

**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 5, 2025

**Mistras Group, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-34481**  
(Commission  
File Number)

**22-3341267**  
(IRS Employer  
Identification No.)

**195 Clarksville Road**  
**Princeton Junction,**  
(Address of principal executive offices)

**New Jersey**

**08550**  
(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.

## **Item 2.02. Results of Operations and Financial Condition**

On March 5, 2025, Mistras Group, Inc. (the "Company," "we," "us" and "our") issued a press release announcing the financial results for our fourth quarter and year ended December 31, 2024. 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," "net debt" and "net income before special items," which are not measures of financial performance under U.S. generally accepted accounting principles ("GAAP"). The tables to the press release include reconciliations of these non-GAAP financial measures to the most comparable financial measure under GAAP. Also, in the tables to the press release, the non-GAAP financial measures "Segment and Total Company Income (Loss) before Special Items" (which includes operating income (loss) before special items) 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)." The non-GAAP financial measure "Diluted EPS excluding Special Items," is presented and reconciled to the financial measure under GAAP within the table "Net Income (Loss) (GAAP) and Diluted EPS (GAAP) to Net Income Excluding Special Items (non-GAAP) and Diluted EPS Excluding Special Items (Non-GAAP)." Information about these non-GAAP financial measures are included in the press release.

Our management uses and provides these non-GAAP financial measures 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 for the Company 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 the Company's executive officers.

We believe that investors and other users of the financial statements benefit from the presentation of these non-GAAP financial measures 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 financial measure also takes into account cash used to purchase fixed assets needed for business operations which are not expensed. We believe this financial measure 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 measures commonly used by investors and securities analysts, they have limitations. As non-GAAP financial measures, Adjusted EBITDA and free cash flows have no standard meaning and, therefore, may not be comparable with similar financial measures 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 financial measures 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 measure.

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

## **Item 9.01. Financial Statement and Exhibits**

### **Exhibit No. Description**

[99.1](#) [Press release issued by Mistras Group, Inc. on March 5, 2025](#)

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 5, 2025

By: /s/ Edward J. Prajzner

Name: Edward J. Prajzner

Title: Senior Executive Vice President and Chief Financial Officer

<u>Exhibit No.</u>	<u>Description</u>
<a href="#">99.1</a>	<a href="#">Press release issued by Mistras Group, Inc. on March 5, 2025</a>



## MISTRAS Announces Fourth Quarter and Full Year 2024 Results

*Full year 2024 Revenue Growth of 3.4%, Net Income increased 208.6% to \$19.0 million*

*Full year 2024 Adjusted EBITDA (non-GAAP) of \$82.5 million, an increase of 25.3%*

*Full year 2024 Net Cash from Operations of \$50.1 million, an increase of 87.4%; Free Cash Flow (non-GAAP) of \$27.1 million, an increase of 775.9%*

*Full year 2024 Selling, General and Administrative expenses decreased \$10.4 million or 6.2%*

PRINCETON JUNCTION, N.J., March 5, 2025 (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 twelve months ended December 31, 2024.

### Highlights of the Fourth Quarter 2024\*

- **Income from Operations of \$10.5 million**
- **Net income of \$5.3 million and Earnings Per Diluted Share of \$0.17**
- **Adjusted EBITDA of \$20.9 million, an increase of 9.2%**
- **Net Cash from Operations of \$25.7 million and Free Cash Flow of \$20.8 million**

### Highlights of the Full Year 2024\*

- **Income from Operations of \$39.8 million**
- **Net income of \$19.0 million and Earnings Per Diluted Share of \$0.60**
- **Adjusted EBITDA of \$82.5 million, an increase of 25.3%**
- **Net Cash from Operations of \$50.1 million and Free Cash Flow of \$27.1 million**

*\* All comparisons are consolidated and versus the equivalent prior year period, unless otherwise noted. Please see the reconciliations of non-GAAP financial measures to the most directly comparable GAAP measures and additional information about the non-GAAP financial measures set forth in tables attached to this press release.*

