



**One Source for
Asset Protection
Solutions®**

MISTRAS GROUP, INC.

INVESTOR PRESENTATION

MARCH 2023

FORWARD-LOOKING STATEMENTS AND CAUTIONARY STATEMENTS

Certain statements made in this presentation 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 this presentation.

A list, description and discussion of these and other risks and uncertainties can be found in the "Risk Factors" section of the Company's 2022 Annual Report on Form 10-K dated March 15, 2023, 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.

All across the world, across industry, facility, and asset, we maximize uptime and safety in serving as the **One Source for Asset Protection Solutions®**

Why We Win

- OneSource™ Capabilities
- Data-Driven Approach
- Proprietary Technologies
- Subject Matter Expertise

At a Glance

- Founded in 1978
- NYSE: MG; IPO in 2009
- Global HQ in Princeton, NJ – USA
- 120 Locations Worldwide
- Over 5,400 Employees

Leadership



Dennis Bertolotti

President and Chief Executive Officer
Joined MISTRAS: 2003



Edward Prajzner

Executive Vice President and
Chief Financial Officer
Joined MISTRAS: 2018



Dr. Sotirios J. Vahaviolos

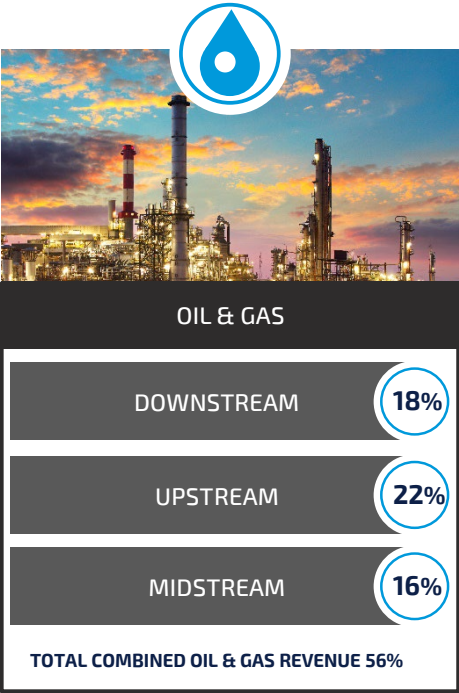
Executive Chairman
Founded MISTRAS: 1978

EXPERTISE

Full MG Executive
Team has over 100
combined years of
company experience

WHO WE HELP

% REVENUES BY
END MARKET – 2022



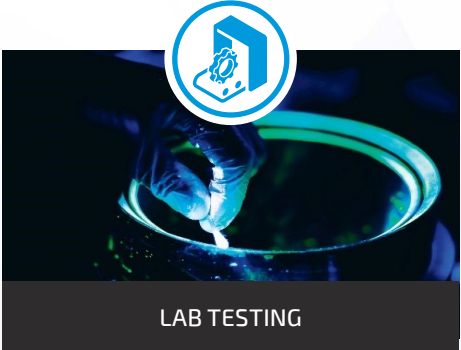
HOW WE HELP



Asset inspections and maintenance to keep industrial equipment operating safely



Data software and services to offer insights and generate value from asset protection



Quality assurance inspections of components & materials before manufacturing

TRUSTED PARTNER

MISTRAS supports over 5,000 customers worldwide, including blue-chip global industry leaders



FIELD SERVICES

Bundled Solutions Drive Customer Retention

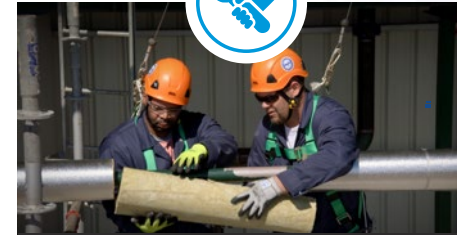
- Regulations and safety hazards create evergreen demand for asset protection
- Customers prefer fewer vendors for multiple solutions over individually specialized vendors
 - Single Master Service Agreement (MSA)
 - Fewer On-Site Personnel
 - Fewer Points of Contact
 - Streamlined Coordination
- Interconnected solutions drive cross-selling opportunities and enhance retention with MISTRAS evergreen customers



FIELD INSPECTIONS



ENGINEERING CONSULTING



MAINTENANCE



ACCESS



INTEGRATED PROGRAMS

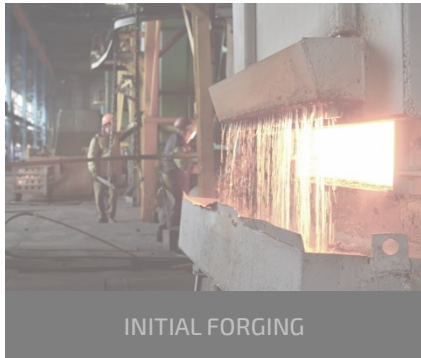
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LAB TESTING

In-House Component Additive-Manufacturing

- Innovative, progressive model centralizes manufacturing process – everything between forging and final machining
- Unique for the industry with great customer interest
- Creates opportunities for long-term partnerships with brand-name commercial and private aerospace customers



