UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 3, 2023

Mistras Group, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**001-34481**	**22-3341267**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

195 Clarksville Road		
Princeton Junction,	**New Jersey**	**08550**
(Address of principal executive offices)		(Zip Code)

Registrant's telephone number, including area code: **(609) 716-4000**

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d 2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value	MG	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Item 1.01 Entry into a Material Definitive Agreement

Effective March 3, 2023, Mistras Group, Inc. (the "Company," "we," "us" or "our") entered into a Separation Agreement and General Release (the "Separation Agreement") with Jonathan Wolk, the former Senior Executive Vice President and Chief Operating Officer of the Company, who was terminated from his positions on February 8, 2023.

The Separation Agreement provides for payments to Mr. Wolk totaling $436,100 (his annual base salary) over the course of 19 months, until November 2024 (the "Severance Period"). During the Severance Period, Mr. Wolk will be eligible to continue receiving healthcare benefits under the Company's healthcare plans at the employee rates of contribution. In addition, any restricted stock units Mr. Wolk had upon his termination with the Company will continue to vest during the Severance Period, and any restricted stock units that do not vest during the Severance Period will be forfeited.

The Separation Agreement includes a release by Mr. Wolk of any claims he has against the Company and he has agreed to not compete against the Company during the Severance Period. The Separation Agreement also contains confidentiality restrictions regarding Company information, an acknowledgement of the Company's ownership of all Company property (including intellectual property) and an assignment to the Company of any intellectual property developed by Mr. Wolk in connection with his employment with the Company.

The foregoing is a summary of the Separation Agreement and does not purport to be complete and is subject to, and qualified in its entirety by, the Separation Agreement, which is incorporated into this Item 1.01 by reference to Exhibit 10.1.

Item 2.02. Results of Operations and Financial Condition

On March 8, 2023, the Company issued a press release announcing the financial results for our fourth quarter and year ended December 31, 2022. A copy of the press release is attached as Exhibit 99.1 to this report.

Disclosure of Non-GAAP Financial Measures

In the press release attached, the Company uses the terms "Adjusted EBITDA", "free cash flow" and "net debt", which are not measures of financial performance under U.S. generally accepted accounting principles ("GAAP"). Also, in the tables to the press release, the non-GAAP financial measures "Segment and Total Company Income before Special Items" (which includes operating income before special items) and are presented and reconciled to financial measures under GAAP within the table "Segment and Total Company Income (Loss) from Operations (GAAP) to Income (Loss) from Operations before Special Items (Non-GAAP)" and the non-GAAP financial measure "Diluted EPS excluding Special Items", are presented and reconciled to financial measure under GAAP within the table "Net Income (Loss) (GAAP) and Diluted EPS (GAAP) to Net Income (Loss) Excluding Special Items (non-GAAP) and Diluted EPS Excluding Special Items (non-GAAP)". Information about these non-GAAP measures are included in the press release.

Our management uses these non-GAAP measurements as a measure of operating performance and liquidity to assist in comparing performance from period to period on a consistent basis, as a measure for planning and forecasting overall expectations and for evaluating actual results against such expectations. Adjusted EBITDA and free cash flow are also performance evaluation metrics used to determine incentive compensation for executive officers.

We believe that investors and other users of the financial statements benefit from the presentation of these non-GAAP measurements because they provide additional metrics to compare the Company's operating performance and liquidity on a consistent basis and measure underlying trends and results of the Company's business. Adjusted EBITDA and operating income before special items assist in evaluating our operating performance because they remove the impact of certain items that management believes do not directly reflect our core operations. For instance, Adjusted EBITDA generally excludes interest expense, taxes and depreciation and amortization, each of which can vary substantially from company to company depending upon accounting methods and the book value and age of assets, capital structure, capital investment cycles and the method by which assets were acquired. It also eliminates stock-based compensation, which is a non-cash expense and is excluded by management when evaluating the underlying performance of our business operations.

Our management uses free cash flow when evaluating the performance of our business operations. This measurement also takes into account cash used to purchase fixed assets needed for business operations which are not expensed. We believe this measurement provides an additional tool to compare cash generated by our operations on a consistent basis and measure underlying trends and results in our business.

While Adjusted EBITDA and free cash flow are terms and financial measurements commonly used by investors and securities analysts, they have limitations. As non-GAAP measurements, Adjusted EBITDA and free cash flows have no standard meaning and, therefore, may not be comparable with similar measurements for other companies. Similarly, segment and total company income before special items and diluted EPS excluding special items has no standard meaning and may not be comparable to measurements for other companies. Adjusted EBITDA and free cash flow are generally limited as analytical tools because they exclude charges and expenses we do incur as part of our operations as well as cash uses which are included in a GAAP cash flow statement. In addition, free cash flow does not represent residual cash flow available for discretionary expenditures since items such as debt repayments are not deducted in determining such measurement.

None of these non-GAAP financial measurements should be considered in isolation or as a substitute for analyzing our results as reported under U.S. generally accepted accounting principles.

Item 9.01. Financial Statement and Exhibits

Exhibit No.	Description
10.1	Separation Agreement and General Release between Jonathan Wolk and Mistras Group, Inc.
99.1	Press release issued by Mistras Group, Inc. on March 8, 2023

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MISTRAS GROUP, INC.

Date: March 8, 2023	By:	/s/ Edward J. Prajzner	
		Name:	Edward J. Prajzner
		Title:	Executive Vice President, Chief Financial Officer and Treasurer

Exhibit No.	**Description**
10.1	Separation Agreement and General Release between Jonathan Wolk and Mistras Group, Inc.
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SEPARATION AGREEMENT AND GENERAL RELEASE

Separation Agreement and General Release ("Agreement") between Mistras Group, Inc. ("Mistras" or the "Company") and Jonathan Wolk ("Employee"). The following promises represent full and mutual consideration for the Agreement.

1. Employment Status; Payments by Mistras. (a) Employee's full time active employment with Mistras terminated effective February 8, 2023, at which time Employee shall no longer be an officer of Mistras and shall no longer be designated a Mistras officer for purposes of Section 16 of the Securities Exchange Act of 1934. Employee shall then be immediately placed on inactive, administrative, unpaid leave, which shall terminate, and his status as a Mistras employee shall terminate, on the earlier of (a) the day Employee rescinds this Agreement as provided in Section 12 below, (b) November 15, 2024 or (c) the day Employee violates the covenants set forth in Section 7(a) below (the "Inactive Leave Period").

(b) If Employee (a) signs this Agreement, (b) does not rescind this Agreement subsequent to signing it as provided below, and (c) complies with its terms, then as consideration for Employee's promises set forth in this Agreement, Mistras shall pay Employee severance equal to one year salary of Employee as of the terminations date, or $436,100. This amount will be paid in biweekly payments on the regularly scheduled company pay dates for corporate employees, the first such date to be as soon as practicable after the end of the rescission period provided in Section 12 below, expected to be March 17, 2023. Employee shall also be paid any accrued vacation time for which he has not been paid or which has not been used. All these payments will be net of all applicable withholdings and deductions for federal, state and other applicable taxes and employee's contribution to healthcare and other benefits. The bi-weekly payments shall be paid as follows: (i) 26 bi weekly payments beginning March 17, 2023 until March 1, 2024, at a rate of $16,042.31 per bi-weekly pay period (for a total of $417,100.00), then (b) 19 biweekly payments beginning March 15, 2024 until November 22, 2024, at a rate of $1,000.00 per bi-weekly pay period (for a total of $19,000.00).