Manny Stamatakis, Executive Chairman of the Board of Directors commented “I want to reflect on the life of Dr. Sotirios J. Vahaviolos, the Company’s Founder, Chairman Emeritus, and a Director on the Board of Directors, given his passing nearly one month ago on February 6, 2025. On behalf of the Board of Directors and the entire MISTRAS family I want to express our profound appreciation for the immeasurable contributions Dr. Vahaviolos made to our Company, our shareholders, and the communities we serve. A visionary leader and pioneer in the field of non-destructive testing (“NDT”) and acoustic emission (“AE”), Dr. Vahaviolos founded MISTRAS (originally Physical Acoustics Corporation) in 1978, and dedicated over four decades to building the Company into a global leader in testing, inspection, and asset protection solutions. His expertise, leadership, and commitment to excellence were instrumental in shaping the Company’s strategic direction and fostering a culture of innovation that remains at the core of MISTRAS today. His legacy will endure and live on as we move MISTRAS forward in his memory. Our Products and Systems segment, along with our NDT and AE services will remain essential competencies at the core of MISTRAS, enabling the Company to deliver on its overall mission and purpose.”

Mr. Stamatakis continued, “the Company’s consolidated fourth quarter results exceeded our annual revised guidance, with the bottom line expanding significantly, demonstrating the margin accretive actions that we have instituted into our business model. On a full year basis, revenue was up in all reported segments and across all of our industries that we serve, illustrating the increasing diversity of our growing end markets. Adjusted EBITDA was up over 25% versus the prior year, reflecting significant improvement in our operating leverage, and our Adjusted EBITDA margin expanded by 200 basis points over the prior year.

Our income from operations of \$39.8 million for the full year 2024 was the highest level for this metric since 2016. I am also pleased with our fourth consecutive quarter generating Net Income growth, which was a function of continued annual revenue growth, gross profit expansion, and selling, general and administrative expenses (“SG&A”) reduction. I am extremely confident in the future of MISTRAS, and I will remain involved in overseeing the strategic path forward for the new invigorated senior leadership team, led by our new President and Chief Executive Officer, Natalia Shuman.”

Ms. Shuman commented, “I am honored to be leading MISTRAS into its next phase of growth, building on our strong foundation and driving meaningful value for all our stakeholders. I have spent my first sixty days on the job, actively talking to customers, being in the field at our In-house Laboratories meeting with employees, as well as discussing strategy with Manny, the Board of Directors and other stakeholders. Given the Company’s strong partnerships with our valuable customers, leading technologies, and committed management team, which come together to create a solid foundation that aligns with our long-term vision, I am very excited for our prospect of continued profitable growth heading into 2025 and beyond.”

Edward Prajzner, Senior Executive Vice President and Chief Financial Officer, commented, “due to our improved results and operating leverage, we generated \$25.7 million of operating cash flow and \$20.8 million of free cash flow during the fourth quarter. We used this cash flow to pay down \$20.1 million of bank borrowings during the fourth quarter, and our bank defined leverage level dropped to below 2.5X as of December 31, 2024. We continue to fund our organic growth initiatives, including our investment in capital expenditures, with our operating cash flow, strengthening our capabilities and footprint to better support our customers.”

Full year 2024 consolidated revenue was \$729.6 million, a 3.4% increase. Revenue increased in all reported segments and across all industries served in 2024, led by strong performance in the Aerospace and Defense industry, which experienced a substantial revenue increase of 13.0% on a full year basis to \$87.0 million.

Full year 2024 gross profit increased to \$213.1 million compared to the prior period, with gross profit margin expanding 30 basis points. The increase in gross profit margin to 29.2% was primarily due to the strong growth in our Aerospace and Defense industry business, which has higher margins.

SG&A for the full year 2024 was \$156.4 million, down 6.2% compared to \$166.7 million in 2023, as a result of ongoing cost calibration discipline. SG&A for the twelve months ended December 31, 2024 was 21.4% of revenue, a 220 basis point reduction from the prior year period.

Reorganization and other costs were \$5.5 million for full year 2024, compared with \$12.3 million in the prior year period. These costs were incurred to facilitate the Company's cost containment and recalibration of our initiatives.