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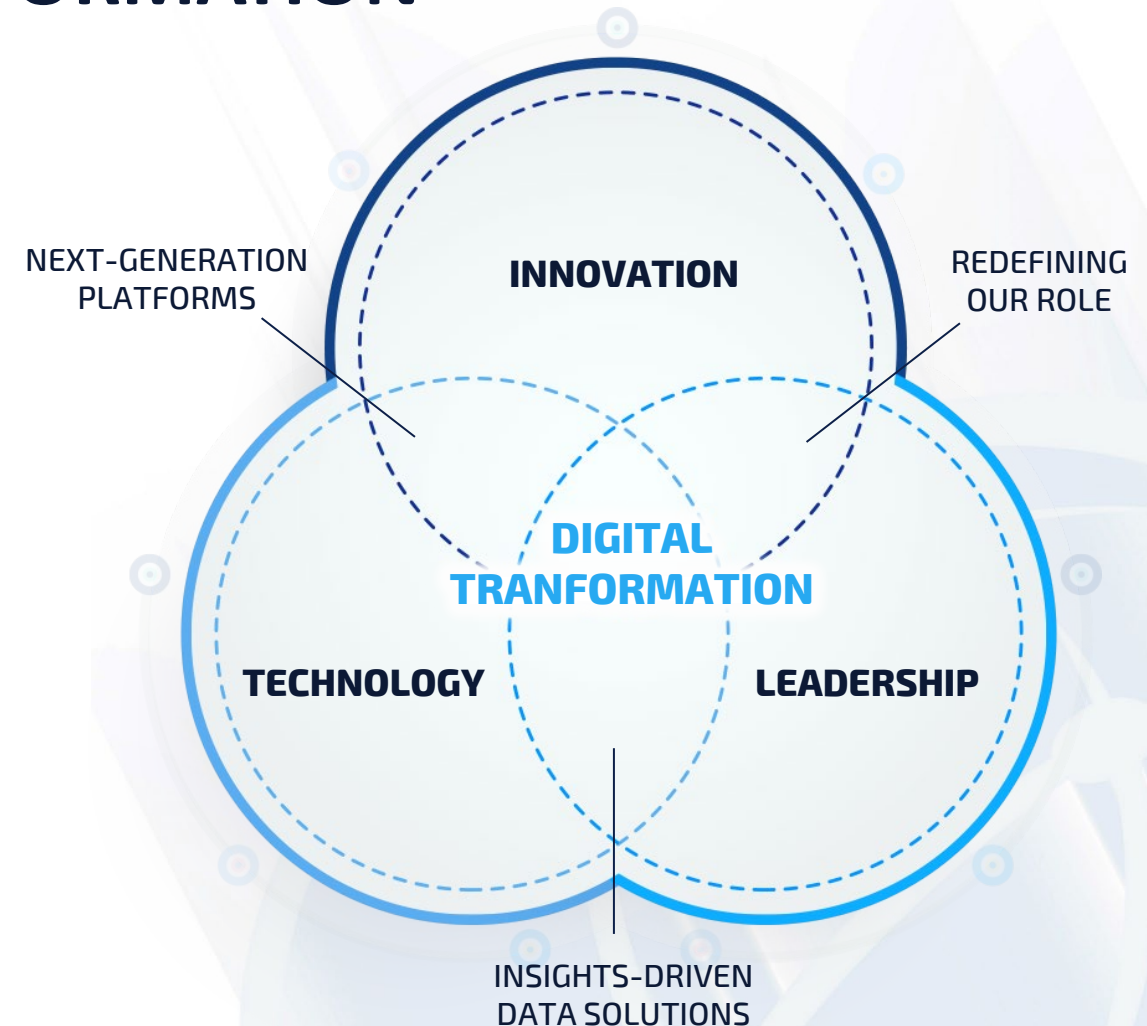


LEADING THE DIGITAL TRANSFORMATION OF ASSET PROTECTION

- Data-driven and insightful
- Taking asset protection from “Reporting” to “Proactive”
- Modernizing work processes by leveraging technology
- Innovative solutions create long-term client partnerships