(c) Employee shall be paid the annual cash bonus in March 2023 which is scheduled to be paid to executive officers of Mistras based upon the actual performance of Mistras for 2022. For 2023, Employee shall be paid a pro rata portion (39/365) of the annual cash bonus paid he would have been paid for 2023 as an executive officer of Mistras based upon the actual performance of Mistras for 2023.

2. Benefits. Mistras agrees to continue medical, dental, vision, and prescription benefits in which Employee is currently enrolled during the Inactive Leave Period. During the Inactive Leave Period, Employee will continue to be covered by the Mistras life insurance plan. No other benefits will be provided (such as disability) and Employee shall not longer be eligible to contribute to the Mistras 401-K savings plan. Upon termination of the Inactive Leave Period, any and all benefits in which Employee participated or was eligible to participate under Mistras' employee benefit plans, agreements and arrangements shall terminate (subject to whatever terms apply to terminated employees). Employee will be entitled to continue coverage under Mistras' healthcare benefits in accordance with the Consolidated Omnibus Budget Reconciliation Act of 1985, or COBRA. If Employee is employed with an employer who provides healthcare benefits to its employees, and Employee is eligible to enroll in such healthcare benefits at any time during the Inactive Leave Period, then Employee's participation in and coverage by the Mistras healthcare benefits shall terminate on the later of (i) February 28, 2024 or (ii) the date in which Employee is eligible to participate in such new employer's healthcare plans.

3. Equity Awards. During the Inactive Leave Period, any unvested restricted stock units ("RSUs") awarded to Employee will continue to vest. If Employee does not exercise his rescission rights in Section 12 and does not violate the covenants in Section 7(a) below, (i) any

RSUs granted to Employee that would otherwise vest on or before November 15, 2024 shall not be forfeited and will vest on their scheduled vesting date and Employee shall be entitled any shares to be issued upon such vesting. Employee agrees that no shares will be received or earned from any outstanding performance share unit awards. Any vesting of equity awards shall be subject to any statutory or required withhold, consistent with Mistras' practices. Any equity awards which would vest after November 15, 2024 are forfeited.

4. Acknowledgement of Payments; Other Disclosures. (a) Employee acknowledges and agrees that Mistras has paid in full to Employee all of Employee's wages, commissions, bonuses and accrued vacation pay that were (and will ever be) owed to Employee, and that Mistras and its Affiliate owe Employee no other wages, commissions, bonuses, vacation pay, employee benefits, equity-based compensation, expense reimbursement or other compensation or payments of any kind or nature, other than as specifically provided in this Agreement. Employee represents that Employee does not currently suffer from any work-related injuries of which Employee is aware and Employee is not currently being treated for any work related injuries or illnesses. Employee acknowledges that the severance payments and all other payments and benefits received pursuant to this Agreement are payment as settlement and in satisfaction in full of any and all claims Employee has or may have at any time pursuant to any agreement or arrangement with Mistras, or as a result of Employee being employed by Mistras.

(b) Employee is not aware of any violations by Mistras or its officers of any securities laws, including the Securities Exchange Act of 1934, Sarbanes-Oxley Act of 2002, Dodd-Frank Wall Street Reform and Consumer Protection Act, any anti-corruption or anti-bribery laws, including the Foreign Corruption Practices Act, or any other material violations of law.

5. Mutual Cooperation. (a) Mistras agrees not to contest any claim Employee may make for unemployment insurance benefits arising out of Employee's separation from employment with Mistras.

(b) As a former named executive officer of Mistras, employee agrees to complete a standard officer questionnaire and related items need to assist Mistras for the preparation of its 2023 proxy statement and 2022 annual report.

6. General Release. Employee releases Mistras Group, Inc. and each of its Affiliate, and all other affiliated entities, as well as all their respective current and former employees, officers, directors, agents, shareholders, assigns, successors, heirs, predecessors in interest, joint ventures, and affiliated persons and all persons acting by, through, under, or in concert with any of them (each a "Released Party" and collectively "Released Parties") from all liabilities, causes of actions, charges, complaints, suits, claims, obligations, costs, losses, damages, injuries, rights, attorneys' fees, liens, and any other legal responsibilities of any form or nature whatsoever, whether known or unknown, suspected or unsuspected, fixed or contingent, which Employee has or may claim to have in any way, directly or indirectly, arising from or related to Employee's employment with and separation from Mistras or any of its Affiliates, any agreement concerning such employment, or the termination of such employment, including, but not limited to, any and all claims of wrongful discharge or breach of contract, including for breach of any alleged promises or contracts, whether written or oral, any and all claims for equitable estoppels, any and all claims for employee benefits, including, but not limited to, any and all claims under the Employee Retirement Income Security Act of 1974, as amended, the Family and Medical Leave Act of 1993, and any and all claims of employment discrimination on any basis or of unlawful retaliation, including, but not limited to, any and all claims under Title VII of the Civil Rights Act of 1964, as amended, under the Age Discrimination in Employment Act of 1967, as amended (" ADEA "), under the Civil Rights Act of 1866, 42 U.S.C. § 1981, as amended, under the Americans With Disabilities Act of 1990, under the Civil Rights Act of 1991, under the

Sarbanes-Oxley Act of 2002, under the Immigration Reform and Control Act of 1986, as amended, under the New Jersey State labor or employment law and/or any other Federal, State, or local law, constitution, ordinance or regulation; and any claim for attorneys' fees, experts' fees, disbursements or costs; which Employee, Employee's heirs, executors, administrators, or assigns ever had, may now have, or hereafter may have, by reason of any matter, cause, event or thing whatsoever occurring at any time on or before the date of Employee's execution of this Agreement. This release does not extend to rights Employee may have to enforce the provisions in this Agreement. <u>In summary, Employee hereby knowingly and voluntarily release any and all claims Employee has or may have against Mistras and the other Released Parties, whether such claims could be based on a statute, contract, tort or otherwise, except for those obligations of Mistras arising out of this Agreement. This Agreement and the above release also do not waive Employee's right to file a charge with an administrative agency and Employee's right to participate in any agency investigation. Employee is waiving, however, any right to recover money in connection with any agency charge or investigation. Employee is also waiving any right to recover money in connection with a charge filed by any other individual, by the Equal Employment Opportunity Commission, or by any other city, local, state, or federal agency.</u>

7. <u>Non-Compete</u>. Employee shall not, directly or indirectly, on the Employee's own behalf or on behalf of any Person other than Mistras, at any time on or before November 15, 2024, anywhere in the United States or Canada: (i) (A) engage in, have an equity or profit interest in, or lend money to, or manage, operate, or work for any person, firm, corporation, partnership, or business (whether as a director, officer, employee, agent, representative, partner, security holder, consultant, or otherwise) that engages in any Competitive Business (as defined below), or (B) establish any business relationship with any third party for any business purpose engaging in any Competitive Business, or (ii) employ, recruit, or otherwise solicit or induce any employee, consultant, customer, client, or supplier of Mistras or any Affiliate to (A) terminate its employment or other business arrangement or relationship with Mistras or any such Affiliate, or (B) otherwise change its relationship with Mistras or any Affiliate. Anything contained in this Section to the contrary notwithstanding, an investment by the Employee in any publicly-traded company in which the Employee (either individually or together with other members of a group) exercises no operational or strategic control and which constitutes less than 1% of the outstanding shares of such entity shall not constitute a breach of this Section. As used in this Section, (1) "<u>Affiliate</u>" means any entity controlling, controlled by or under common control with Mistras; (2) "<u>Competitive Business</u>" means the business of providing non-destructive and asset integrity testing, inspection, analysis, evaluation, management, engineering and monitoring services, products or systems, and including the offshore business performed by the Nacher division of the Company, and any business that provides data or digital products, services or platforms similar to those offered or being developed by the Company.

