Risk Factors Comparison 2024-03-01 to 2023-03-16 Form: 10-K

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~~represent our best estimate of the outcomes of these claims. Should negative trends persist; we could continue to be negatively impacted in the future. General Risk FactorsSystems and information technology interruption or failure and data security breaches could adversely impact our ability to operate or expose us to significant financial losses and reputational harm. We rely heavily on computer, information, and communications technology and related systems in order to properly operate our business. From time to time, we experience occasional system interruptions and delays. In the event we are unable to regularly deploy software and hardware, effectively upgrade our systems and network infrastructure, and take other steps to maintain or improve the efficiency and efficacy of our systems, the operation of such systems could be interrupted or result in the loss, corruption, or release of data. In addition, our computer and communication systems and operations could be damaged or interrupted by natural disasters, telecommunications failures, power loss, acts of war or terrorism, computer viruses, malicious code, physical or electronic security breaches, intentional or inadvertent user misuse or error, or similar events or disruptions. Any of these or other events could cause interruptions, delays, loss of critical and / or sensitive data or similar effects, which could have a material adverse impact on our business, financial condition, protection of intellectual property, and results of operations, as well as those of our clients. In addition, we face the threat to our computer systems of unauthorized access, computer hackers, computer viruses, malicious code, organized cyber- attacks and other security problems and system disruptions, including possible unauthorized access to and disclosure of our and our clients' proprietary or classified information. We rely on industry accepted security measures and technology to securely maintain all confidential and proprietary information on our computer systems, but they may still be vulnerable to these threats. As a result, we may be required to expend significant~~ resources to protect against the threat of these system disruptions and security breaches or to alleviate problems caused by these disruptions and breaches. Any of these events could damage our reputation and have a material adverse effect on our business, financial condition, results of operations and cash flows. **Adverse changes in tax laws both in the United States and abroad, changes in tax rates or exposure to additional income tax liabilities could have a material adverse effect on our results of operations. On December 15, 2022, the European Union (EU) Member States formally adopted the EU' s Pillar Two Directive, which generally provides for a minimum effective tax rate of 15 %, as established by the Organization for Economic Co- operation and Development (OECD) Pillar Two Framework that was supported by over 130 countries worldwide. The EU' s Pillar Two Directive effective dates are January 1, 2024, and January 1, 2025, for different aspects of the directive. On July 17, 2023, the OECD published Administrative Guidance proposing certain safe harbor rules that effectively extend certain effective dates to January 1, 2027. EU Member States will still need to adopt the OECD Administrative Guidance in their local Pillar Two legislation for such safe harbor rules to apply. A significant number of other countries are also considering implementing similar legislation. We are continuing to evaluate the potential impact on future periods of the Pillar Two Framework, pending legislative adoption by additional individual countries, including those within the European Union. At this time, we do not expect the impact to be significant.** Risk Factors Relating to Our ~~Indebtedness~~ **IndebtednessOur** ~~and Financing PlansOur~~ indebtedness includes covenants and obligations with regard to our business activities that may restrict our ability to take certain actions which may negatively affect our financial condition. At December 31, ~~2022~~ **2023** , our total indebtedness under **our** ~~the~~ **three - year $ 103. 0 million senior secured credit facility (the "** Credit Agreement **"), dated May 15, 2023, as amended,** was approximately $ ~~35~~ **38** . 0 million. We must comply with various affirmative and negative covenants contained in our Credit Agreement, some of which may restrict the way in which we would like to conduct our business. Among other things, our requirements under ~~out~~ **our** debt instruments could potentially limit our ability to: ● incur additional indebtedness or liens; ● make payments in respect of or redeem or acquire any debt or equity issued by us; ● sell assets; ● make loans or investments; ● make guarantees; ● enter into any hedging agreement for speculative purposes; ● acquire or be acquired by other companies; or ● amend some of our contracts. The restrictions under our indebtedness may prevent us from engaging in certain transactions which might otherwise be considered beneficial to us, for example, they could: ● increase our vulnerability to general adverse economic and industry conditions; ● limit our ability to fund future working capital and capital expenditures, to engage in future acquisitions, to enter into new construction or development activities, or to otherwise fully realize the value of our assets and opportunities because of the need to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness or to comply with any restrictive terms of our indebtedness; ~~21~~ ● limit our flexibility in planning for, or reacting to, changes in our businesses and the industries in which we operate; and ● place us at a competitive disadvantage as compared to our competitors that have less debt. We may incur additional indebtedness in the future by issuing debt instruments, under new credit agreements, under joint venture credit agreements, under capital leases or synthetic leases, on a project- finance or other basis or a combination of these. If we incur additional indebtedness in the future, it likely would be under arrangements that may have terms and conditions at least as restrictive as those contained in our existing Credit Agreement. At December 31, ~~2022~~ **2023** , available capacity to borrow on the revolving lines of credit was $ ~~6~~ **47** . ~~0~~ **7** million. Failure to comply with the terms and conditions of any existing or future indebtedness, including current or prospective covenants, would constitute an event of default. If an **22** ~~event of default occurs, the lenders will have the right to accelerate the maturity of such indebtedness and foreclose upon the collateral, if any, securing that indebtedness. Our current Credit Agreement expires on July 31, 2023. The Company' s ability to continue as a going concern is dependent upon obtaining sufficient liquidity to repay its existing credit facility through a combination of proceeds from new debt, proceeds from the sale of underutilized assets, and operating cash flow. As the Company' s refinancing activities~~