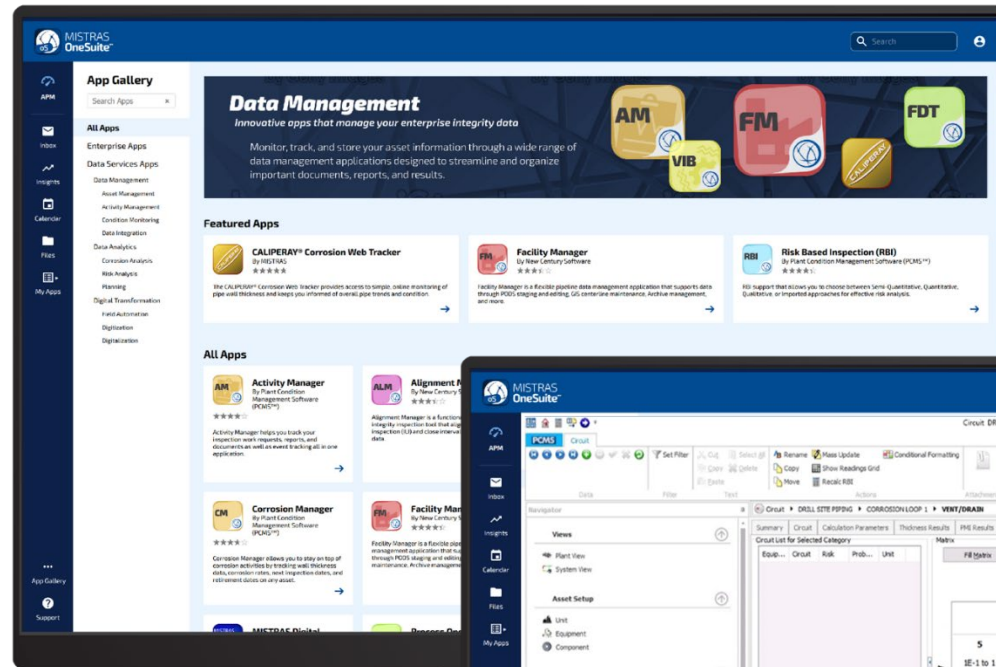


SENSORIA™

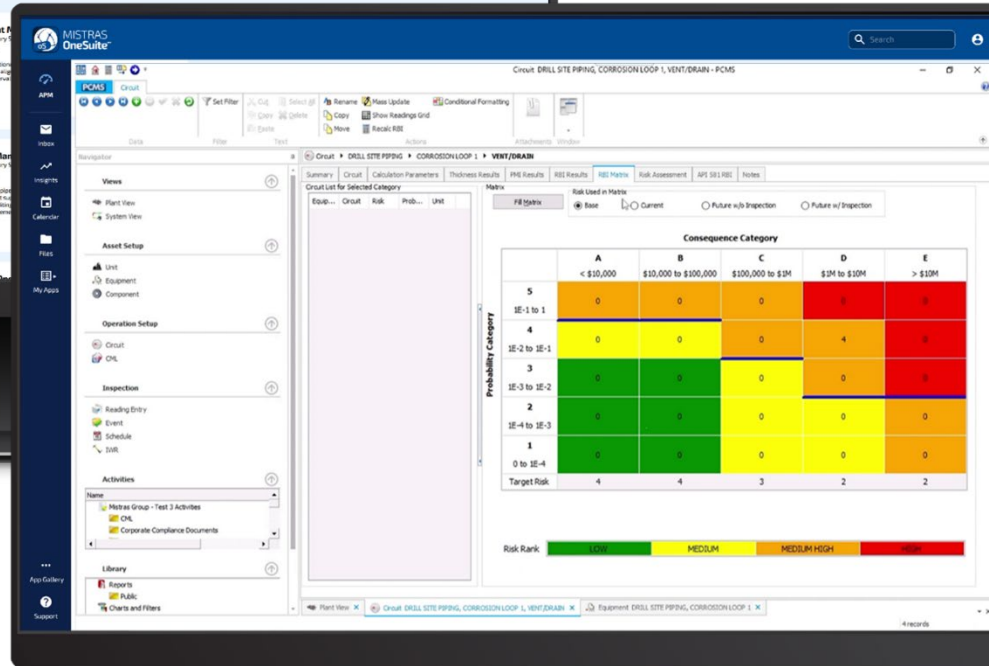




DISRUPTING ASSET PROTECTION THROUGH DIGITAL TECHNOLOGY



OneSuite™ App Gallery



PCMS RBI Matrix in OneSuite™ platform



First-Ever Asset Protection Software Ecosystem

- Makes an MISTRAS platform customers' central hub for all asset protection activities
- Subscription, usage, and fee-based platform = multiple revenue streams
- Funneling customers through OneSuite™ provides user data to promote additional apps
- Significant user expansion occurred in 2022 which is anticipated to continue in 2023
- Over 1,200 subscriptions as of December 2022

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MISTRAS Digital®



Asset Protection Goes Mobile

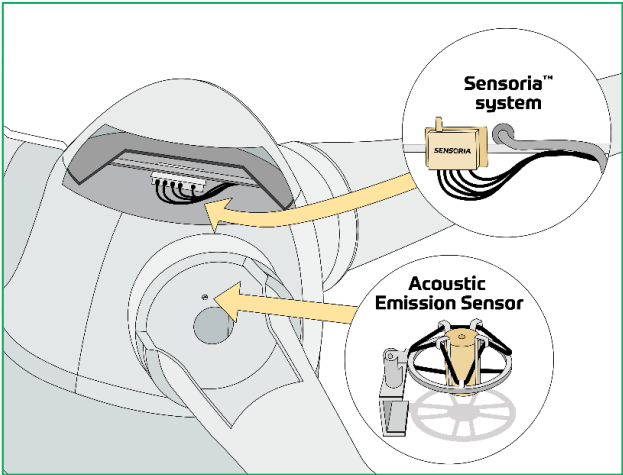
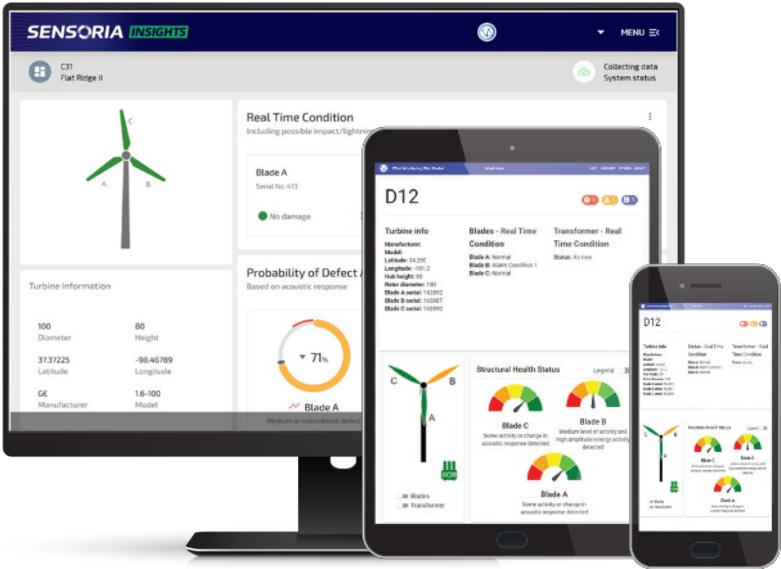
- Mobile, cloud-based reporting platform that modernizes the field inspection process
- Embeds MISTRAS into customer operations
- Digitally augments management & technicians with real-time data
- Increases technician time on tools
- Add-on modules that create value for customers & additional revenue for MISTRAS



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Sensoria™ Insights Data Portal

Wind Energy
Services



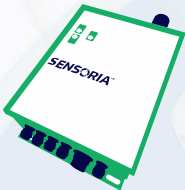
Sensor Installation

SENSORIA

Proven Technology + Expanding Industry =
OPPORTUNITY

Sensoria™ digitally transforms blade integrity.