The Company reported net income of \$19.0 million, or \$0.60 per diluted share for the year ended December 31, 2024. Full year 2024 net income excluding special items (non-GAAP) was \$22.7 million or \$0.72 per diluted share excluding special items (non-GAAP).

Adjusted EBITDA was \$82.5 million for the full year 2024 compared to \$65.8 million in the prior year period, an increase of 25.3%. The increase in Adjusted EBITDA was primarily attributable to a favorable business mix and overhead cost containment initiatives.

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

**North America** segment fourth quarter 2024 revenue was \$136.9 million, down 7.5% from \$148.0 million in the prior year period. The revenue decrease was primarily due to the anticipated decrease in revenue in the Oil & Gas industry as a result of a moderate Fall turnaround season in 2024. For the fourth quarter of 2024, gross profit was \$38.9 million, compared to \$42.9 million in the prior year period. Gross profit margin was 28.4% for the fourth quarter of 2024, a 60 basis point decrease from the prior year period. This decrease in gross profit margin was primarily due to an unfavorable sale mix.

**International** segment fourth quarter 2024 revenue was \$35.0 million, up 3.6% from \$33.8 million in the prior year period. Our International segment revenue increased each quarter of 2024 compared to the prior year periods, with an increase of 9.3% on a full year basis. International segment fourth quarter 2024 gross profit was \$10.1 million, with a gross profit margin of 29.0%, compared to 27.7% in the prior year period. On a full year basis, our International segment 2024 gross profit was \$39.8 million, an increase of \$6.2 million, or 18.5%, over the prior year period, with gross profit margin increasing to 29.3% in 2024 from 27.0% in 2023. This 230-basis point increase was primarily attributable to improved operating leverage and a favorable business mix.

**Products and Systems** segment experienced a strong growth in profitability with a 5.2% increase in revenue to \$13.7 million for full year 2024 compared to \$13.0 million in 2023, and an 840.1% increase in income from operations to \$2.5 million in 2024 compared to \$0.3 million in 2023. This success was driven by cost reductions and efficiency improvements.

#### **Cash Flow and Balance Sheet**

The Company's net cash provided by operating activities was \$50.1 million for the full year 2024, compared to \$26.7 million in the prior year period. Free cash flow, a non-GAAP financial measure, was \$27.1 million for full year 2024, compared to \$3.1 million in the prior year period. This increase was primarily attributable to significantly improved financial results in 2024 and improvements in working capital management, particularly an accounts receivable reduction despite the higher level of revenue. Capital expenditures were fairly consistent year over year, at \$23.0 million for full year 2024 compared to \$23.6 million in the prior year period. The Company is continuing to invest in efficiency opportunities including internal workflow automation, and productivity enhancements.

The Company's gross debt was \$169.6 million as of December 31, 2024, compared to \$190.4 million as of December 31, 2023, a decrease of \$20.8 million. The decrease in gross debt year over year was attributable to the favorable cash flow impacts described above. The Company's net debt, a non-GAAP financial measure, was \$151.3 million as of December 31, 2024, compared to \$172.8 million as of December 31, 2023.

#### **2025 Outlook**

The Company is not providing full year guidance for fiscal 2025 at this juncture and will continue to review its entire portfolio with a focus on continuing to grow Adjusted EBITDA and earnings per share, and to improve margins. Additionally, the US Dollar to Euro exchange rate strengthened since the Company set its budget for 2025,

and this unanticipated foreign exchange translation (“FX”) risk could unfavorably impact actual revenue translation in 2025. The Company believes this FX risk will be essentially neutral on Adjusted EBITDA margin and other profitability metrics. Nevertheless, the Company will be assessing this FX risk, as well as the potential impact of the recently announced U.S. foreign tariffs on its business and financial results for fiscal 2025. Once this evaluation is complete, the Company anticipates releasing guidance for fiscal 2025, with the goal of driving profitable growth.

### **Conference Call**

In connection with this release, MISTRAS will hold a conference call on March 6, 2025, at 9:00 a.m. (Eastern).