(b) If Employee shall violate Section 7(a), then (i) the Inactive Leave Period shall immediately terminate, (ii) any unvested equity awards shall automatically terminate, and (iii) Mistras shall have no further obligations to make any payments set forth in this Agreement.

(c) Employee shall not during the Inactive Leave Period and for two years thereafter, directly or indirectly, orally or in writing, publicly or privately, disparage Mistras, any of its products, services or practices, or any of its directors, officers, employees, agents, representatives or Affiliates, either orally or in writing. Neither Mistras, its Affiliates nor any of their directors or officers shall during the Inactive Leave Period and for two years thereafter, directly or indirectly, orally or in writing, publicly or privately, disparage Employee, either orally or in writing to any person who is not an officer or director of Mistras or its Affiliates.

8. <u>Confidential Information</u>. (a) Employee shall keep confidential, and shall not hereafter, directly or indirectly, appropriate for his own use, or disclose, furnish or make

available to any person, firm, corporation, governmental agency, or other entity, any trade secret, proprietary information, or confidential information of Mistras and its Affiliates, including, but not limited to, information relating to trade secrets, processes, methods, pricing strategies, customer lists, customer contacts, marketing and sales plans, costs and pricing data, financial reports, strategic plans, and other confidential business matters (collectively, "Confidential Information"). Employee and Mistras shall keep the terms and amount of this Agreement confidential, and shall not hereafter disclose any information concerning this Agreement to any person, firm, corporation, governmental agency, or other entity, without the prior written consent of the other party; provided, however, that either party may disclose this agreement and such information to its financial, tax and legal advisors or to the extent required by law. Employee recognizes that all Confidential Information, whether developed by Employee or by someone else, will be the sole exclusive property of Mistras or Mistras' customers or clients and if Employee is in possession of any Confidential Information, Employee shall promptly return it to Mistras and shall not retain any copies of Confidential Information.

(b) Notwithstanding anything to the contrary set forth in this Agreement, the term "Confidential Information" as used in this Agreement shall not include any information that is or was: (i) already known to Employee on a non-confidential basis at the time that it was disclosed to Employee as demonstrated by Employee's pre-existing, contemporaneous written records demonstrating such knowledge; (ii) in the public domain through no fault or wrongful act of Employee; or (iii) approved for public release by express written authorization of Mistras.

(c) Notwithstanding anything to the contrary set forth in this Agreement, Employee shall be entitled to disclose Confidential Information to the extent required by any applicable law, rule or regulation or governmental, regulatory or supervisory agency, body or authority ; provided, however, that the Employee shall have given Mistras prior written notice of any such request or requirement (including the terms of, and circumstances surrounding, such request) so that Mistras may seek (at its own expense) an appropriate protective order or other appropriate remedy and/or waive compliance with the provisions of this Section. If such order or other remedy is not obtained, or Mistras waives in writing compliance with the provisions of this Section in that specific instance, Employee will disclose only that portion of the Confidential Information which it is legally required to disclose to persons to whom he is legally required to disclose, and will exercise reasonable efforts to obtain reliable assurance that confidential treatment will be accorded such Confidential Information.

9. Inventions. Employee acknowledges that while employed by Mistras or any of its Affiliate, Employee may have made "Inventions" of value to Mistras and its Affiliates. The term "Inventions" means all inventions, ideas, designs, logos, trademarks, trade names, service marks and works of authorship, and any or all forms of intellectual property, regardless of (i) whether or not patentable or copyrightable or subject to analogous protection (such as under trademark laws), (ii) the form or state of development, (iii) whether or not Employee made the Inventions alone or with others, (iv) whether the Inventions were conceived or made by Employee, alone or with others, while employed by Mistras or any of its Affiliates, and (v) whether the Inventions were conceived or made during regular working hours or the location where they were conceived or made.

Employee agrees that:

(i) Employee has or will promptly disclose any such Inventions promptly to Mistras and will not disclose them to anyone other than authorized Mistras personnel;

(ii) The Inventions will belong solely to Mistras or its Affiliate from conception as "works made for hire" (as that term is used under U.S. copyright law) or otherwise. To the extent that title to any such Inventions does not, by operation of law, vest in Mistras or its Affiliate, Employee hereby irrevocably assigns to Mistras or its Affiliate thereof all right, title and interest, including, without limitation, tangible and intangible rights such as patent rights, trademarks, trade names, service marks and copyrights, that Employee may have acquired in and to all such Inventions, and all benefits and/or rights resulting therefrom, and agrees to promptly execute any further specific assignments related to such Inventions, benefits and/or rights at the request of Mistras.

(iii) Employee will, upon reasonable request, assist Mistras and any of its Affiliate in obtaining and maintaining patent, copyright, trademark and other appropriate protection for them in all countries, at Mistras' or such Affiliate's expense. If Mistras or any of its Affiliate is unable to secure Employee's signature after reasonable effort in connection with any patent, trademark, copyright, or other similar protection relating to an Invention, Employee hereby irrevocably designates and appoints Mistras and its duly authorized officers and agents as his agent and attorney-in-fact, to act for and on his behalf and stead to execute and file any such application and to do all other lawfully permitted acts to further the prosecution and issuance of patents, trademarks, copyrights, mask works or other similar protection thereon with the same legal force and effect as if executed by Employee.

10. Advice to Consult an Attorney. Employee is hereby advised to consult with Employee's own attorney prior to signing this Agreement, because Employee is giving up significant legal rights. Employee acknowledges that Employee has been so advised and has had the opportunity to consult with an attorney and carefully consider the terms of this Agreement.

11. Knowing Act After Time to Consider. Employee acknowledges that Employee has been given a reasonable period of time of up to 21 days to consider this Agreement prior to signing this Agreement. By executing this Agreement, Employee represents and acknowledges that Employee's execution was a knowing and voluntary act after receiving ample time in which to consider and understand this Agreement, and in which to review this Agreement with an attorney. If Employee does not sign and return this Agreement to Mistras before the end of the 21 day period, this Agreement shall be null and void and of no further force or effect.

