



**One Source for
Asset Protection
Solutions®**

INVESTOR PRESENTATION

MAY 2022

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 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.

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



Ed Prajzner

Executive Vice President, Chief Financial Officer and Treasurer
Joined MISTRAS: 2018



Jon Wolk

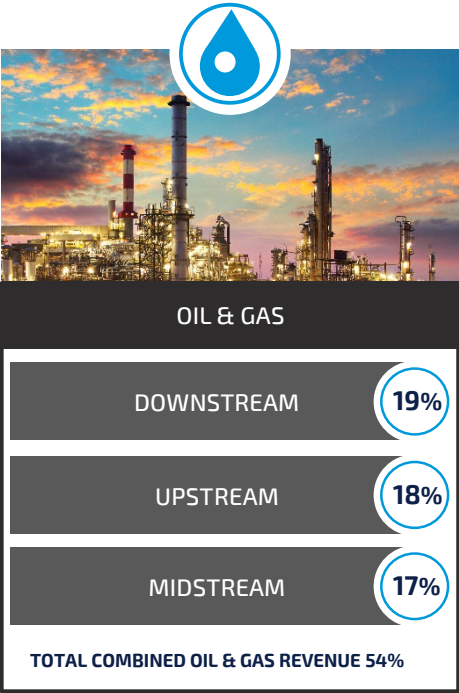
Senior Executive Vice President & Chief Operating Officer
Joined MISTRAS: 2013

EXPERTISE

Full MG Executive Team has over 110 combined years of company experience

WHO WE HELP

% REVENUES BY
END MARKET – 2021



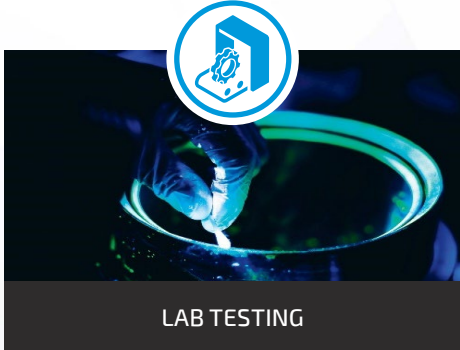
HOW WE HELP



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 Make Us Sticky

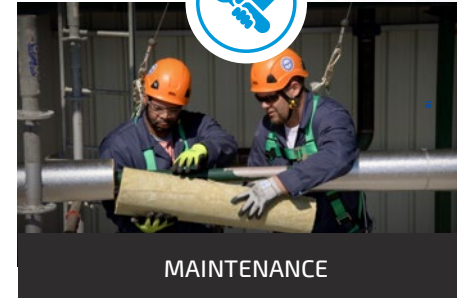
- Regulations and safety hazards create evergreen demand for asset protection
- Fewer vendors for multiple solutions > individually specialized vendors
- Interconnected solutions reduce competition, drive cross-selling opportunities, and make MISTRAS “stickier” with evergreen customers



FIELD INSPECTIONS



ENGINEERING CONSULTING



MAINTENANCE



ACCESS



SPECIAL EMPHASIS

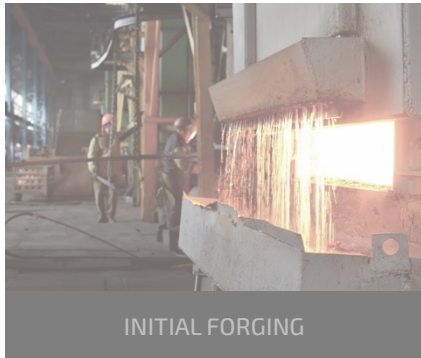
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LAB TESTING