To listen to the live webcast of the conference call, visit the Investor Relations section of MISTRAS’ website at [www.mistrasgroup.com](http://www.mistrasgroup.com).

Individuals wishing to participate may preregister at: <https://register.vevent.com/register/BIf16da158e8294da5b6ef32a17c5655a8>

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’ 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, strong commitment to Environmental, Social, and Governance (ESG) initiatives, and a decades-long legacy of industry leadership, MISTRAS leads clients in the oil and gas, petrochemical, aerospace and defense, industrials, power generation and transmission (including alternative and renewable energy), other process industries and infrastructure, research and engineering and other industries towards achieving and maintaining operational excellence. By supporting these customers that help fuel our vehicles and power our society and inspecting components that are trusted for commercial, defense, and private space MISTRAS helps the world at large with its asset integrity risk mitigation.

MISTRAS enhances value for its clients by integrating asset protection throughout supply chains and centralizing integrity data through a suite of Industrial Internet of Things -connected digital software and monitoring solutions. The Company’s core capabilities also include non-destructive testing field and inspections enhanced by advanced robotics, laboratory quality control, laboratory materials services, in-house laboratory 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 and the environment, visit <https://www.mistrasgroup.com/>.

### **MEDIA CONTACT:**

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### **Forward-Looking and Cautionary Statements**

Certain statements contained in this press release are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements include, but are not limited to, the impacts of foreign currency exchange risks and recently announced U.S. foreign tariffs on our business and financial results, costs savings and other benefits we expect to continue to realize from our previously announced Project Phoenix initiatives and additional operational and strategic actions that we expect or seek to take in furtherance of our strategies and activities to

enhance our financial results and future growth. Such forward-looking statements relate to MISTRAS' financial results and estimates, products and services, business model, Project Phoenix initiatives, operational and strategic initiatives to improve operating leverage, 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 2023 Annual Report on Form 10-K filed on March 11, 2024, 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 Financial 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 are not prepared in accordance with GAAP and that we believe provide investors and management with supplemental information relating to the Company's operating performance and trends that facilitate comparisons between periods and with respect to trends and projected information. The term "Adjusted EBITDA" used in this release is a financial measure not calculated in accordance with GAAP and is defined by the Company as net income attributable to MISTRAS Group, Inc. plus: interest expense, provision for income taxes, depreciation and amortization, share-based compensation expense, 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, reorganization and other costs and, if applicable, certain additional special items which are noted. A reconciliation of Adjusted EBITDA to Net Income (Loss) as computed under GAAP is set forth in a table attached to this press release. The Company also uses the term "free cash flow", a non-GAAP financial measure the Company defines as cash provided by operating activities less capital expenditures (which is classified as an investing activity). The Company additionally uses the terms:

"Segment and Total Company Income (Loss) from Operations (GAAP) to Income (Loss) from Operations before Special Items (non-GAAP)", "Net Income (Loss) (GAAP) and Diluted EPS (GAAP) to Net Income Excluding Special Items (non-GAAP) and Diluted EPS Excluding Special Items (non-GAAP)" which reconciles the non-GAAP amounts to the GAAP financial measure. This press release also includes the term "net debt", a non-GAAP financial measure which the Company defines as the sum of the current and long-term portions of long term debt, less cash and cash equivalents. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP measures are also set forth in tables attached to this press release. Each of these non-GAAP financial measures has material limitations as a performance or liquidity measure and should not be considered alternatives to Net Income (Loss) or any other measures derived in accordance with GAAP. Because Income (loss) from operations before special items and other non-GAAP financial measures used in this press release may not be calculated in the same manner by all companies, these measures may not be comparable to other similarly-titled measures used by other companies.

