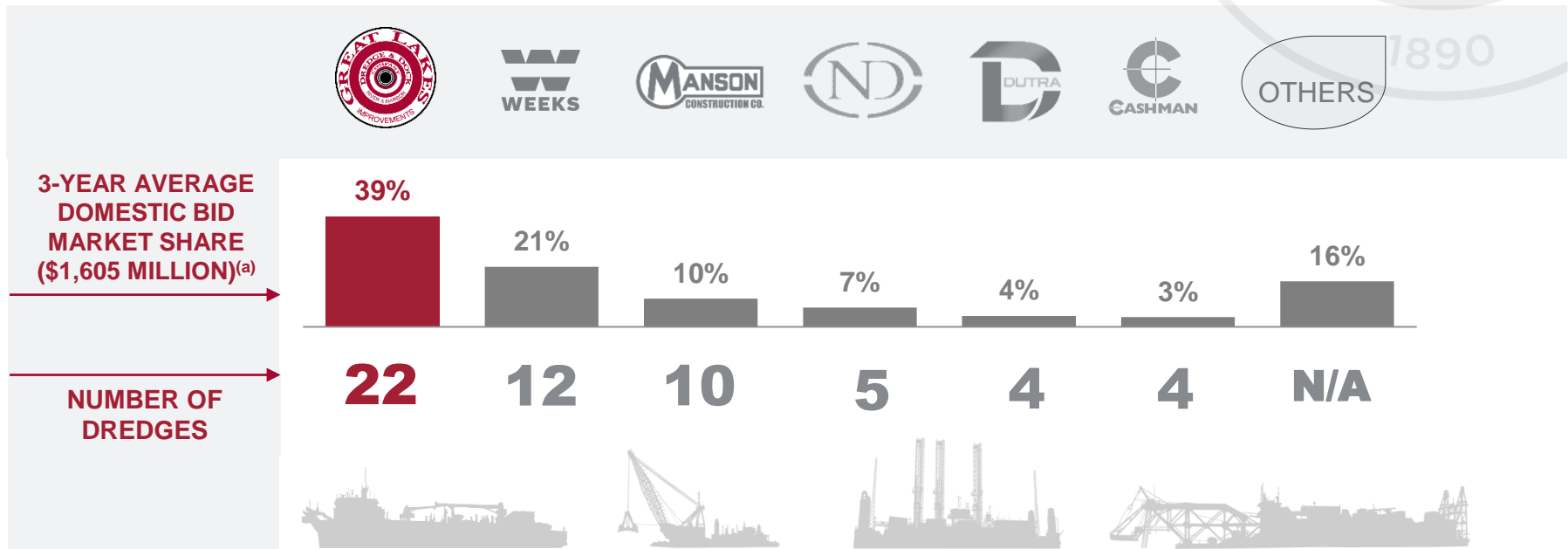
- ✓ Market share driven in part by fleet capacity and technical leadership / know-how developed over 130-year history
- ✓ Deep talent pool leads industry in project management and production engineering capabilities
- ✓ Large and diverse fleet of equipment spanning all major dredge types provides competitive edge
- ✓ Dredge Act, Jones Act effectively serve as barriers to entry for non-U.S.-owned, non-U.S.-crewed and non-U.S.-built dredges





# INVESTMENT HIGHLIGHTS

## II. THE DOMESTIC COMPETITION



(a) 2017 – 2019 including Rivers & Lakes



## ATTRACTIVE NEAR &amp; LONG-TERM CATALYSTS IN U.S. DREDGING

**DEEPENING OF U.S. PORTS POST-PANAMA  
CANAL DEEPENING**

→ Growing use of “post-Panamax” vessels is expected, requiring the deepening of many ports along East Coast and Gulf in order to accommodate these deeper draft vessels

**GULF COAST RESTORATION**

→ RESTORE Act requires 80% of penalties associated with Deepwater Horizon oil spill to be deposited into a coastal restoration works fund, a portion of which is expected to be allocated to dredging

→ BP finalized \$20.8 billion settlement in October 2015

**WATER RESOURCES REFORM & DEVELOPMENT ACT (“WRRDA”) &  
HARBOR MAINTENANCE TRUST FUND (“HMTF”)**

→ First water legislation to be signed into law since 2007; authorizes dozens of large-scale water infrastructure projects