~~are ongoing, there can be no assurances that the Company will be able to secure financing on terms that are acceptable to the Company or at all. An explanatory paragraph is included in the report of our independent registered public accounting firm contained in this Annual Report describing an uncertainty about our ability to continue as a going concern. The inclusion of this explanatory paragraph related to going concern is considered an event of noncompliance with the Credit Agreement. We have received a consent for this noncompliance with the Credit Agreement from our lenders. We are negotiating with new financing sources to refinance the indebtedness under our Credit Agreement, which is due on July 31, 2023, but we cannot assure we will complete the refinancing before the maturity date or the expiration date of the lenders' consent. Our current Credit Agreement expires on July 31, 2023, and all amounts there under are due on such date. The consent from our lenders expires on May 1, 2023. The Company does not presently have sufficient cash or other sources of liquidity to repay the debt under Credit Agreement at maturity or the expiration date of the consent. We are presently negotiating with financing sources to refinance the indebtedness under the Credit Agreement, but there is no assurance we will complete the financing before the maturity date, the expiration of the consent or at all. Our negotiation with financing sources is a rapidly evolving situation. Failure to secure a new credit facility before the maturity date of the Credit Agreement or expiration of the consent from the lenders could restrict our access to capital which could prevent us from repaying amounts borrowed under our existing credit facility, from funding our operations, or from engaging in certain transactions which might otherwise be considered beneficial to us. In this event, we may be required to delay, limit, reduce, or terminate certain commercial efforts or strategies, may need to accelerate or add to planned disposals of certain equipment, real estate, or other assets, and may be prevented, or hindered from pursuing or performing contracts, all of which could adversely affect our business and stockholders. As described in Note 11 of the Notes to the Consolidated Financial Statements beginning on page F- 1 of this Annual Report on Form 10- K, we had $ 35. 0 million of outstanding indebtedness under our Credit Facility as of December 31, 2022. Because that Credit Agreement matures on July 31, 2023, and we have not yet completed the work necessary to refinance the outstanding indebtedness under the Credit Agreement, our independent registered public accounting firm included in its report covering our audited financial statements for the period ended December 31, 2022, an explanatory paragraph describing the uncertainty about our ability to continue as a going concern. Please see the Notes to the Consolidated Financial Statements beginning on page F- 10 of this Annual Report on Form 10- K. Our variable rate indebtedness subjects us to interest rate risk, which could cause our debt service obligations to increase significantly. Borrowings under the Credit Facility allow for loans at variable rates of interest and expose us to interest rate risk. If interest rates increase, our debt service obligations on the variable rate indebtedness will increase even though the amount borrowed will remain the same, and our net income and operating cash flows, including cash available for servicing our indebtedness, will correspondingly decrease. 22Additionally, rising interest rates may increase our cost of capital and, therefore, reduce the amount of capital available to fund our operations. Our bonding requirements may limit our ability to incur indebtedness. We generally are required to provide various types of surety bonds that provide an additional measure of security for our performance under certain government and private sector contracts. Our ability to obtain surety bonds depends upon various factors including our capitalization, working capital and amount of our indebtedness. In order to help ensure that we can obtain required bonds, we may be limited in our ability to incur additional indebtedness that may be needed for potential acquisitions and operations. Our inability to incur additional indebtedness could have a material adverse effect on our business, operating results and financial condition. Item 1B. UNRESOLVED STAFF COMMENTSNoneItem 2. PROPERTIESOur corporate headquarters is located at 12000 Aerospace Avenue, Suite 300, Houston, Texas 77034, with 21, 480 square feet of office space that we lease, with a current term expiring July 31, 2025 and with one five- year extension at our option. Our executive, legal, finance, and some accounting offices are located at this facility. We lease office space in Alaska, Louisiana, Florida, Texas and Washington for our operations, including office and yard space for our concrete segment. We own property for our waterfront maintenance and dock facilities, including an equipment yard in Texas, which totals approximately 35. 3 acres. We also own approximately 340 acres of land in the upper Houston Ship Channel used as a Dredge Material Placement Area (" DMPA"). We may lease smaller project related offices throughout our operating areas when the need arises. We believe that our existing facilities are adequate for our operations. We do not believe that any single facility is material to our operations and, if necessary, we could readily obtain a replacement facility. Some of our real estate assets are pledged to secure our credit facility. Item 3. LEGAL PROCEEDINGSPlease refer to Note 17 of the Notes to the Financial Statements (Part IV, Item 15 of this Form 10- K for a discussion of legal proceedings. Item 4. MINE SAFETY DISCLOSURESNot applicable PART IIItem 5. MARKET FOR REGISTRANT' S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIESMarket InformationOur common stock is listed on the New York Stock Exchange (" NYSE ") and trades under the symbol " ORN ". HoldersAs of March 9, 2023, we had approximately 4, 848 stockholders of record including beneficial holders. Issuer Repurchase of Equity SecuritiesNone23~~