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

	December 31,	
	2024	2023
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$ 18,317	\$ 17,646
Accounts receivable, net	127,281	132,847
Inventories	14,485	15,283
Prepaid expenses and other current assets	12,387	14,580
Total current assets	172,470	180,356
Property, plant and equipment, net	80,892	80,972
Intangible assets, net	39,708	43,994
Goodwill	181,442	187,354
Deferred income taxes	6,267	2,316
Other assets	42,259	39,784
Total Assets	\$ 523,038	\$ 534,776
<b>LIABILITIES AND EQUITY</b>		
Current Liabilities		
Accounts payable	\$ 11,128	\$ 17,032
Accrued expenses and other current liabilities	85,233	84,331
Current portion of long-term debt	11,591	8,900
Current portion of finance lease obligations	5,317	5,159
Income taxes payable	1,656	1,101
Total current liabilities	114,925	116,523
Long-term debt, net of current portion	158,056	181,499
Obligations under finance leases, net of current portion	15,162	11,261
Deferred income taxes	1,973	2,552
Other long-term liabilities	34,027	32,438
Total Liabilities	\$ 324,143	\$ 344,273
Equity		
Preferred stock, 10,000,000 shares authorized	—	—
Common stock, \$0.01 par value, 200,000,000 shares authorized, 31,010,375 and 30,597,633 shares issued	402	305
Additional paid-in capital	250,832	247,165
Accumulated Deficit	(9,984)	(28,942)
Accumulated other comprehensive loss	(42,682)	(28,336)
Total Mistras Group, Inc. stockholders' equity	198,568	190,192
Non-controlling interests	327	311
Total Equity	198,895	190,503
Total Liabilities and Equity	\$ 523,038	\$ 534,776

**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,	
	2024	2023	2024	2023
<b>Revenue</b>	\$ 172,731	\$ 182,073	\$ 729,640	\$ 705,473
Cost of revenue	115,358	122,365	492,928	477,671
Depreciation	6,047	6,081	23,603	23,995
<b>Gross profit</b>	51,326	53,627	213,109	203,807
Selling, general and administrative expenses	35,289	42,914	156,388	166,749
Reorganization and other costs	2,085	6,252	5,515	12,269
Environmental expense	872	—	1,660	—
Legal settlement and litigation charges (benefit), net	—	908	(808)	1,058
Goodwill impairment charges	—	—	—	13,799
Research and engineering	303	295	1,119	1,723
Depreciation and amortization	2,237	2,548	9,407	10,104
Acquisition-related expense, net	1	4	2	9
<b>Income (loss) from operations</b>	10,540	706	39,826	(1,904)
Other income	(6)	—	(1,485)	—
Interest expense	3,883	4,668	17,067	16,761
<b>Income (loss) before provision (benefit) for income taxes</b>	6,663	(3,962)	24,244	(18,665)
Provision (benefit) for income taxes	1,365	(1,449)	5,274	(1,220)
<b>Net income (loss)</b>	5,298	(2,513)	18,970	(17,445)
Less: net income attributable to noncontrolling interests, net of taxes	20	1	12	8
<b>Net income (loss) attributable to Mistras Group, Inc.</b>	\$ 5,278	\$ (2,514)	\$ 18,958	\$ (17,453)
Earnings (loss) per common share				
Basic	\$ 0.17	\$ (0.08)	\$ 0.61	\$ (0.58)
Diluted	\$ 0.17	\$ (0.08)	\$ 0.60	\$ (0.58)
Weighted average common shares outstanding:				
Basic	31,002	30,473	30,926	30,330
Diluted	31,660	30,473	31,608	30,330

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

	For the quarter ended December 31,		For the year ended December 31,	
	2024	2023	2024	2023
<b>Revenue</b>				
North America	\$ 136,938	\$ 148,035	\$ 593,527	\$ 579,330
International	34,998	33,750	135,969	124,414
Products and Systems	3,802	3,089	13,661	12,986
Corporate and eliminations	(3,007)	(2,801)	(13,517)	(11,257)
<b>Total</b>	<b>\$ 172,731</b>	<b>\$ 182,073</b>	<b>\$ 729,640</b>	<b>\$ 705,473</b>