In-Housing Space Component 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



LEARN MORE >

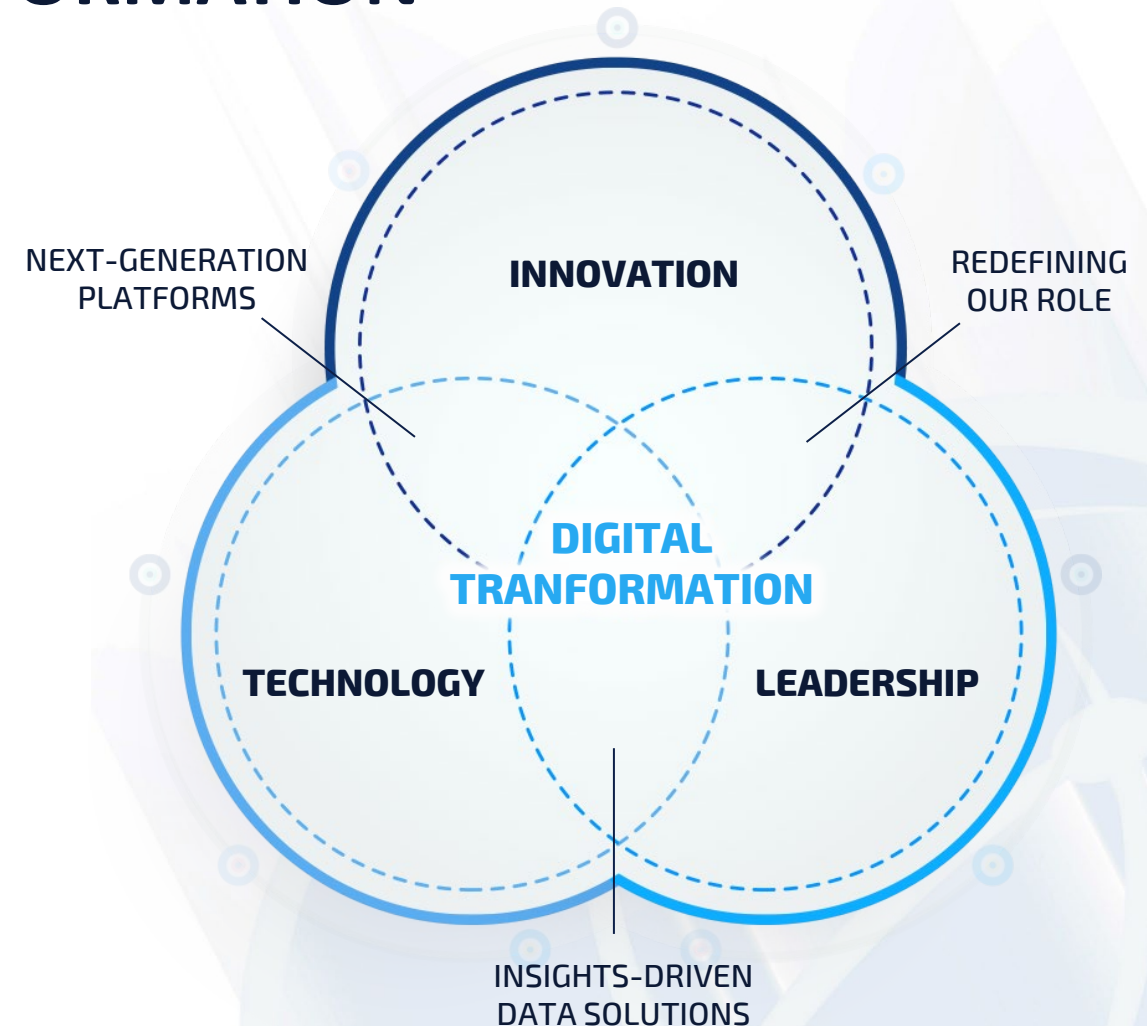


LEADING THE DIGITAL TRANSFORMATION OF ASSET PROTECTION

- Data-driven and insightful
- Taking asset protection from “Reporting” to “Proactive”
- Modernizing work processes
- Leveraging technology into long-term client partnerships