→ Provision in CARES Act lifts caps on the Harbor Maintenance Trust Fund, thereby allowing full access to future annual revenues to be used for their intended purpose of dredging our nation’s ports and harbors



# INVESTMENT HIGHLIGHTS

## III. MAJOR COMMITMENT TO FLEET IMPROVEMENT

### → ELLIS ISLAND – A GAME CHANGING VESSEL

- Largest hopper dredge in U.S. market with 15,000 cubic yard capacity
- Significantly larger than a traditional self-propelled hopper dredge



*Ellis Island*

### → DREDGE 58 – LARGEST CLAMSHELL DREDGE IN U.S.



*Dredge 58*

### → OHIO – CUTTER DREDGE UPGRADED AND REJOINING U.S. FLEET



*Ohio*

### → NEW HOPPER DREDGE – MID-SIZED SHALLOW DRAFT

- Competitive advantage in coastal protection market



*New hopper dredge*

## Commitment to fleet improvement is expected to result in:

- Improved Competitive position
- Improved Market share
- Improved Operating margin





# INVESTMENT HIGHLIGHTS

## IV. SUCCESSFULLY COMPLETED RESTRUCTURING PROGRAM

- ✓ ANNOUNCED OCTOBER 2017
- ✓ COMPLETED DECEMBER 2018
- ✓ 100+ INITIATIVES PUT IN PLACE TO ACHIEVE \$40M IN EBITDA SAVINGS
- ✓ 100+ ASSETS RATIONALIZED, INCLUDING EIGHT LARGE DREDGES



# INVESTMENT HIGHLIGHTS

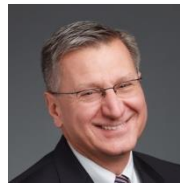
## V. EXPERIENCED MANAGEMENT TEAM



### LASSE PETERSON

Chief Executive Officer and President, Director

- > Appointed CEO on May 1, 2017 and board member on December 30, 2016
- > Has over 35 years of industry experience, including his most recent role as a private consultant to clients in the Oil & Gas sector
- > Previously served as COO and EVP at Chicago Bridge and Iron from 2009 to 2013



### DAVID SIMONELLI

Chief Operating Officer

- > Appointed President of Dredging Operations in 2010
- > Joined Great Lakes in 1978 as a Field Engineer and has over 40 years of industry experience



### MARK MARINKO

Senior Vice President, Chief Financial Officer

- > Appointed Senior Vice President & Chief Financial Officer in June 2014
- > Served as interim CEO from January 2017 to April 2017
- > Has over 30 years of financial leadership practice, specializing in accounting, finance, sales, systems and business operations



### VIVIENNE SCHIFFER

Senior Vice President, Chief Legal Officer, Chief Compliance Officer

- > Joined Great Lakes Dredge & Dock in December 2020
- > Leads the Company's legal and compliance organization, providing legal counsel to Executive Management and the Board of Directors
- > Has over 35 years of experience and has held significant legal, business and operational leadership roles in the industrials sector including advising clients on a range of corporate governance, capital markets and M&A matters



### JAMES TASTARD

Senior Vice President, Chief Human Resources & Administrative Officer

- > Joined Great Lakes in October 2020
- > Responsible for leading GLDD's HR organization, Talent Management, Leadership Development, and Learning, Compensation, and Benefits, Employee Relations, Payroll, Risk Management, Marketing and Communications, and Environment, Social, and Governance (ESG)
- > Has over 30 years of human resources experience