12. Right to Rescind. Employee understands that Employee has seven (7) days after signing this Agreement to rescind it. To rescind this Agreement, Employee must send a letter signed by Employee to Michael Keefe, Executive Vice President, General Counsel either by fax at (609) 716-4179 or email to Michael.keefe@mistrasgroup.com or via mail to Mistras Group, Inc. 195 Clarksville Road, Princeton Junction, NJ 08550 before the end of the seven-day period. In the event of such a rescission by Employee, Mistras shall no longer be obligated to make the payments pursuant to this Agreement. Mistras and Employee agree that this Agreement shall not become effective or enforceable until the eighth (8th) day after the execution of this Agreement; and that if Employee revokes this Agreement prior to the eighth (8th) day after the execution of this Agreement, this Agreement, and the promises contained in this Agreement, shall automatically be deemed null and void. Employee's acceptance of the monies paid by Mistras pursuant to this Agreement at any time more than seven (7) days after the execution of this Agreement by Employee shall constitute an admission by Employee that Employee did not revoke this Agreement during the revocation period of seven (7) days; and shall further constitute an admission by Employee that this Agreement has become effective and enforceable.

13. Return of Property. Employee represents that Employee has returned to Mistras all Mistras property in Employee's custody, possession or control, including but not limited to any personal computers, computer disks, work files, memoranda, notes, records and other documents made or compiled by Employee or made available to Employee during the term of

employment. If Employee later determines he is in possession of such property, Employee shall immediately return it to Mistras. Mistras has agreed that Employee may retain his company laptop and mobile phone and transfers ownership of these to him as well as the mobile number used by Employee while employed by Mistras

14. Agreement not to Sue. Employee represents that Employee has not filed any complaints or charges against the Released Parties with any court, governmental agency, private arbitrator or other private organization. In addition, Employee agrees to take any and all steps necessary to ensure that no Released Action shall ever be prosecuted by Employee, through Employee, or on Employee's behalf in court or agency and hereby warrants and covenants that no such action shall ever be prosecuted in any court, agency or other tribunal. Employee expressly waives and relinquishes any rights and benefits pursuant to any law, rule or regulation in any jurisdiction with respect to the covenants and waivers herein, and does so understanding and acknowledging the significance and consequences of such specific covenants and waivers. Employee expressly accepts and assumes the risk that additional or different facts or claims may be discovered after execution of this Agreement, and Employee agrees that this Agreement shall remain effective notwithstanding such discovery.

15. Indemnification. Employee shall indemnify Released Parties against any loss or liability whatsoever, including reasonable attorneys' fees, caused by any action or proceeding which is brought by Employee or on Employee's behalf with respect to any claims released by this Agreement. Should Employee commence or prosecute any action or proceeding contrary to the provisions of this Agreement, Employee agrees to indemnify the Released Parties for all court costs and attorneys' fees incurred by the Released Parties in the defense of such action or in establishing or maintaining the application or validity of this Agreement or its provisions. Employee shall also indemnify the Released Parties for any claims against any of them by any government or taxing authority for any taxes due on account of payments made to Employee hereunder.

16. No Admission of Wrongdoing. Employee and Mistras agree that this Agreement is not to be construed as an admission, by either, of any wrongdoing, by either.

17. Choice of Law. This Agreement shall be interpreted and construed in accordance with, and shall be governed by, the laws of the State of New Jersey, without giving effect to principles of conflicts of law of New Jersey or any other jurisdiction, and, when applicable, the laws of the United States, irrespective of where any action may arise or whether any jurisdiction other than New Jersey has accepted jurisdiction of this matter.

18. Invalid Agreement Provisions. Should any provision of this Agreement become or be held to be legally unenforceable, the court or arbitrator making such determination shall modify such provision so as to make the provision enforceable to the fullest extent permitted by law and, if such provision cannot be modified to be enforceable, such provision shall immediately become null and void, leaving the remainder of this Agreement in full force and effect and this Agreement shall be construed as if the Agreement had never included the unenforceable provision. The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the parties. In no event shall any reformation be made or the Agreement remain in full force and effect if the releases set forth in Section 5 are considered unenforceable or invalid in any material respect.

19. Arbitration; Injunctive Relief. (a) Except as specifically excepted below, in the event of any controversy or dispute concerning Employee's employment with Mistras, Employee's separation therefrom, any future disputes concerning this Agreement or any alleged breach thereof, or any future dispute of any kind whatsoever between Employee and Mistras or

any other Released Party at any time in the future, Mistras and Employee agree that all such matters shall be resolved by binding arbitration before the American Arbitration Association ("AAA"), with the prevailing party to recover costs and reasonable attorneys' fees. Those claims excluded from this arbitration provision are limited to: (1) claims for unemployment benefits; (2) claims for workers' compensation benefits; and (3) any claim for injunctive relief to enforce the provisions of this Agreement concerning the covenants in Section 7, Confidential Information in Section 8 and Inventions in Section 9 (the "Excluded Claims"). Each party to this Agreement shall be entitled to commence the arbitration within 120 days of the event giving rise to the dispute or, if a longer period is required by law, within the shortest period permissible. Any dispute for which arbitration is not commenced within 120 days or the shortest period permissible under the law shall be forever waived. After appropriate notice to the other party, the AAA shall proceed to hear the matter even if any party so notified of the proceeding should refuse to participate; the AAA shall render its award in accordance with the evidence even in the absence of such party. If for any reason the AAA is unavailable to hear any matter subject to arbitration hereunder, the parties will arbitrate their matter under the auspices of the Judicial Arbitration and Mediation Service ("JAMS"). In the alternative, instead of arbitrating before AAA or JAMS, the parties may agree to arbitrate before another group, if they can mutually agree upon another group. The parties shall have the right to engage in the limited discovery required by law as determined by the neutral arbitrator. The neutral arbitrator shall be authorized to award the full range of relief available in a civil action. The arbitrator will also be required to issue a written decision setting forth essential findings and conclusions. The arbitration charges will be shared equally by the parties up to an amount equal to the cost of a first appearance for a plaintiff filing a matter in state court; thereafter, any reasonable arbitration charge in excess of that cost shall be advanced by Mistras. The venue of any arbitration proceeding instituted pursuant to this paragraph shall be New Jersey, unless otherwise agreed by the parties at the time. THE PARTIES CONSENT THAT ANY AND ALL DISPUTES EXCEPT FOR THE EXCLUDED CLAIMS SHALL BE SUBMITTED TO ARBITRATION AND HEREBY KNOWINGLY AND VOLUNTARILY WAIVE ALL RIGHTS TO A JUDICIAL DETERMINATION OF THESE MATTERS, INCLUDING THE RIGHT TO A TRIAL BY JURY.

(b) Employee agrees that in the event of any breach or threatened breach by Employee of Sections 7, 8 or 9 this Agreement, Mistras party may seek injunctive and/or other preliminary or equitable relief, in addition to any other remedies available at law.

20. No Other Agreements. This Agreement represents the full agreement between Employee and Mistras, and this Agreement supersedes any other agreements, oral or written, express or implied, regarding the subject matter of this Agreement. This Agreement may be modified only by written agreement signed by Employee and an authorized representative of Mistras and this Agreement may not be modified by any oral or implied agreement.