	For the quarter ended December 31,		For the year ended December 31,	
	2024	2023	2024	2023
<b>Gross profit</b>				
North America	\$ 38,866	\$ 42,872	\$ 165,679	\$ 163,960
International	10,145	9,363	39,812	33,610
Products and Systems	2,293	1,684	7,526	6,457
Corporate and eliminations	21	(294)	92	(220)
<b>Total</b>	<b>\$ 51,325</b>	<b>\$ 53,625</b>	<b>\$ 213,109</b>	<b>\$ 203,807</b>
<i>Gross profit as a % of Revenue</i>	29.7 %	29.5 %	29.2 %	28.9 %

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

Revenue by industry was as follows:

<b>Three Months Ended December 31, 2024</b>	<b>North America</b>	<b>International</b>	<b>Products</b>	<b>Corp/Elim</b>	<b>Total</b>
Oil & Gas	\$ 86,490	\$ 10,474	\$ 35	\$ —	\$ 96,999
Aerospace & Defense	14,959	5,693	20	—	20,672
Industrials	11,263	7,018	379	—	18,660
Power Generation & Transmission	8,082	1,612	285	—	9,979
Other Process Industries	6,221	4,853	147	—	11,221
Infrastructure, Research & Engineering	4,869	2,844	1,499	—	9,212
Petrochemical	2,970	234	—	—	3,204
Other	2,084	2,270	1,437	(3,007)	2,784
<b>Total</b>	<b>\$ 136,938</b>	<b>\$ 34,998</b>	<b>\$ 3,802</b>	<b>\$ (3,007)</b>	<b>\$ 172,731</b>

<b>Three Months Ended December 31, 2023</b>	<b>North America</b>	<b>International</b>	<b>Products</b>	<b>Corp/Elim</b>	<b>Total</b>
Oil & Gas	\$ 97,558	\$ 10,324	\$ 72	\$ —	\$ 107,954
Aerospace & Defense	14,484	4,817	11	—	19,312
Industrials	11,825	8,018	437	—	20,280
Power Generation & Transmission	5,764	1,769	578	—	8,111
Other Process Industries	8,129	3,889	39	—	12,057
Infrastructure, Research & Engineering	3,924	2,773	409	—	7,106
Petrochemical	3,189	329	—	—	3,518
Other	3,162	1,831	1,543	(2,801)	3,735
<b>Total</b>	<b>\$ 148,035</b>	<b>\$ 33,750</b>	<b>\$ 3,089</b>	<b>\$ (2,801)</b>	<b>\$ 182,073</b>

Year ended December 31, 2024	North America	International	Products	Corp/Elim	Total
Oil & Gas	\$ 376,333	\$ 42,315	\$ 275	\$ —	\$ 418,923
Aerospace & Defense	63,111	23,785	120	—	87,016
Industrials	44,310	25,498	1,857	—	71,665
Power Generation and Transmission	27,035	7,629	1,854	—	36,518
Other Process Industries	32,353	17,190	302	—	49,845
Infrastructure, Research & Engineering	19,155	10,606	3,400	—	33,161
Petrochemical	14,437	1,134	—	—	15,571
Other	16,793	7,812	5,853	(13,517)	16,941
<b>Total</b>	<b>\$ 593,527</b>	<b>\$ 135,969</b>	<b>\$ 13,661</b>	<b>\$ (13,517)</b>	<b>\$ 729,640</b>

Year ended December 31, 2023	North America	International	Products	Corp/Elim	Total
Oil & Gas	\$ 379,221	\$ 36,615	\$ 159	\$ —	\$ 415,995
Aerospace & Defense	56,000	20,711	286	—	76,997
Industrials	42,518	26,292	1,773	—	70,583
Power Generation and Transmission	23,598	6,609	3,767	—	33,974
Other Process Industries	33,035	14,456	112	—	47,603
Infrastructure, Research & Engineering	16,620	9,320	3,168	—	29,108
Petrochemical	13,216	1,216	—	—	14,432
Other	15,122	9,195	3,721	(11,257)	16,781
<b>Total</b>	<b>\$ 579,330</b>	<b>\$ 124,414</b>	<b>\$ 12,986</b>	<b>\$ (11,257)</b>	<b>\$ 705,473</b>