## FINANCIAL OVERVIEW



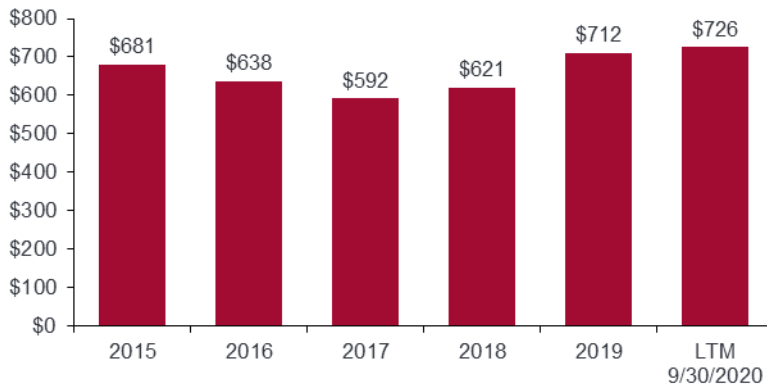


# FINANCIAL OVERVIEW

## HISTORICAL FINANCIAL PERFORMANCE

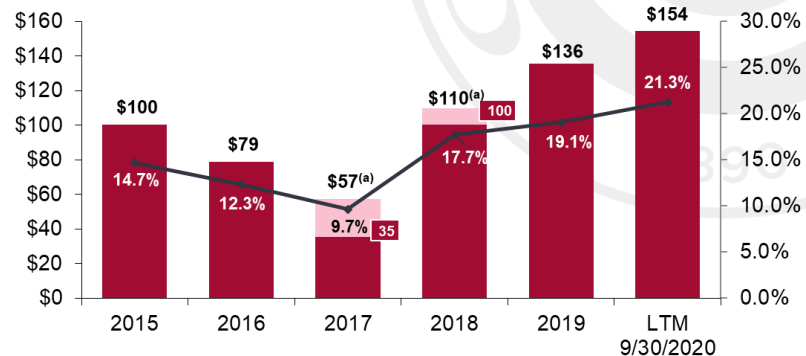
### REVENUE

\$ millions



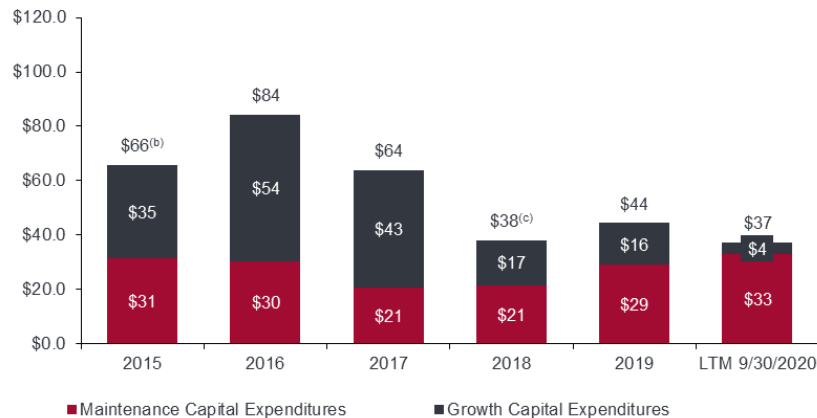
### ADJUSTED EBITDA (% MARGIN)

\$ millions



### CAPITAL EXPENDITURES

\$ millions



Note: See Appendix for reconciliation of Net Income (Loss) to Adjusted EBITDA.  
 (a) Pink shaded area represents the impact of the restructuring charge on Adjusted EBITDA.  
 (b) Excludes \$16.2MM for the purchase of Terrapin Island dredge that was previously on an operating lease  
 (c) Excludes \$15.6MM for the purchases of equipment that was previously on operating leases



# FINANCIAL OVERVIEW

## SUMMARY OF Q3 2020

### → TOTAL REVENUE

- \$75.8MM in Q3 2020, a \$6.0MM increase compared to Q3 2019, due to:
  - > Higher domestic capital and maintenance revenue
  - > Offset partially by lower coastal protection, rivers & lakes and foreign revenue

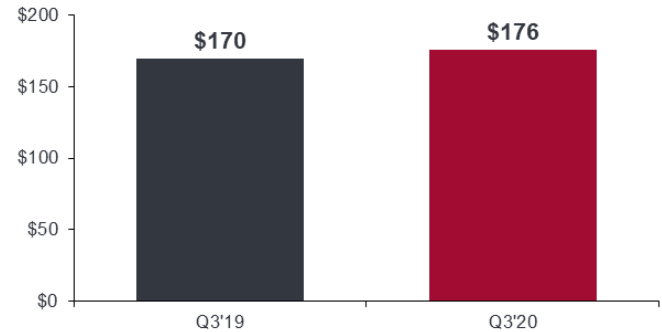
### → GROSS PROFIT MARGIN

- Increased to 20.7% for Q3 2020 compared with 18.7% for Q3 2019, due to:
  - > Strong project performance
  - > Offset by several vessel drydocks