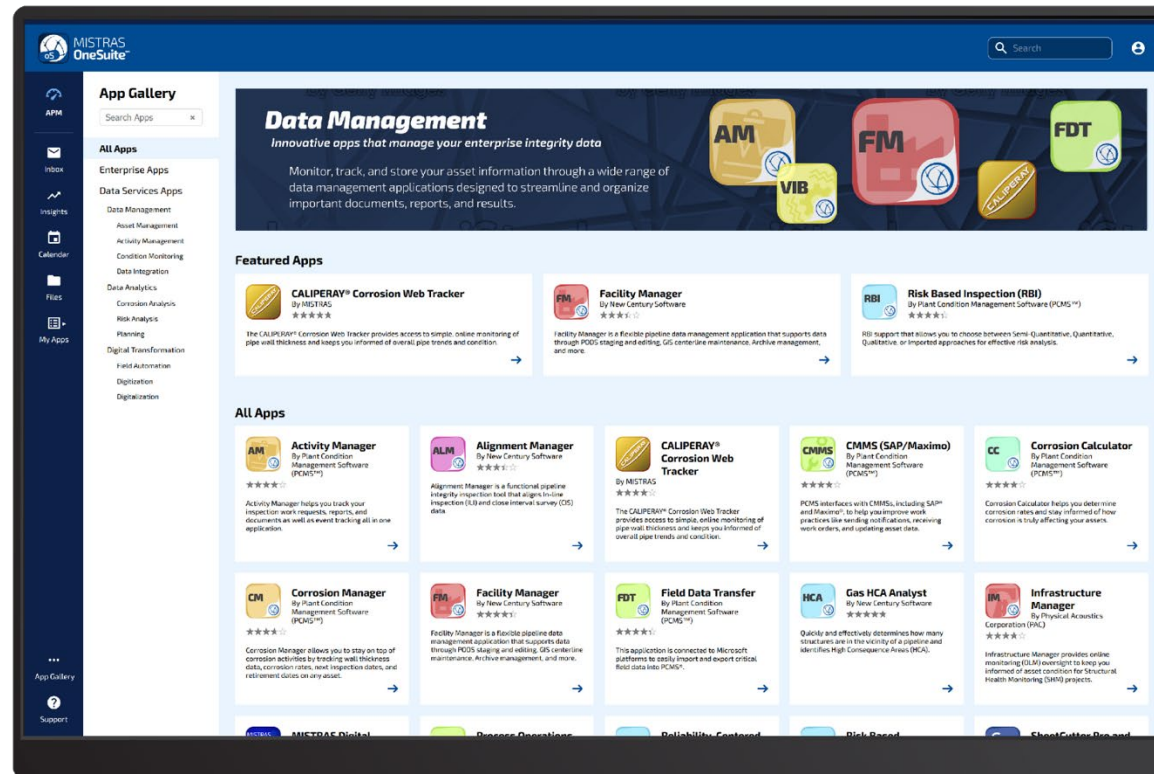


SENSORIA





DISRUPTING ASSET PROTECTION THROUGH DIGITAL TECHNOLOGY



OneSuite™ App Gallery



First-Ever Asset Protection Software Ecosystem

- Makes an MG 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 expected for 2022