[signatures on following page]

EMPLOYEE AFFIRMS AND ACKNOWLEDGES THAT EMPLOYEE HAS READ THIS AGREEMENT, AND THAT EMPLOYEE IS SIGNING THIS AGREEMENT KNOWINGLY AND VOLUNTARILY.

EMPLOYEE:

/s/ Jonathan Wolk Date: February 24, 2023
Jonathan Wolk

MISTRAS GROUP, INC.

By: Michael C. Keefe Date: February 27, 2023
Michael C. Keefe
Executive Vice President, General
Counsel and Secretary

Exhibit 99.1

MISTRAS Announces Fourth Quarter and Full Year 2022 Results

Significantly Improved Quarterly Operating Profit and Net Income Growth

Fourth quarter Gross Profit expands 130 basis points, Operating Income increases 152%

2022 Full Year Net Income of $6.5 million, a 68% increase from the prior year

Continued deleveraging, with $11 million of full year debt repayments

PRINCETON JUNCTION, N.J., March 8, 2023 (GLOBE NEWSWIRE) - MISTRAS Group, Inc. (MG: NYSE), a leading "one source" multinational provider of integrated technology-enabled asset protection solutions, reported financial results for its fourth quarter and year ended December 31, 2022.

Highlights of the Fourth Quarter 2022*

- **Revenue of $168.2 million, met the mid-point of management's most recent guidance**
- **Gross profit of $50.9 million, with gross profit margin of 30.3%, a 130 basis points increase**
- **Income from Operations of $5.8 million, a 151.9% increase**
- **Net Income of $2.8 million or $0.09 per diluted share, both up significantly**

Highlights of the Full Year 2022*

- **Revenue of $687.4 million, up 1.5%, yet a 3.7% organic increase excluding the impact of unfavorable foreign currency exchange****
- **Gross profit of $198.2 million, up 0.5% with gross profit margin of 28.8%**
- **Income from Operations of $19.8 million, a 9.0% increase**
- **Net Income of $6.5 million or $0.21 per diluted share, up 68.4% and 61.5%, respectively**

** All comparisons are consolidated and versus the equivalent prior year period, unless otherwise noted.*

*** Foreign currency exchange impact is calculated by converting current period financial results in local currency, using the prior period exchange rates, and comparing this amount to the current period financial results in local currency using the current period exchange rate.*

For the fourth quarter of 2022 consolidated revenue was 168.2 million, a 1.7% decline, yet an 0.8% increase excluding the impact of unfavorable foreign currency exchange of $4.4 million. Fourth quarter 2022 gross profit increased 2.7% as compared to the year ago period, primarily due to lower employee benefit expenses and an improved sales mix in the current year. Selling, general and administrative expenses in the fourth quarter of 2022 were $42.3 million, down from $42.8 million in the fourth quarter of 2021, reflecting the continued emphasis on cost discipline.

For the full year, revenue of $687.4 increased 1.5% as reported, yet an increase of 3.7% excluding the impact of unfavorable foreign currency exchange of $15.2 million. Revenue growth reflects continued recovery in the Company's primary end markets, with as reported Oil and Gas revenue up 5.7% and Aerospace and Defense revenue up 17.8%. For the full year 2022, gross profit increased $1.0 million, with gross profit margin of 28.8% compared to 29.1% in the prior year. On a full year basis in 2022, selling, general and administrative expenses were up just 3.3%, despite the prior year benefiting from temporary COVID-19 cost reductions. Income from operations was $19.8 million for the full year 2022, compared to $18.2 million in 2021. Net income was $6.5 million for the full year 2022, compared to net income of $3.9 million in 2021. Adjusted EBITDA was $58.2 million for 2022 compared to $63.0 million for full year 2021.

Chief Executive Officer Dennis Bertolotti commented, "As a result of a solid fourth quarter, we met our most recent top-line and exceeded our bottom-line guidance for the year. We continued to organically grow revenue despite the adverse impact of foreign currency exchange, while significantly improving profitability. Upstream, midstream and downstream revenue were all up in 2022, driven by continued improvement at our customers and strong demand for our services. Aerospace and Defense revenue was also up for the year, led by strength in commercial aerospace, offset by project delays in defense revenue during the fourth quarter. Gross margin improved to over 30% for the second consecutive quarter, in part due to pricing actions taken earlier in the year, helping to offset the wage inflation that we have been absorbing, in addition to lower employee benefit expenses. With these customer pricing actions now in place, we expect some tailwinds to both recurring revenue and gross margin for 2023. In the fourth quarter of 2022, we were able to leverage our gross profit margin expansion into a 152% increase in operating income, through continued cost discipline, with selling, general and administrative expenses down from the year ago quarter despite the impact of inflationary costs. Our financial strength was also significantly improved over the prior year, with net debt reduced to $170.8 million from $178.5 million at the end of last year. Over the past four years, gross debt has decreased by almost $100 million and our leverage ratio is the lowest level it has been since immediately prior to the Onstream acquisition in December of 2018. Additionally, our bank refinancing completed in August 2022 added incremental capacity to our total available credit while also providing more favorable credit terms and further improving our financial flexibility."

Mr. Bertolotti additionally commented on the Company's progress noting, "I am proud of our organization, which has once again overcome economic challenges to generate profitable growth in 2022. We remain focused on our objective to return our results to pre-pandemic levels through growth in our core markets, expansion into adjacent markets, and the introduction of new technologies to capitalize on emerging opportunities in the markets we serve. We have kicked off our operational review with AlixPartners, which we will refer to as Project Phoenix. This review is designed to accelerate profitable growth and meaningful adjusted EBITDA improvement opportunities while also identifying steps to achieve sustained cost savings. We are laser-focused on taking steps to position us for success to drive shareholder value. We will provide updates on the status of this project throughout 2023 as they become available."

Mr. Bertolotti further continued, "Our core markets have shown a resiliency, and we are seeing a surge in demand for our more recently launched state-of-the-art data solutions offerings. I am pleased to announce that we have surpassed our goal of installing 100 patented Sensoria™ Wind Blade Monitoring systems in 2022, having installed systems on over 130 wind turbines this year. This significant milestone demonstrates our commitment to providing exceptional value to our renewable energy customers, by enhancing their uptime and safety. Moreover, our data solutions offerings which serve our core markets have experienced strong demand with the MISTRAS Digital field execution platform and OneSuite asset protection software ecosystem leading the charge. Customers who have adopted both applications are now embracing our revolutionary technology as a bundled solution at an ever-increasing number of sites. We are excited to offer our clients yet another solution that maximizes their asset protection and operational efficiency and further supports our brand promise of: One Source for Asset Protection Solutions. Having implemented OneSuite at over 160 customer sites and issued licenses to more than 1,200 individual subscriptions, the adoption of OneSuite and its suite of 90 integrated applications - now combined with MISTRAS Digital - is setting a new standard in the industry. We are confident that our recent accomplishments signify substantial progress towards achieving our vision of becoming the go-to integrated-solution partner."