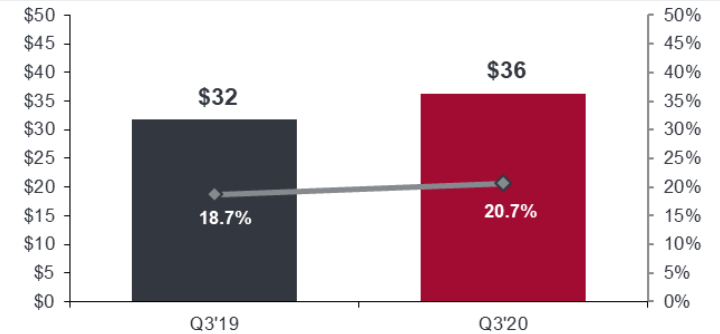
### → ADJUSTED EBITDA

- Adjusted EBITDA from continuing operations, was \$32.2M for Q3 2020.

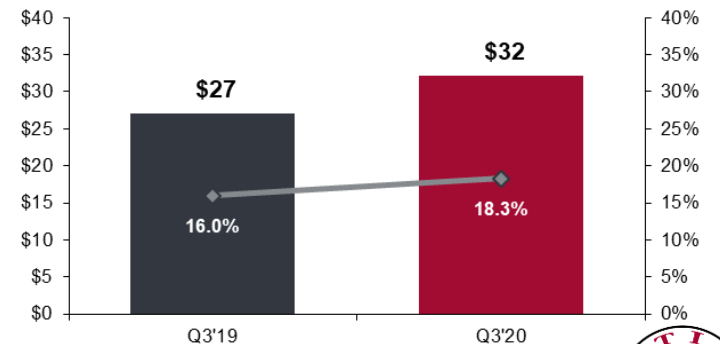
### CONSOLIDATED REVENUE \$ millions



### GROSS PROFIT \$ millions



### ADJUSTED EBITDA \$ millions



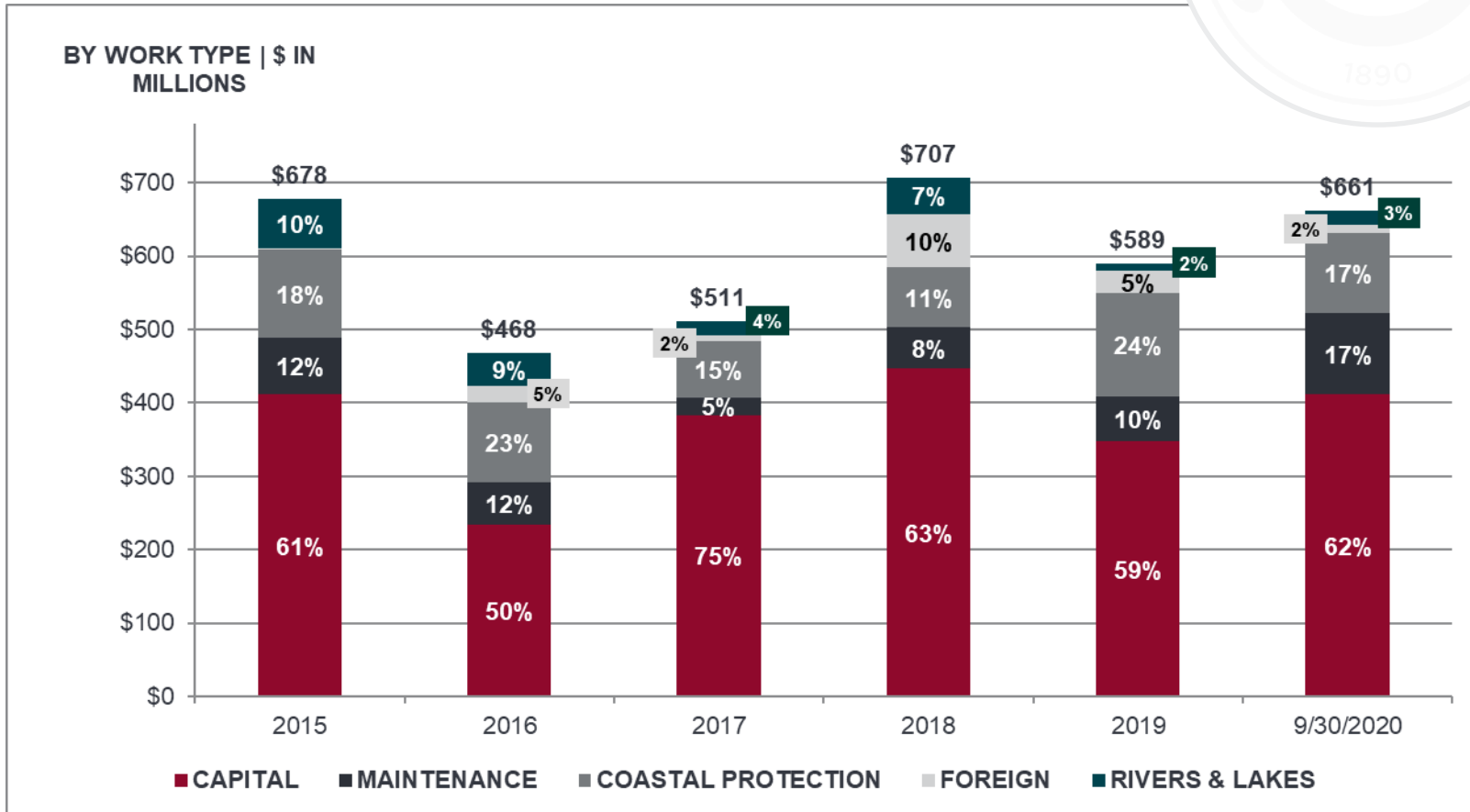


# FINANCIAL OVERVIEW

## BACKLOG



BY WORK TYPE  
\$ IN MILLIONS





## APPENDIX



# APPENDIX

## RECONCILIATION OF NET INCOME (LOSS) TO ADJUSTED EBITDA



(\$ IN MILLIONS)	FISCAL YEAR ENDING DECEMBER 31					QUARTER ENDING SEP 30		9/30/2020
	2015	2016	2017	2018	2019	2019	2020	TTM
<b>INCOME (LOSS) FROM CONTINUING OPERATIONS</b>	<b>\$14.7</b>	<b>\$0.5</b>	<b>(\$15.4)</b>	<b>\$11.0</b>	<b>\$55.7</b>	<b>\$8.8</b>	<b>\$12.5</b>	<b>\$70.3</b>