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

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

Oil and Gas Revenue by sub-category	For the quarter ended December 31,		Year ended December 31,	
	2024	2023	2024	2023
Upstream	\$ 39,790	\$ 40,887	\$ 167,741	\$ 157,828
Midstream	20,401	26,539	88,630	101,278
Downstream	36,808	40,528	162,552	156,889
<b>Total</b>	<b>\$ 96,999</b>	<b>\$ 107,954</b>	<b>\$ 418,923</b>	<b>\$ 415,995</b>

Consolidated Revenue by type was as follows:

	For the quarter ended December 31,		For the year ended December 31,	
	2024	2023	2024	2023
Field Services	\$ 114,681	\$ 121,932	\$ 502,810	\$ 470,433
Shop Laboratories	15,417	15,972	64,564	58,188
Data Analytical Solutions	17,353	19,542	69,152	72,457
Other	25,280	24,627	93,114	104,394
<b>Total</b>	<b>\$ 172,731</b>	<b>\$ 182,073</b>	<b>\$ 729,640</b>	<b>\$ 705,472</b>

**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,		For the year ended December 31,	
	2024	2023	2024	2023
<b>North America:</b>				
Income from operations (GAAP)	\$ 12,544	\$ 15,451	\$ 62,286	\$ 55,170
Reorganization and other costs	1,119	386	2,046	960
Legal settlement and insurance (recoveries) charges, net	—	908	(808)	1,058
Income before special items (unaudited, non-GAAP)	<u>\$ 13,663</u>	<u>\$ 16,745</u>	<u>\$ 63,524</u>	<u>\$ 57,188</u>
<b>International:</b>				
Income (loss) from operations (GAAP)	\$ 1,727	\$ 802	\$ 6,275	\$ (12,229)
Goodwill Impairment charges	—	—	—	13,799
Reorganization and other costs	676	123	1,086	351
Income before special items (unaudited, non-GAAP)	<u>\$ 2,403</u>	<u>\$ 925</u>	<u>\$ 7,361</u>	<u>\$ 1,921</u>
<b>Products and Systems:</b>				
Income from operations (GAAP)	\$ 1,031	\$ 345	\$ 2,510	\$ 267
Reorganization and other costs	—	193	184	382
Income before special items (unaudited, non-GAAP)	<u>\$ 1,031</u>	<u>\$ 538</u>	<u>\$ 2,694</u>	<u>\$ 649</u>
<b>Corporate and Eliminations:</b>				
Loss from operations (GAAP)	\$ (4,762)	\$ (15,892)	\$ (31,245)	\$ (45,112)
Environmental expense	872	—	1,660	—
Reorganization and other costs	290	5,550	2,199	10,576
Acquisition-related expense, net	2	4	2	9
Loss before special items (unaudited, non-GAAP)	<u>\$ (3,598)</u>	<u>\$ (10,338)</u>	<u>\$ (27,384)</u>	<u>\$ (34,527)</u>
<b>Total Company</b>				
Income (loss) from operations (GAAP)	\$ 10,540	\$ 706	\$ 39,826	\$ (1,904)
Goodwill Impairment charges	—	—	—	13,799
Reorganization and other costs	2,085	6,252	5,515	12,269
Legal settlement and insurance (recoveries) charges, net	—	908	(808)	1,058
Environmental expense	872	—	1,660	—
Acquisition-related expense, net	1	4	2	9
Income before special items (unaudited, non-GAAP)	<u>\$ 13,498</u>	<u>\$ 7,870</u>	<u>\$ 46,195</u>	<u>\$ 25,231</u>

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

	For the quarter ended December 31,		For the year ended December 31,	
	2024	2023	2024	2023
Net cash provided by (used in):				
Operating activities	\$ 25,658	\$ 16,064	\$ 50,129	\$ 26,748
Investing activities	(4,214)	(6,963)	(21,366)	(22,133)
Financing activities	(21,151)	(5,867)	(27,398)	(7,706)
Effect of exchange rate changes on cash	(2,336)	1,660	(694)	249
Net change in cash and cash equivalents	<u>\$ (2,043)</u>	<u>\$ 4,894</u>	<u>\$ 671</u>	<u>\$ (2,842)</u>