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MISTRAS Digital®



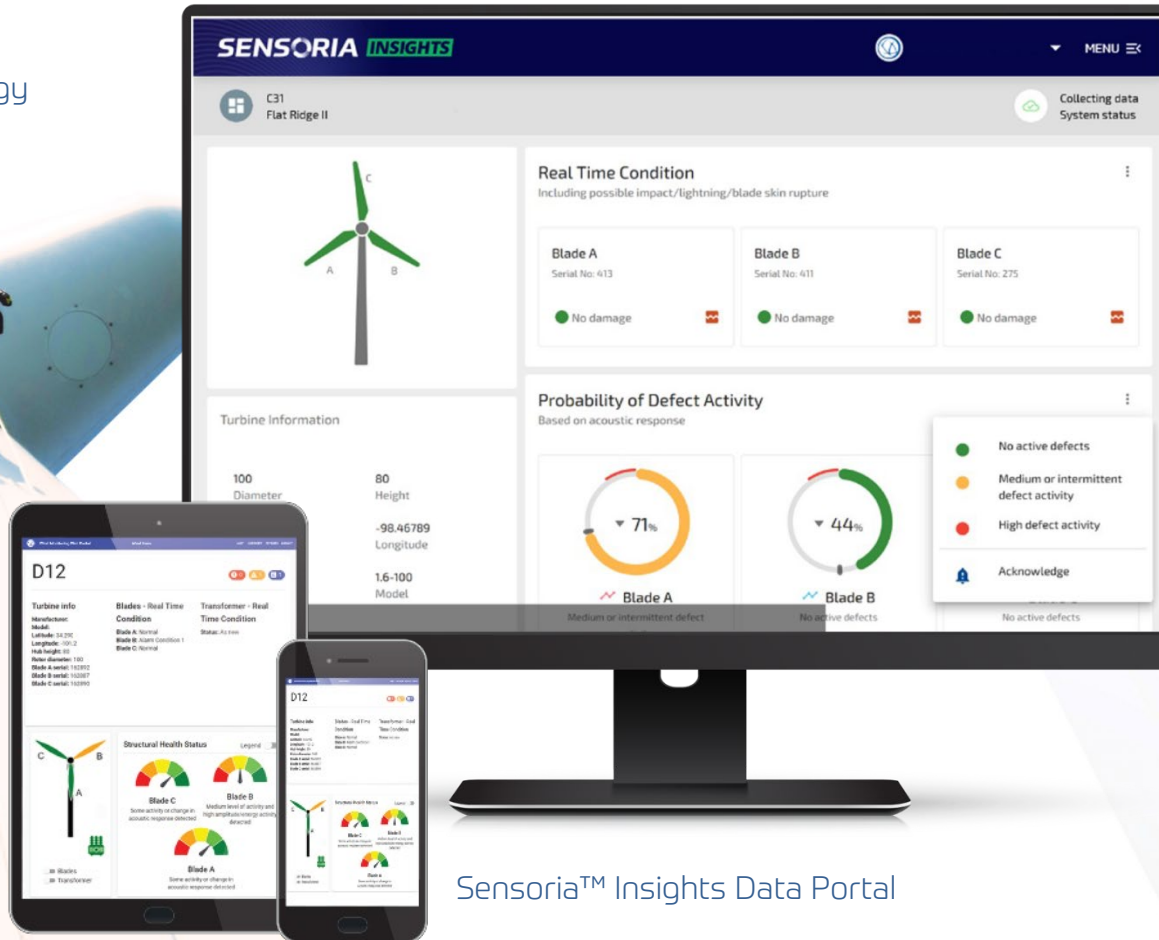
Asset Protection Goes Mobile

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



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Wind Energy
Services



SENSORIA

Proven Technology + Booming Industry =
OPPORTUNITY