ADJUSTED FOR:								
LOSS ON EXTINGUISHMENT OF DEBT	--	--	2.3	--	--	--	--	--
INTEREST EXPENSE – NET	23.7	23.5	26.0	33.6	27.0	6.3	6.7	26.5
INCOME TAX PROVISION (BENEFIT)	11.1	(0.2)	(33.8)	5.4	15.3	3.2	4.1	19.5
DEPRECIATION AND AMORTIZATION	50.6	54.8	56.0	50.4	37.1	8.8	8.9	38.0
<b>ADJUSTED EBITDA FROM CONTINUING OPERATIONS</b>	<b>\$100.1</b>	<b>\$78.7</b>	<b>\$35.2</b>	<b>\$100.4</b>	<b>\$135.1</b>	<b>\$27.1</b>	<b>\$32.2</b>	<b>\$154.3</b>
EXCLUDED FOR:								
IMPACT OF RESTRUCTURING	--	--	22.0	9.4	0.5	--	--	--
<b>ADJUSTED EBITDA FROM CONTINUING OPERATIONS, EXCLUDING RESTRUCTURING</b>	<b>\$100.1</b>	<b>\$78.7</b>	<b>\$57.2</b>	<b>\$109.8</b>	<b>\$135.6</b>	<b>\$27.1</b>	<b>\$32.2</b>	<b>\$154.3</b>