- U.S. Patent for Sensoria™ Acoustic Emission (AE) technology
- Supplements existing inspection, repair, and access capabilities (Sensoria™ Dispatch)
 - ~\$17m USD worth of wind services/repairs in 2021
- Outfitted on over 130 wind turbines (as of December 2022)



Sensoria™ System

24/7/365 Blade Condition Monitoring System



Sensoria™ Insights

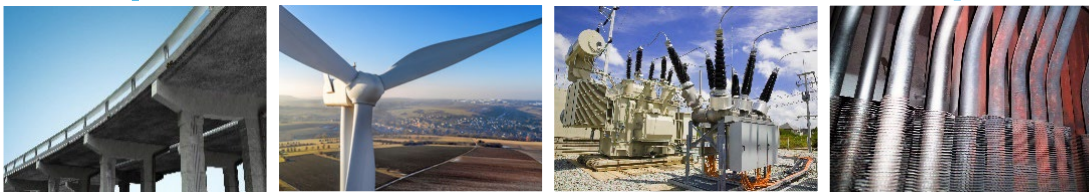
Web-Based Blade Integrity Data Portal

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REPORTING ► PROACTIVE INTEGRITY

Remote online monitoring (OLM) technology to stay ahead of damages on critical assets

- Dedicated R&D teams focused on cloud-based, Industrial Internet of Things (IIoT)-connected technology
- Low overhead costs + ongoing revenue



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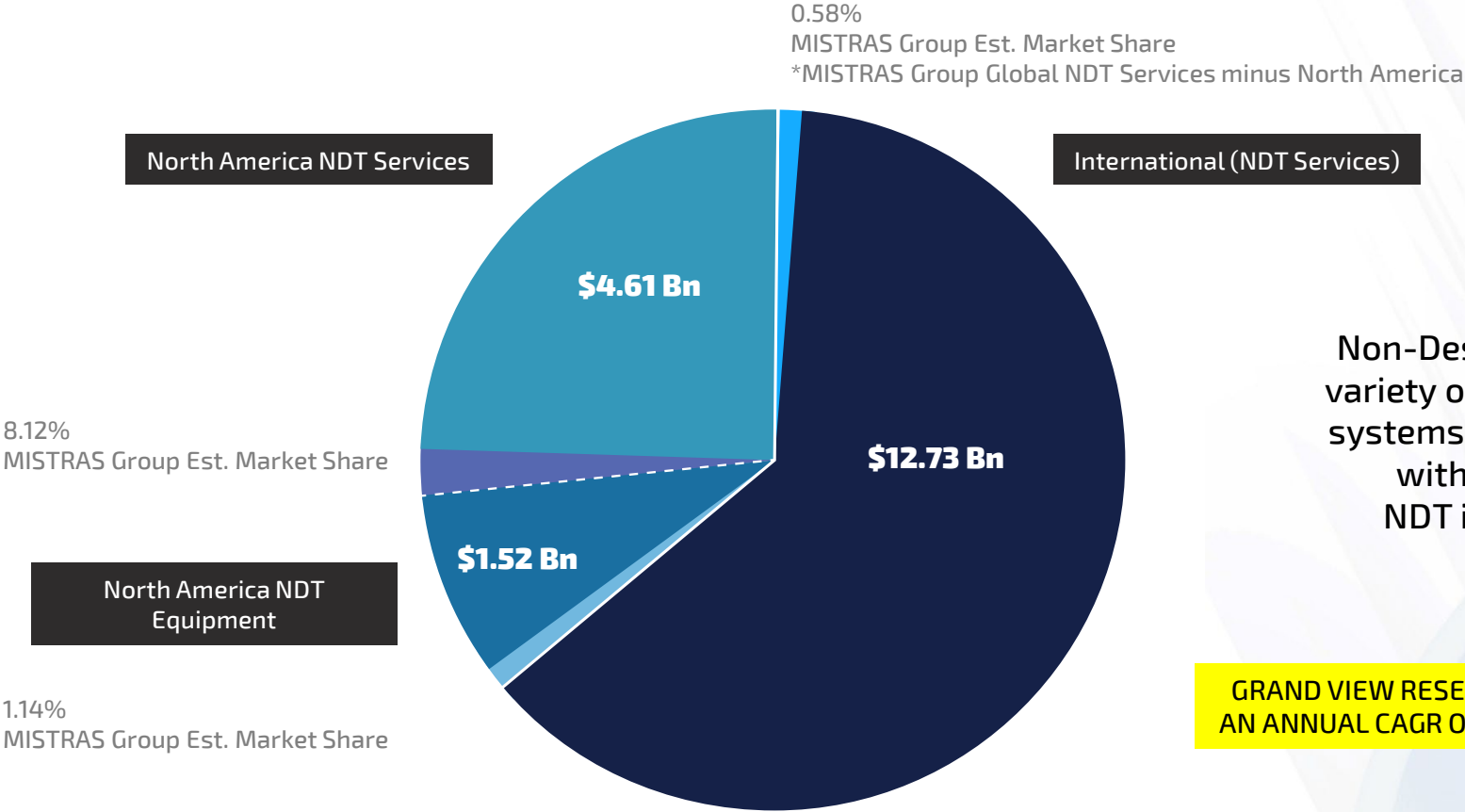


ROOM FOR GROWTH

2020 GLOBAL NDT MARKET

\$17.0B EST. ADDRESSABLE GLOBAL NDT MARKET
(INCLUSIVE OF TRADITIONAL & ADVANCED NDT)

~3% MISTRAS EST. GLOBAL MARKET SHARE



Non-Destructive Testing (“NDT”) consists of a variety of techniques to evaluate materials and systems for the presence of damages/defects, without affecting the asset’s integrity. NDT is MISTRAS’ foundational business.

GRAND VIEW RESEARCH PROJECTS THE NDT MARKET TO GROW BY AN ANNUAL CAGR OF 6.9% FROM \$17.0B IN 2020 TO \$28.6B BY 2028

Market data provided by Grand View Research Report: “Non-Destructive Testing (NDT) Market Analysis and Segment Forecast to 2028”. NDT Market includes: Visual (VT), Ultrasonic (UT), Radiographic (RT), Eddy Current (EC), Liquid Penetrant (PT), Magnetic Particle (MT), Digital Radiography (DR), Phased Array Ultrasonic (PAUT), Pulsed Eddy Current (PEC), Time-Of-Flight Diffraction (TOFD), Alternating Current Field Measurement (ACFM), and Automated Ultrasonic (AUT).

...AND NDT IS JUST ONE PIECE OF THE ASSET PROTECTION MARKET

MISTRAS is poised to capture the expansive and lucrative asset protection market by going beyond NDT to provide additional bundled services.