Sensoria™ digitally transforms blade integrity management.

- U.S. Patent for Sensoria™ technology
- Supplements existing inspection, mechanical, and access capabilities (Sensoria™ Dispatch)
- \$17m worth of wind services/repairs in 2021



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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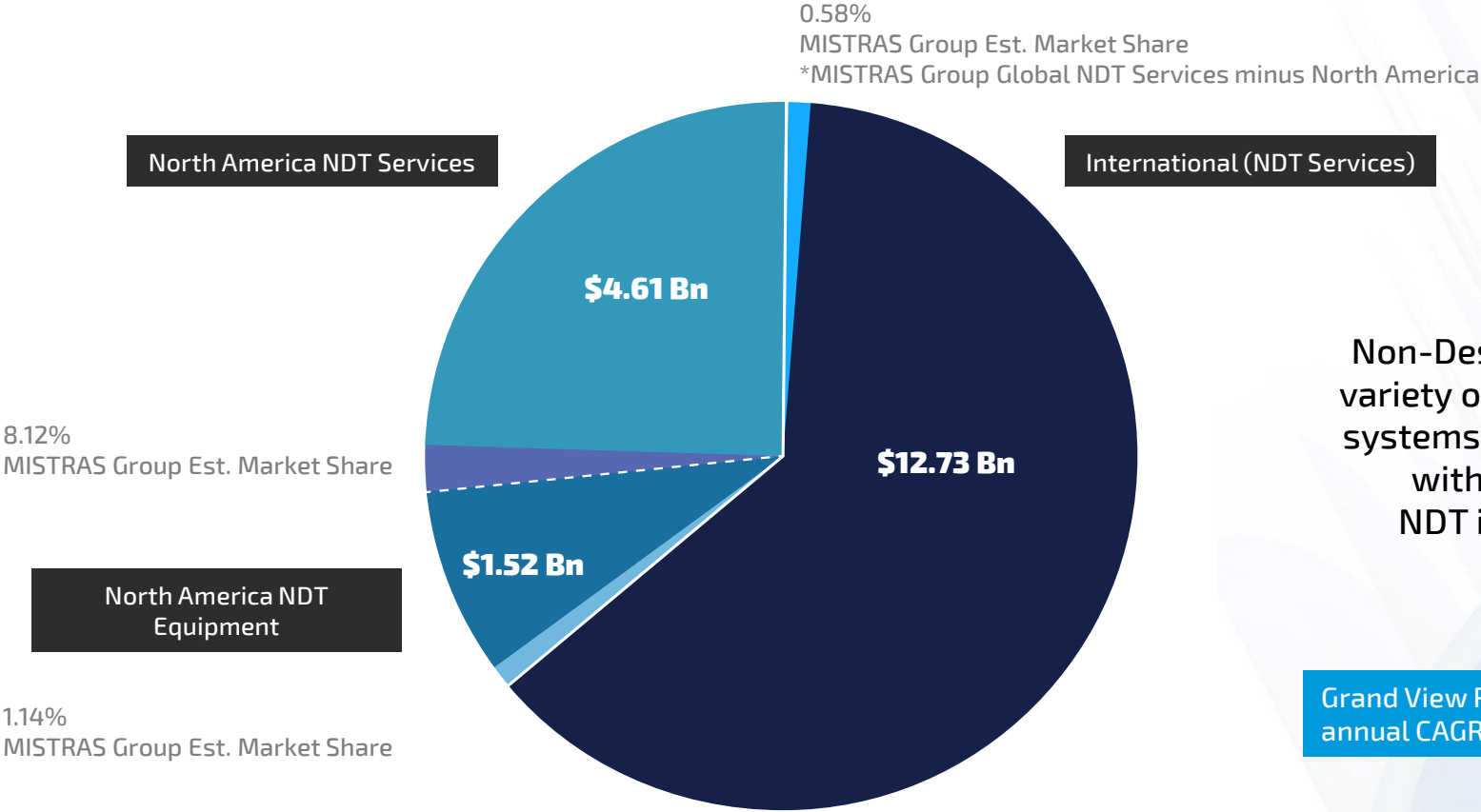