Performance by certain segments during the fourth quarter was as follows:

Services segment fourth quarter revenues were $138.1 million, down 2.2% from $141.1 million in the prior year quarter and down 1.2% excluding the impact of unfavorable foreign currency exchange. For the fourth quarter, gross profit was $40.7 million, compared to $38.8 million in the prior year. Gross profit margin was 29.5% for the fourth quarter of 2022, a 200 basis point improvement from 27.5% in the fourth quarter of the prior year. This increase was primarily due to lower employee benefit expenses and improved sales mix.

International segment fourth quarter revenues were $29.0 million, up 1.5% from $28.5 million in the prior year quarter and up 12.3% excluding the impact of unfavorable foreign currency exchange. The increase was due to timing of projects and continued recovery in the Aerospace business. International segment fourth quarter gross profit margin was 28.5%, compared to 28.0% in the prior year.

The Company generated $26.4 million of net cash from operating activities in 2022, compared with $42.3 million in 2021, with the decline primarily due to an increase in working capital, most notably an increase in days sales outstanding ("DSO"). The Company is focused on reducing DSO during fiscal 2023. Free cash flow was $13.0 million for the year ended December 31, 2022, compared with $23.0 million for the year ended December 31, 2021. Free cash flow in the current year was reduced by a $4.5 million payment related to the CARES Act employer payroll tax deferral and a $2.4 million legal settlement payment, both of which had been accrued in previous years.

The Company's net debt (total debt less cash and cash equivalents) was $170.8 million as of December 31, 2022, compared to $178.5 million as of December 31, 2021. Gross debt decreased by $11.3 million during the twelve months ended December 31, 2022, from $202.6 million at the end of 2021 to $191.3 million as of December 31, 2022. The Company's leverage ratio at December 31, 2022 was the lowest it has been since prior to the Onstream acquisition in December of 2018. The Company's bank defined consolidated debt leverage ratio was just under 3.5 times as of the twelve-month period ended December 31, 2022.

Outlook for 2023

The Company is providing its preliminary full year guidance for 2023. Based on current market conditions, the Company anticipates 2023 full year revenue between $710 to $740 million and adjusted EBITDA between $70 to $75 million. The Company additionally expects to generate Free Cash Flow between $30 to $33 million. The Company is optimistic about its current level of activity, given stable energy markets, improving commercial aerospace demand, and a rapidly developing Data Solutions offering.

Conference Call

In connection with this release, MISTRAS will hold a conference call on March 9, 2023, at 9:00 a.m. (Eastern).
To listen to the live webcast of the conference call, visit the Investor Relations section of MISTRAS Group's website at www.mistrasgroup.com.

Note there is a new process to participate in the live question and answer session. Individuals wishing to participate may preregister at: *https://register.vevent.com/register/BI1780b91802aa42619006d0a2f8719dab.*

Upon registering, a dial-in number and unique PIN will be provided to join the conference call. Following the conference call, an archived webcast of the event will be available for one year by visiting the Investor Relations section of MISTRAS Group's website.

About MISTRAS Group, Inc. - One Source for Asset Protection Solutions®
MISTRAS Group, Inc. (NYSE: MG) is a leading "one source" multinational provider of integrated technology-enabled asset protection solutions, helping to maximize the safety and operational uptime for civilization's most critical industrial and civil assets.

Backed by an innovative, data-driven asset protection portfolio, proprietary technologies, and decades-long legacy of industry leadership, MISTRAS leads clients in the oil and gas, aerospace and defense, power generation, civil infrastructure, and manufacturing industries towards achieving and maintaining operational excellence. By supporting these organizations that help fuel our vehicles and power our society; inspecting components that are trusted for commercial, defense, and space craft; and building real-time monitoring equipment to enable safe travel across bridges, MISTRAS helps the world at large.

MISTRAS enhances value for its clients by integrating asset protection throughout supply chains and centralizing integrity data through a suite of Industrial IoT-connected digital software and monitoring solutions. The company's core capabilities also include non-destructive testing ("NDT") field inspections enhanced by advanced robotics, laboratory quality control and assurance testing, sensing technologies and NDT equipment, asset and mechanical integrity engineering services, and light mechanical maintenance and access services.

For more information about how MISTRAS helps protect civilization's critical infrastructure, visit www.mistrasgroup.com or contact Nestor S. Makarigakis, Group Vice President of Marketing at marcom@mistrasgroup.com.

Forward-Looking and Cautionary Statements
Certain statements made in this press release are "forward-looking statements" about MISTRAS' financial results and estimates, products and services, business model, strategy, growth opportunities, profitability and competitive position, and other matters. These forward-looking statements generally use words such as "future," "possible," "potential," "targeted," "anticipate," "believe," "estimate," "expect," "intend," "plan," "predict," "project," "will," "may," "should," "could," "would" and other similar words and phrases. Such statements are not guarantees of future performance or results, and will not necessarily be accurate indications of the times at, or by which, such performance or results will be achieved, if at all. These statements are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in these statements. A list, description and discussion of these and other risks and uncertainties can be found in the "Risk Factors" section of the Company's 2021 Annual Report on Form 10-K dated March 14, 2022, as updated by our reports on Form 10-Q and Form 8-K. The forward-looking statements are made as of the date hereof, and MISTRAS undertakes no obligation to update such statements as a result of new information, future events or otherwise.

Use of Non-GAAP Measures
In addition to financial information prepared in accordance with generally accepted accounting principles in the U.S. (GAAP), this press release also contains adjusted financial measures that we believe provide investors and management with supplemental information relating to operating performance and trends that facilitate comparisons between periods and with respect to projected information. The term "Adjusted EBITDA" used in this release is a financial measurement not calculated in accordance with GAAP and is defined as net income attributable to MISTRAS Group, Inc. plus: interest expense, provision for income taxes, depreciation and amortization, share-based compensation expense and certain acquisition related costs (including

transaction due diligence costs and adjustments to the fair value of contingent consideration), foreign exchange (gain) loss, non-cash impairment charges and, if applicable, certain additional special items which are noted. A reconciliation of Adjusted EBITDA to a financial measurement under GAAP is set forth in a table attached to this press release. The Company also uses the term “net debt”, a non-GAAP measurement defined as the sum of the current and long-term portions of long-term debt, less cash and cash equivalents and the term “free cash flow”, a non-GAAP measurement the Company defines as cash provided by operating activities less capital expenditures (which is classified as an investing activity). A reconciliation of these non-GAAP financial measurements to GAAP are also set forth in tables attached to this press release. In the tables attached is also a table reconciling “Segment and Total Company Income (Loss) from Operations (GAAP) to Income (Loss) before Special Items (non-GAAP), “Net Income (Loss) (GAAP)" to "Net Income (Loss) Excluding Special Items (non-GAAP)”, and “Diluted EPS (GAAP)” to “Diluted EPS Excluding Special Items (non-GAAP)” which reconciles the non-GAAP amount to a GAAP measurement.