**HELPING ENERGY
BECOME CLEANER**

SAFETY FIRST



Our Solutions and Proprietary Technology Help To:



Reduce Harmful Emissions



Identify Potential Integrity Concerns Faster



Enable More Informed Mitigation Efforts

ENABLING PLANTS TO REDUCE FLARING



Satellite detections of natural gas flaring across the planet, as of May 2022.

WHAT IS FLARING?

A gas combustion device used at industrial sites to burn off waste or other unwanted gases.

- Globally, 142 billion cubic meters (bcm) of natural gas was flared in 2020 – roughly equal to the natural gas demand of Central and South America.
- Mandates and social responsibility focused on reducing flaring
- Through proprietary tech (VPAC II™), MISTRAS helps plants detect and reduce through-valve leaking and flaring.

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Aboveground pipelines

Learn More About
the ART Crawler

◀ LEARN MORE ▶

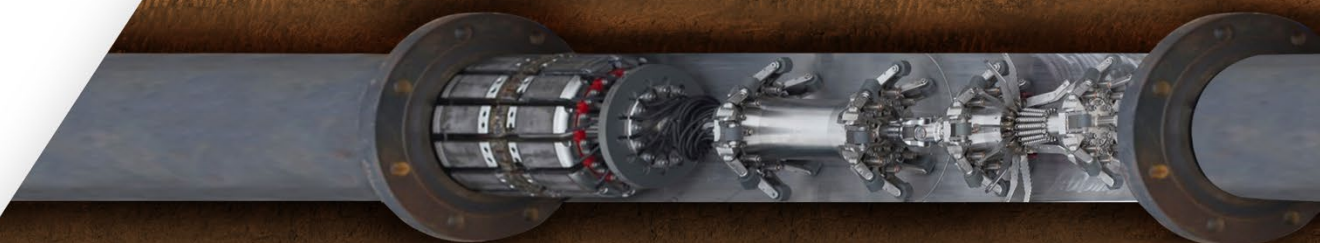
Learn More About
Onstream

◀ LEARN MORE ▶

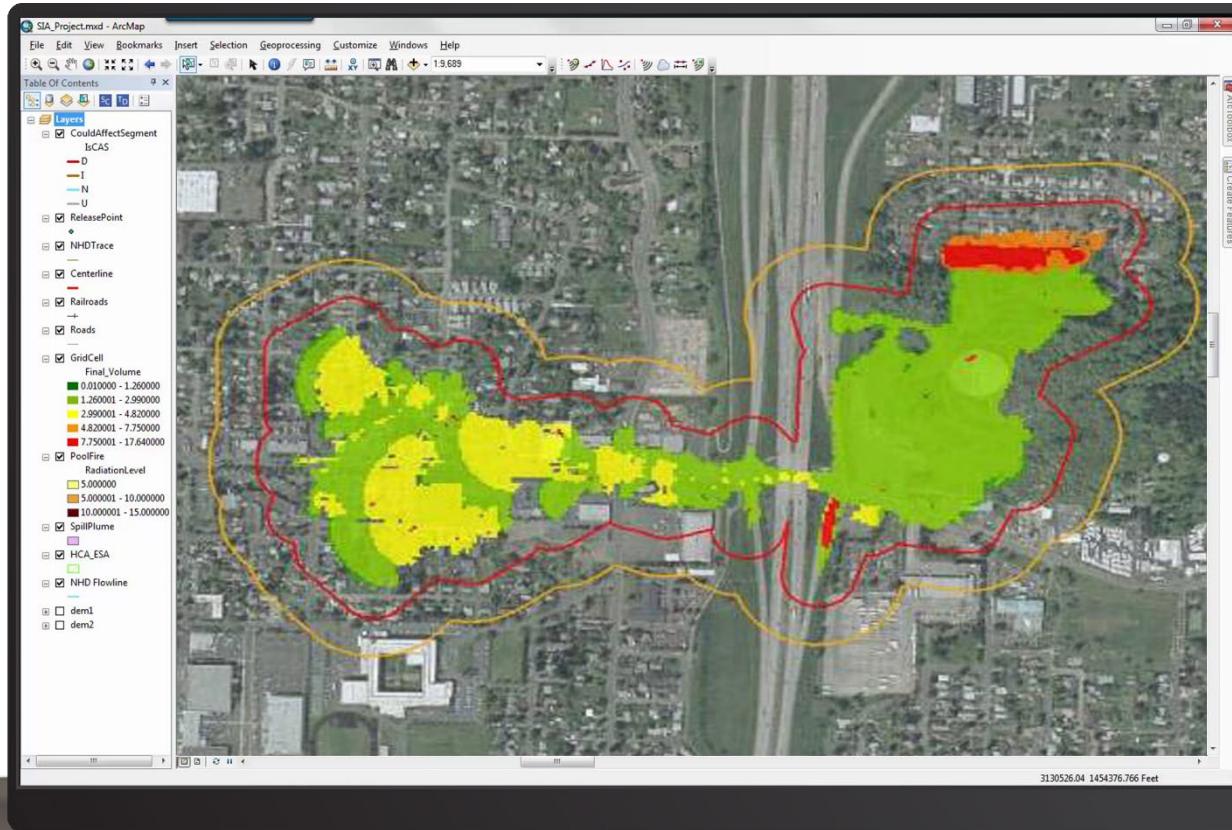
Proprietary Pipeline Robotic Technology

- PHMSA Mega Rule driving increases in demand for pipeline integrity solutions
- ART Crawler and Onstream TriStream MFL™ solutions determine asset integrity inside and outside piping & pipelines
- Patented, proprietary technologies provide more accurate data than traditional inspection techniques