ROOM FOR GROWTH

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.
- Through proprietary tech (VPAC II™), MISTRAS helps plants detect and reduce through-valve leaking and flaring.

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PINPOINTING POTENTIAL INTEGRITY CONCERNS



Aboveground pipelines

Learn More About
the ART Crawler

◀ LEARN MORE ▶

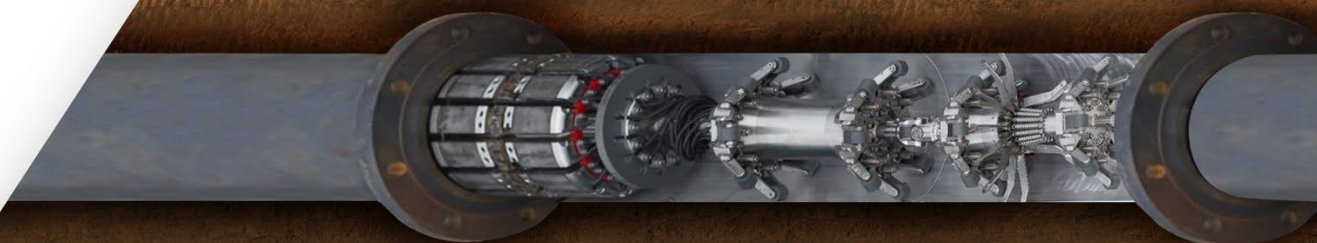
Learn More About
Onstream

◀ LEARN MORE ▶

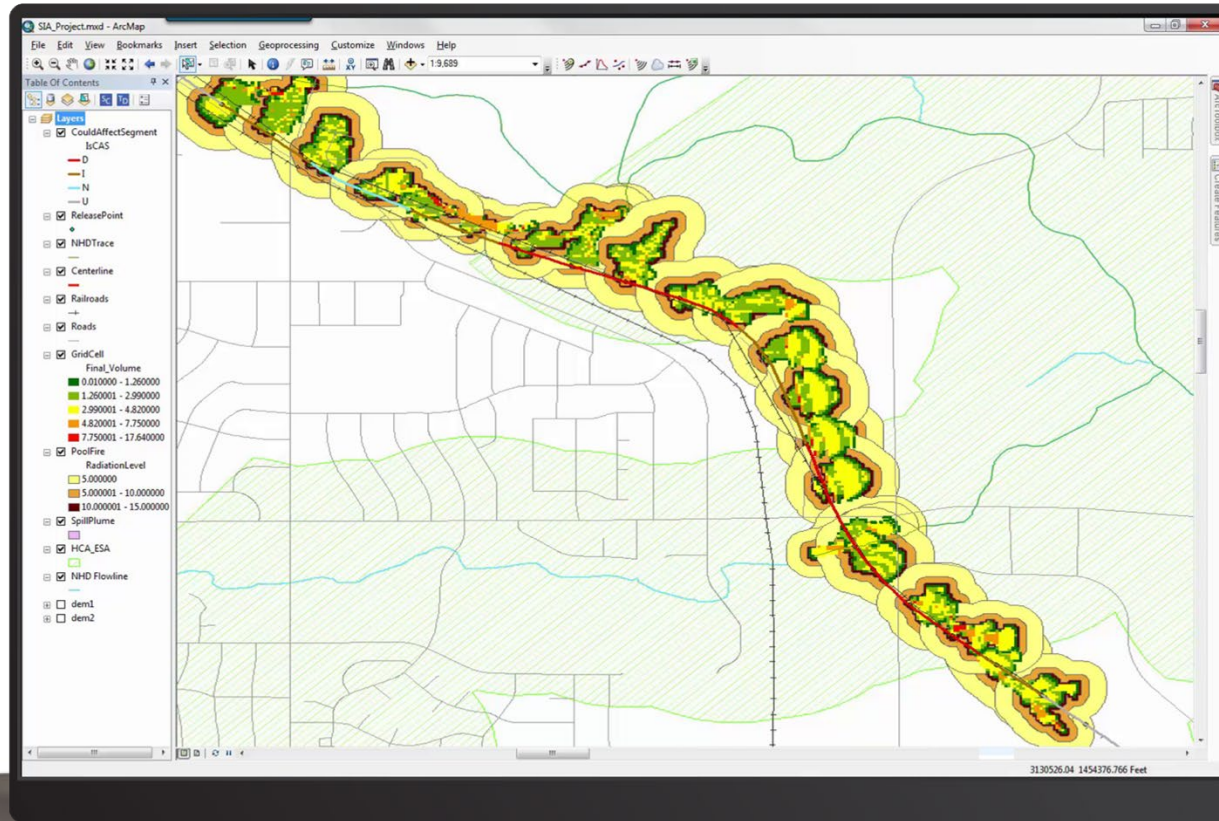
Proprietary Pipeline Robotic Technology

- 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 by New Century Software forecasts impact of pipeline ruptures
- Used to develop leak mitigation and response plans to minimize environmental impact

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**One Source for
Asset Protection
Solutions®**