**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,	
	2024	2023	2024	2023
<b>Net cash provided by operating activities (GAAP)</b>	<b>\$ 25,658</b>	<b>\$ 16,064</b>	<b>\$ 50,129</b>	<b>\$ 26,748</b>
Less:				
Purchases of property, plant and equipment	(3,587)	(6,451)	(17,902)	(20,854)
Purchases of intangible assets	(1,252)	(927)	(5,084)	(2,795)
<b>Free cash flow (non-GAAP)</b>	<u><b>\$ 20,819</b></u>	<u><b>\$ 8,686</b></u>	<u><b>\$ 27,143</b></u>	<u><b>\$ 3,099</b></u>

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

	For the year ended December 31,	
	2024	2023
Current portion of long-term debt	\$ 11,591	\$ 8,900
Long-term debt, net of current portion	158,056	181,499
<b>Total Gross Debt (GAAP)</b>	<b>169,647</b>	<b>190,399</b>
Less: Cash and cash equivalents	(18,317)	(17,646)
<b>Total Net Debt (non-GAAP)</b>	<b>\$ 151,330</b>	<b>\$ 172,753</b>

**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,	
	2024	2023	2024	2023
<b>Net income (loss)</b>	\$ 5,298	\$ (2,513)	18,970	\$ (17,445)
Less: Net income attributable to noncontrolling interests, net of taxes	20	1	12	8
<b>Net income (loss) attributable to Mistras Group, Inc.</b>	<u>\$ 5,278</u>	<u>\$ (2,514)</u>	<u>\$ 18,958</u>	<u>\$ (17,453)</u>
Interest expense	3,883	4,668	17,067	16,761
Provision (benefit) for income taxes	1,365	(1,449)	5,274	(1,220)
Depreciation and amortization	8,284	8,629	33,010	34,099
Share-based compensation expense	957	1,498	5,071	5,147
Goodwill Impairment charges	—	—	—	13,799
Reorganization and other related costs, net	2,085	6,252	5,515	12,269
Legal settlement and insurance recoveries, net	—	908	(808)	1,058
Acquisition-related expense, net	1	4	2	9
Environmental expense	872	—	1,660	—
Other Income	(6)	—	(1,485)	—
Foreign exchange (gain) loss	(1,784)	1,182	(1,807)	1,331
<b>Adjusted EBITDA</b>	<u>\$ 20,935</u>	<u>\$ 19,178</u>	<u>\$ 82,457</u>	<u>\$ 65,800</u>

**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,	
	2024	2023	2024	2023
<b>Net income (loss) attributable to Mistras Group, Inc. (GAAP)</b>	\$ 5,278	\$ (2,514)	\$ 18,958	\$ (17,453)
Other Income	(6)	—	(1,485)	—
Goodwill Impairment charges	—	—	—	13,799
Reorganization and other related costs, net	2,085	6,252	5,515	12,269
Environmental Expense	872	—	1,660	—
Legal settlement and insurance recoveries, net	—	908	(808)	1,058
Acquisition-related expense, net	1	4	2	9
<b>Special items total</b>	<b>2,952</b>	<b>7,164</b>	<b>4,884</b>	<b>27,135</b>
Tax impact on special items	(704)	(1,787)	(1,168)	(3,256)
Special items, net of tax	\$ 2,248	\$ 5,377	\$ 3,716	\$ 23,879
<b>Net income attributable to Mistras Group, Inc. Excluding Special Items (non-GAAP)</b>	<b>\$ 7,526</b>	<b>\$ 2,863</b>	<b>\$ 22,674</b>	<b>\$ 6,426</b>
<b>Diluted EPS (GAAP)</b>	<b>\$ 0.17</b>	<b>\$ (0.08)</b>	<b>\$ 0.60</b>	<b>\$ (0.58)</b>
Special items, net of tax	0.07	0.18	0.12	0.79
<b>Diluted EPS Excluding Special Items (non-GAAP)</b>	<b>\$ 0.24</b>	<b>\$ 0.10</b>	<b>\$ 0.72</b>	<b>\$ 0.21</b>