ONSTREAM
PIPELINE INSPECTION
member of MISTRAS



Buried pipelines



New Century Software
Spill Modeling



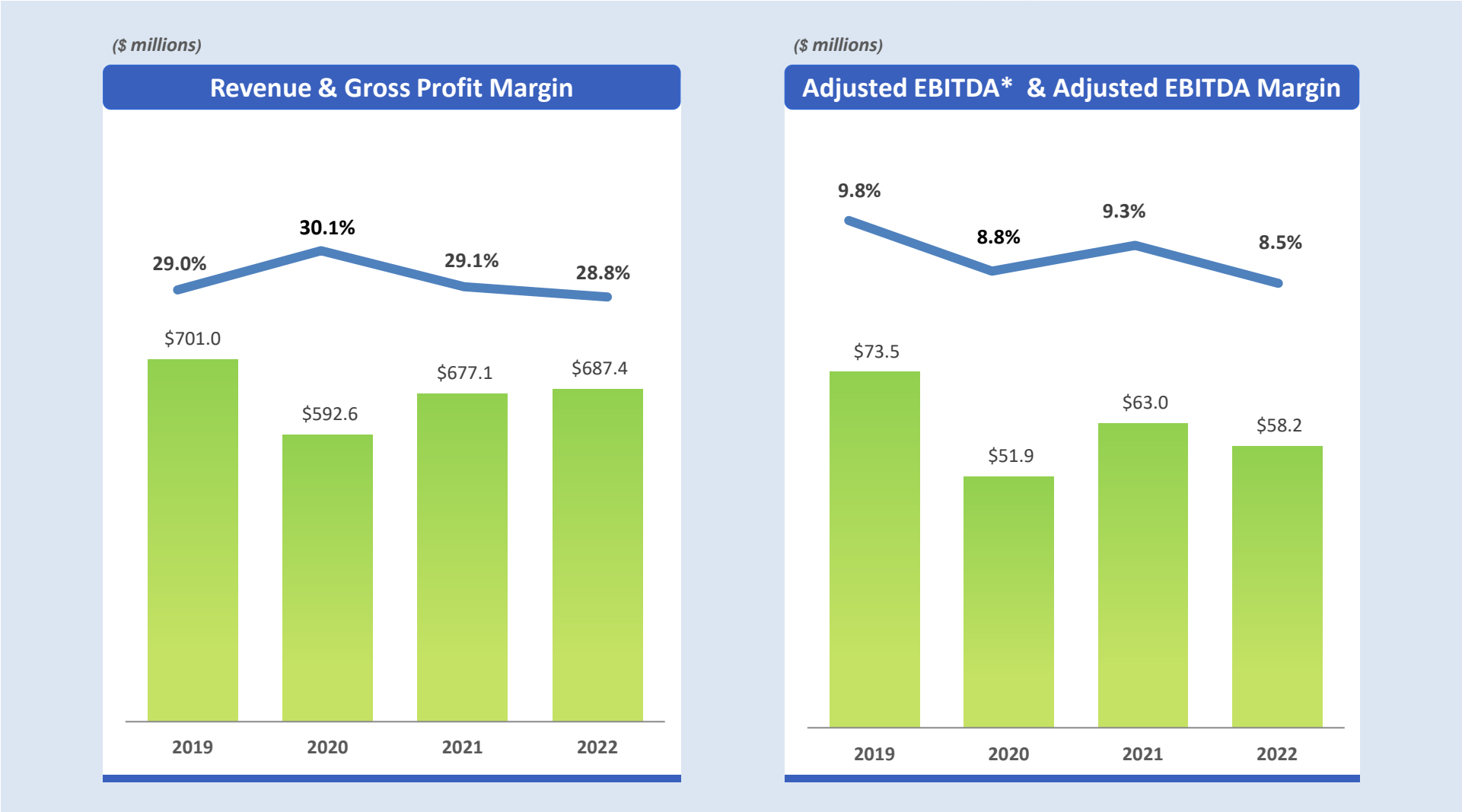
Enabling Better Planning and Faster Response Times

- Predictive modelling software forecasts impact of pipeline ruptures
- Used to develop leak mitigation and response plans to minimize environmental impact

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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 presentation also contains adjusted financial measures that the Company believes 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 presentation 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 presentation. The Company also used 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 presentation.



*See supplemental slide for adjusted EBITDA reconciliation and important disclosures regarding MISTRAS' use of this non-GAAP financial measure.

Maintaining Financial Strength and Flexibility

(\$ in millions)

Selected Balance Sheet Detail	12/31/2019	12/31/2020	12/31/2021	12/31/2022
Cash & Cash Equivalents	\$ 15.0	\$ 25.8	\$ 24.1	\$ 20.5
Total Assets	\$ 719.9	\$ 583.3	\$ 562.2	\$ 534.9
Total Debt	\$ 254.7	\$ 220.2	\$ 202.6	\$ 191.3
Shareholder' Equity	\$ 285.8	\$ 197.0	\$ 200.7	\$ 198.5
Balance Sheet Detail	12/31/2019	12/31/2020	12/31/2021	12/31/2022
Current Assets	\$ 179.2	\$ 162.6	\$ 161.3	\$ 167.9
Current Liabilities	\$ (109.2)	\$ (109.8)	\$ (121.4)	\$ (103.7)
Working Capital	\$ 70.0	\$ 52.8	\$ 39.9	\$ 64.2

Net working capital as % of revenue remains relatively low

Note: Balance Sheet figures presented as reported in Company filings

Commitment to Free Cash Flow Generation

(\$ in millions)	2019	2020	2021	2022
Net cash provided by operating activities (GAAP)	\$ 59.1	\$ 67.8	\$ 42.3	\$ 26.4
Capital expenditures	\$ (22.9)	\$ (15.8)	\$ (19.3)	\$ (13.4)
Free cash flow (Non-GAAP)	\$ 36.2	\$ 52.0	\$ 23.0	\$ 13.0
Adjusted EBITDA (1)	\$ 73.5	\$ 51.9	\$ 63.0	\$ 58.2
Free cash flow divided by Adjusted EBITDA	49.3%	100.2%	36.5%	22.3%