THANK YOU

+1-833-MISTRAS

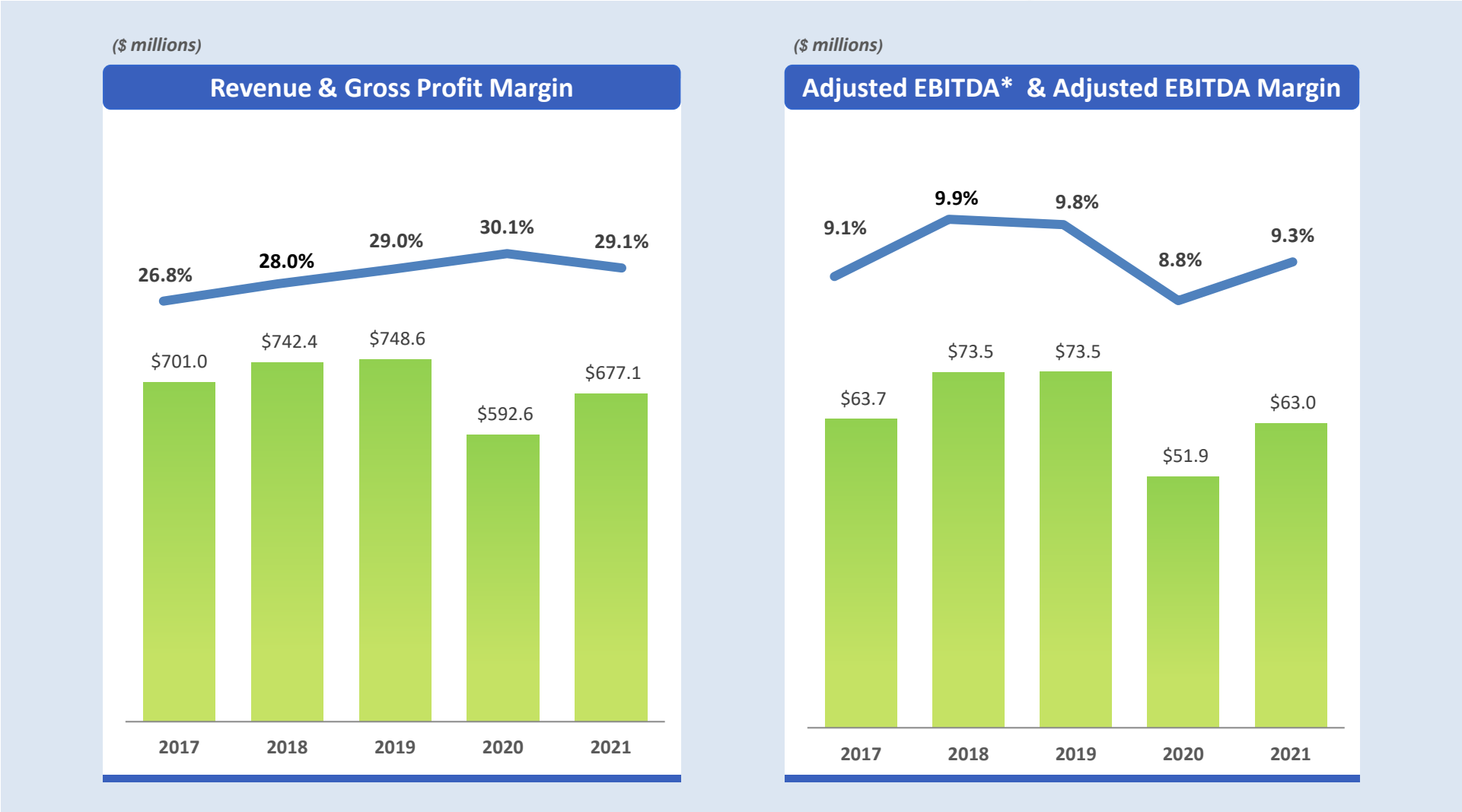
investors@mistrasgroup.com

MAY 2022

EDWARD PRAJZNER, EVP, CFO & TREASURER

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 Balance Sheet Strength and Flexibility

(\$ in millions)

| Selected Balance Sheet Detail | 12/31/2017 | 12/31/2018 | 12/31/2019 | 12/31/2020 | 12/31/2021 |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Cash & Cash Equivalents | \$ 27.5 | \$ 25.5 | \$ 15.0 | \$ 25.8 | \$ 24.1 |
| Total Assets | \$ 554.4 | \$ 694.0 | \$ 719.9 | \$ 583.3 | \$ 562.2 |
| Total Debt | \$ 166.9 | \$ 290.6 | \$ 254.7 | \$ 220.2 | \$ 202.6 |
| Shareholders' Equity | \$ 270.6 | \$ 270.9 | \$ 285.8 | \$ 197.0 | \$ 200.7 |
| | | | | | |
| Balance Sheet Detail | 12/31/2017 | 12/31/2018 | 12/31/2019 | 12/31/2020 | 12/31/2021 |
| Current Assets | \$ 195.0 | \$ 202.8 | \$ 179.2 | \$ 162.6 | \$ 161.3 |
| Current Liabilities | \$ (90.2) | \$ (100.5) | \$ (109.2) | \$ (109.8) | \$ (121.4) |
| Working Capital | \$ 104.8 | \$ 102.3 | \$ 70.0 | \$ 52.7 | \$ 39.9 |