Mistras Group, Inc. and Subsidiaries
Unaudited Consolidated Balance Sheets
(in thousands, except share and per share data)

	December 31, 2022	December 31, 2021
ASSETS		
Current Assets		
Cash and cash equivalents	$ 20,488	$ 24,110
Accounts receivable, net	123,657	109,511
Inventories	13,556	12,686
Prepaid expenses and other current assets	10,181	15,031
Total current assets	167,882	161,338
Property, plant and equipment, net	77,561	86,578
Intangible assets, net	49,015	59,381
Goodwill	199,635	205,439
Deferred income taxes	779	2,174
Other assets	40,032	47,285
Total Assets	$ 534,904	$ 562,195
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable	$ 12,532	$ 12,870
Accrued expenses and other current liabilities	77,844	83,863
Current portion of long-term debt	7,425	20,162
Current portion of finance lease obligations	4,201	3,765
Income taxes payable	1,726	755
Total current liabilities	103,728	121,415
Long-term debt, net of current portion	183,826	182,403
Obligations under finance leases, net of current portion	10,045	9,752
Deferred income taxes	6,283	8,385
Other long-term liabilities	32,273	39,328
Total Liabilities	$ 336,155	$ 361,283
Commitments and contingencies		
Equity		
Preferred stock, 10,000,000 shares authorized	—	—
Common stock, $0.01 par value, 200,000,000 shares authorized, 29,895,487 and 29,546,263 shares issued	298	295
Additional paid-in capital	243,031	238,687
Accumulated Deficit	(11,489)	(17,988)
Accumulated other comprehensive loss	(33,390)	(20,311)
Total Mistras Group, Inc. stockholders’ equity	198,450	200,683
Non-controlling interests	299	229
Total Equity	198,749	200,912
Total Liabilities and Equity	$ 534,904	$ 562,195

Mistras Group, Inc. and Subsidiaries
Unaudited Consolidated Statements of Income (Loss)
(in thousands, except per share data)

	For the quarter ended December 31,		For the year ended December 31,	
	2022	2021	2022	2021
Revenue	$ 168,218	$ 171,163	$ 687,373	$ 677,131
Cost of revenue	111,720	115,233	466,567	457,013
Depreciation	5,559	6,336	22,633	22,971
Gross profit	50,939	49,594	198,173	197,147
Selling, general and administrative expenses	42,298	42,755	166,595	161,334
Bad debt provision for troubled customers, net of recoveries	(247)	—	42	—
Legal settlement and litigation charges (benefit), net	—	1,012	(994)	2,042
Research and engineering	471	576	1,994	2,518
Depreciation and amortization	2,603	2,880	10,661	11,950
Acquisition-related expense, net	12	65	76	1,133
Income from operations	5,802	2,306	19,799	18,170
Interest expense	3,713	2,187	10,505	10,882
Income before provision (benefit) for income taxes	2,089	119	9,294	7,288
Provision (benefit) for income taxes	(774)	208	2,720	3,395
Net income (loss)	2,863	(89)	6,574	3,893
Less: net income (loss) attributable to noncontrolling interests, net of taxes	21	5	75	33
Net income (loss) attributable to Mistras Group, Inc.	$ 2,842	$ (94)	$ 6,499	$ 3,860
Earnings per common share				
Basic	$ 0.09	$ 0.00	$ 0.22	$ 0.13
Diluted	$ 0.09	$ 0.00	$ 0.21	$ 0.13
Weighted average common shares outstanding:				
Basic	29,983	29,637	29,901	29,572
Diluted	30,258	30,138	30,229	30,130

Mistras Group, Inc. and Subsidiaries
Unaudited Operating Data by Segment
(in thousands)

	For the quarter ended December 31,		For the year ended December 31,	
	2022	2021	2022	2021
Revenue				
Services	$ 138,085	$ 141,136	$ 573,336	$ 555,387
International	28,984	28,546	112,425	117,245
Products and Systems	4,061	4,332	12,727	13,831
Corporate and eliminations	(2,912)	(2,851)	(11,115)	(9,332)
	$ 168,218	$ 171,163	$ 687,373	$ 677,131

	For the quarter ended December 31,		For the year ended December 31,	
	2022	2021	2022	2021
Gross profit				
Services	$ 40,701	$ 38,797	$ 159,049	$ 155,384
International	8,267	8,004	33,591	34,282
Products and Systems	1,976	2,346	5,490	7,001
Corporate and eliminations	(5)	447	43	480
	$ 50,939	$ 49,594	$ 198,173	$ 197,147

Mistras Group, Inc. and Subsidiaries
Unaudited Revenues by Category
(in thousands)

Revenue by industry was as follows:

Three Months Ended December 31, 2022	Services	International	Products	Corp/Elim	Total
Oil & Gas	$ 86,474	$ 8,636	$ 123	$ —	$ 95,233
Aerospace & Defense	12,369	4,308	68	—	16,745
Industrials	9,668	5,835	812	—	16,315
Power Generation and Transmission	8,619	1,799	624	—	11,042
Other Process Industries	8,561	3,716	5	—	12,282
Infrastructure, Research & Engineering	4,658	1,930	1,505	—	8,093
Petrochemical	5,304	123	—	—	5,427
Other	2,432	2,637	924	(2,912)	3,081
Total	$ 138,085	$ 28,984	$ 4,061	$ (2,912)	$ 168,218

Three Months Ended December 31, 2021	Services	International	Products	Corp/Elim	Total
Oil & Gas	$ 82,296	$ 9,215	$ 170	$ —	$ 91,681
Aerospace & Defense	14,274	4,172	121	—	18,567
Industrials	11,252	6,264	761	—	18,277
Power Generation and Transmission	12,947	2,151	604	—	15,702
Other Process Industries	11,711	3,019	(12)	—	14,718
Infrastructure, Research & Engineering	1,330	2,019	1,208	—	4,557
Petrochemical	3,003	36	—	—	3,039
Other	4,323	1,670	1,480	(2,851)	4,622
Total	$ 141,136	$ 28,546	$ 4,332	$ (2,851)	$ 171,163

Year ended December 31, 2022	Services		International		Products		Corp/Elim		Total
Oil & Gas		356,763		30,654		335		—		387,752
Aerospace & Defense		61,475		18,763		314		—		80,552
Industrials		38,197		23,703		2,083		—		63,983
Power Generation and Transmission		31,197		8,304		2,603		—		42,104
Other Process Industries		40,778		14,021		28		—		54,827
Infrastructure, Research & Engineering		15,283		7,946		3,994		—		27,223
Petrochemical		15,360		536		—		—		15,896
Other	$	14,283	$	8,498	$	3,370	$	(11,115)	$	15,036
Total	$	573,336	$	112,425	$	12,727	$	(11,115)	$	687,373

Year ended December 31, 2021	Services		International		Products		Corp/Elim		Total
Oil & Gas		330,880		35,232		808		—		366,920
Aerospace & Defense		51,593		16,513		286		—		68,392
Industrials		41,873		24,000		1,842		—		67,715
Power Generation and Transmission		39,966		9,927		2,853		—		52,746
Other Process Industries		38,742		12,593		64		—		51,399
Infrastructure, Research & Engineering		16,809		11,496		3,985		—		32,290
Petrochemical		19,378		227		—		—		19,605
Other		16,146		7,257		3,993		(9,332)		18,064
Total	$	555,387	$	117,245	$	13,831	$	(9,332)	$	677,131

Revenue by Oil & Gas Sub-category was as follows:

	Three months ended December 31,				Year ended December 31,			
	2022		2021		2022		2021	
Oil and Gas Revenue by sub-category								
Upstream		35,154		32,692		152,590		135,615
Midstream		24,363		27,060		111,144		109,527
Downstream		35,716		31,929		124,018		121,778
Total	$	95,233	$	91,681	$	387,752	$	366,920

Mistras Group, Inc. and Subsidiaries
Unaudited Reconciliation of
Segment and Total Company Income (Loss) from Operations (GAAP) to Income (Loss) from Operations before Special Items (non-GAAP)
(in thousands)

	For the quarter ended December 31, 2022	For the quarter ended December 31, 2021	For the year ended December 31, 2022	For the year ended December 31, 2021
Services:				
Income from operations (GAAP)	$ 14,301	$ 9,467	$ 49,616	$ 48,458
Bad debt provision for troubled customers, net of recoveries	(247)	—	42	—
Reorganization and other costs	59	32	99	129
Legal settlement and insurance (recoveries) charges, net	—	—	(841)	1,650
Acquisition-related expense, net	—	94	45	1,128
Income before special items (unaudited, non-GAAP)	$ 14,113	$ 9,593	$ 48,961	$ 51,365
International:				
Income (loss) from operations (GAAP)	$ 888	$ (319)	$ 3,566	$ 1,839
Reorganization and other costs	71	300	(43)	424
Legal settlement and insurance (recoveries) charges, net	—	737	—	737
Income before special items (unaudited, non-GAAP)	$ 959	$ 718	$ 3,523	$ 3,000
Products and Systems:				
Income (loss) from operations (GAAP)	$ 342	$ 536	$ (992)	$ (117)
Reorganization and other costs	—	—	—	27
Income (loss) before special items (unaudited, non-GAAP)	$ 342	$ 536	$ (992)	$ (90)
Corporate and Eliminations:				
Loss from operations (GAAP)	$ (9,729)	$ (7,378)	$ (32,391)	$ (32,010)
Legal settlement and insurance (recoveries) charges, net	—	275	(153)	(345)
Loss on debt modification	—	—	693	278
Reorganization and other costs	—	93	139	93
Acquisition-related expense, net	12	(29)	31	5
Loss before special items (unaudited, non-GAAP)	$ (9,717)	$ (7,039)	$ (31,681)	$ (31,979)
Total Company				
Income from operations (GAAP)	$ 5,802	$ 2,306	$ 19,799	$ 18,170
Bad debt provision for troubled customers, net of recoveries	(247)	—	42	—
Reorganization and other costs	130	425	195	673
Legal settlement and insurance (recoveries) charges, net	—	1,012	(994)	2,042
Loss on debt modification	—	—	693	278
Acquisition-related expense, net	12	65	76	1,133
Income before special items (unaudited, non-GAAP)	$ 5,697	$ 3,808	$ 19,811	$ 22,296

Mistras Group, Inc. and Subsidiaries
Unaudited Summary Cash Flow Information
(in thousands)

	For the quarter ended December 31,		For the year ended December 31,	
	2022	2021	2022	2021
Net cash provided by (used in):				
Operating activities	$ 15,875	$ 19,792	$ 26,406	$ 42,261
Investing activities	(3,361)	(3,057)	(12,238)	(18,551)
Financing activities	(11,570)	(14,379)	(16,323)	(23,245)
Effect of exchange rate changes on cash	1,460	(843)	(1,467)	(2,115)
Net change in cash and cash equivalents	$ 2,404	$ 1,513	$ (3,622)	$ (1,650)

Mistras Group, Inc. and Subsidiaries
Unaudited Reconciliation of
Net Cash Provided by Operating Activities (GAAP) to Free Cash Flow (non-GAAP)
(in thousands)

	For the quarter ended December 31,		For the year ended December 31,	
	2022	2021	2022	2021
Net cash provided by operating activities (GAAP)	$ 15,875	$ 19,792	$ 26,406	$ 42,261
Less:				
Purchases of property, plant and equipment	(3,541)	(3,031)	(12,591)	(18,161)
Purchases of intangible assets	(245)	(228)	(825)	(1,115)
Free cash flow (non-GAAP)	$ 12,089	$ 16,533	$ 12,990	$ 22,985

Mistras Group, Inc. and Subsidiaries
Unaudited Reconciliation of
Gross Debt (GAAP) to Net Debt (non-GAAP)
(in thousands)

	For the year ended December 31,	
	2022	**2021**
Current portion of long-term debt	$ 7,425	$ 20,162
Long-term debt, net of current portion	183,826	182,403
Total Gross Debt (GAAP)	191,251	202,565
Less: Cash and cash equivalents	(20,488)	(24,110)
Total Net Debt (non-GAAP)	$170,763	$178,455

Mistras Group, Inc. and Subsidiaries
Unaudited Reconciliation of
Net Income (Loss) (GAAP) to Adjusted EBITDA (non-GAAP)
(in thousands)

	For the quarter ended December 31,		For the year ended December 31,	
	2022	2021	2022	2021
Net income (loss)	$ 2,863	$ (89)	$ 6,574	$ 3,893
Less: Net income attributable to noncontrolling interests, net of taxes	21	5	75	33
Net income (loss) attributable to Mistras Group, Inc.	$ 2,842	$ (94)	$ 6,499	$ 3,860
Interest expense	3,713	2,187	10,505	10,882
Provision (benefit) for income taxes	(774)	208	2,720	3,395
Depreciation and amortization	8,162	9,216	33,294	34,921
Share-based compensation expense	1,169	1,505	5,335	5,421
Reorganization and other related costs, net	130	425	195	673
Legal settlement and insurance recoveries, net	—	1,012	(994)	2,042
Acquisition-related expense, net	12	65	76	1,133
Loss on debt modification	—	—	693	278
Bad debt provision for troubled customers, net of recoveries	(247)	—	42	—
Foreign exchange (gain) loss	709	27	(215)	371
Adjusted EBITDA	$ 15,716	$ 14,551	$ 58,150	$ 62,976

Mistras Group, Inc. and Subsidiaries
Unaudited Reconciliation of
Net Income (Loss) (GAAP) and Diluted EPS (GAAP) to Net Income Excluding Special Items (non-GAAP)
and Diluted EPS Excluding Special Items (non-GAAP)
(tabular dollars in thousands, except per share data)

	For the quarter ended December 31,		For the year ended December 31,	
	2022	2021	2022	2021
Net income (loss) attributable to Mistras Group, Inc. (GAAP)	$ 2,842	$ (94)	$ 6,499	$ 3,860
Special items	(105)	1,502	12	4,126
Tax impact on special items	25	(301)	(17)	(917)
Special items, net of tax	$ (80)	$ 1,201	$ (5)	$ 3,209
Net income attributable to Mistras Group, Inc. Excluding Special Items (non-GAAP)	$ 2,762	$ 1,107	$ 6,494	$ 7,069

Diluted EPS (GAAP)	$ 0.09	$ 0.00	$ 0.21	$ 0.13
Special items, net of tax	0.00	0.04	0.00	0.10
Diluted EPS Excluding Special Items (non-GAAP)	$ 0.09	$ 0.04	$ 0.21	$ 0.23