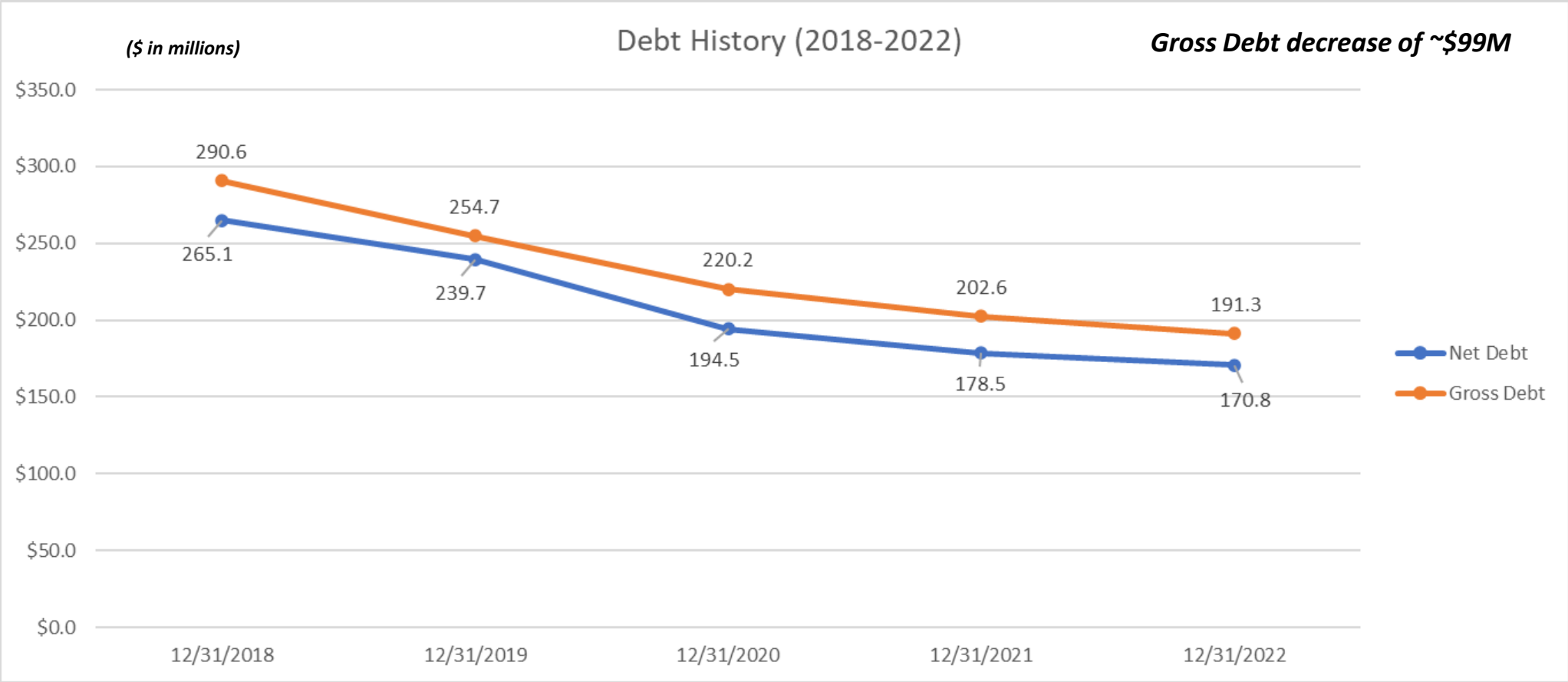
**MISTRAS has an attractive free cash flow business model with modest CAPEX requirements.
Conversion of Adjusted EBITDA into Free Cash Flow has averaged ~52% over the past 4 years**

(1) See supplemental slide for adjusted EBITDA reconciliation and important disclosures regarding MISTRAS' use of this non-GAAP financial measure

Steady Gross Margin, Tight Overhead Control and Low (Asset Light) CAPEX Level

(\$ in thousands)	2019	2020	2021	2022
Revenue	\$ 748,586	\$ 592,571	\$ 677,131	\$ 687,373
Gross Profit	\$ 217,297	\$ 178,531	\$ 197,147	\$ 198,173
Gross Margin	29.0%	30.1%	29.1%	28.8%
Selling, general and administrative expenses	\$ 168,621	\$ 157,157	\$ 161,334	\$ 166,595
Capital expenditures	\$ 22,920	\$ 15,772	\$ 19,276	\$ 13,416

Note: Income Statement and Cashflow figure represented as reported in Company filings



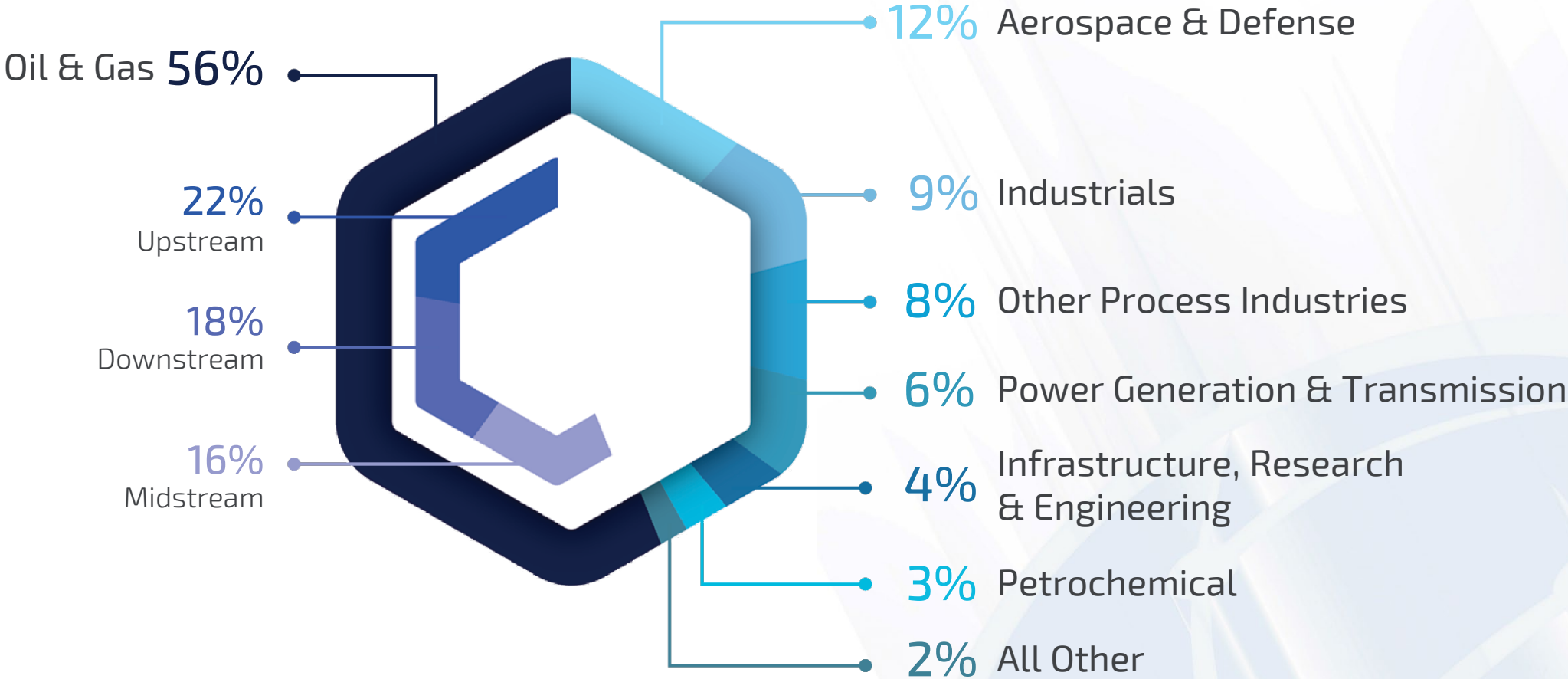
Debt History from December 31, 2018- December 31, 2022 provided as this represents the period following the Company's significant acquisition of Onstream in December 2018 for \$143 million and associated amendment to the Company's credit facility.

See supplemental slide for Net Debt reconciliation and important disclosures regarding MISTRAS' use of this non-GAAP financial measure

SUPPLEMENTAL NON-GAAP FINANCIAL MEASURES- ADJUSTED EBITDA

(\$ in thousands)	2019	2020	2021	2022
Net income (loss) attributable to Mistras Group, Inc.	\$ 6,060	\$ (99,461)	\$ 3,860	\$ 6,499
Interest expense	\$ 13,698	\$ 12,955	\$ 10,882	\$ 10,505
Provision (benefit) for income taxes	\$ 4,359	\$ (14,706)	\$ 3,395	\$ 2,720
Depreciation and amortization	\$ 38,533	\$ 35,705	\$ 34,921	\$ 33,294
Share-based compensation expense	\$ 5,766	\$ 5,851	\$ 5,421	\$ 5,335
Reorganization and other related costs, net	\$ 890	\$ 1,613	\$ 673	\$ 195
Impairment Charges	\$ -	\$ 106,062	\$ -	\$ -
Pension withdrawal expense	\$ 848	\$ -	\$ -	\$ -
Legal settlement and insurance recoveries, net	\$ -	\$ (220)	\$ 2,042	\$ (994)
Acquisition-related expense (benefit), net	\$ 875	\$ 337	\$ 1,133	\$ 76
Loss on debt modification	\$ -	\$ 645	\$ 278	\$ 693
Bad debt provision for troubled customers, net of recoveries	\$ 3,038	\$ -	\$ -	\$ 42
Foreign exchange (gain) loss	\$ (535)	\$ 3,100	\$ 371	\$ (215)
Adjusted EBITDA	\$ 73,532	\$ 51,881	\$ 62,976	\$ 58,150

(\$ in thousands)	2019	2020	2021	2022
Current portion of long- term debt	\$ 6,593	\$ 10,678	\$ 20,162	\$ 7,425
Long-term debt, net of current portion	<u>\$ 248,120</u>	<u>\$ 209,538</u>	<u>\$ 182,403</u>	<u>\$ 183,826</u>
Total Gross Debt (GAAP)	\$ 254,713	\$ 220,216	\$ 202,565	\$ 191,251
Less: Cash and Cash Equivalents	<u>\$ (15,016)</u>	<u>\$ (25,760)</u>	<u>\$ (24,110)</u>	<u>\$ (20,488)</u>
Total Net Debt (Non GAAP)	\$ 239,697	\$ 194,456	\$ 178,455	\$ 170,763





**One Source for
Asset Protection
Solutions®**

THANK YOU

QUESTIONS?

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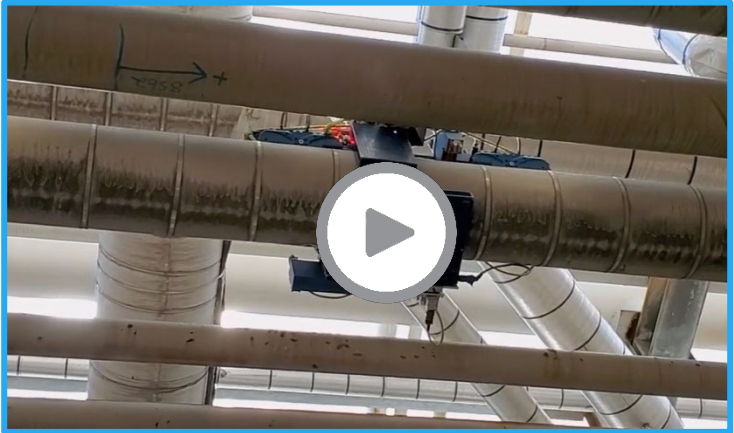
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MARCH 2023

EDWARD PRAJZNER, EVP & CFO



SENSORIA



ART CRAWLER