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

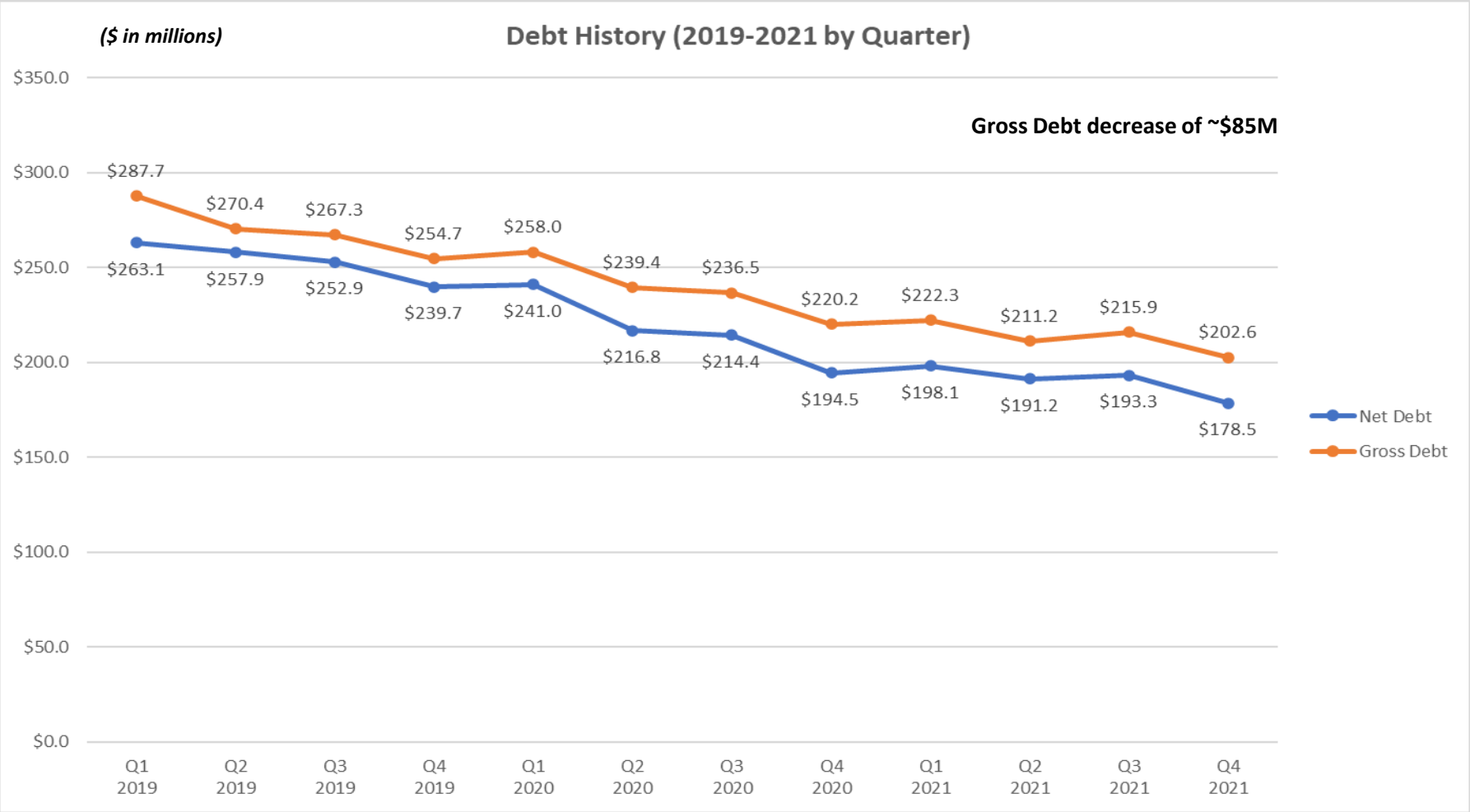
| (\$ in millions) | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|-----------|-----------|-----------|-----------|-----------|
| Net cash provided by operating activities (GAAP) | \$ 55.8 | \$ 41.7 | \$ 59.1 | \$ 67.8 | \$ 42.3 |
| Capital expenditures | \$ (20.6) | \$ (21.1) | \$ (22.9) | \$ (15.8) | \$ (19.3) |
| Free cash flow (non-GAAP) | \$ 35.2 | \$ 20.5 | \$ 36.2 | \$ 52.0 | \$ 23.0 |
| Adjusted EBITDA (1) | \$ 63.7 | \$ 73.5 | \$ 73.5 | \$ 51.9 | \$ 63.0 |
| Free cash flow divided by Adjusted EBITDA | 55.2% | 27.9% | 49.2% | 100.3% | 36.5% |

MISTRAS has an attractive free cash flow business model with modest CAPEX requirements. Conversion of Adjusted EBITDA into Free Cash Flow has averaged ~50% over the past 5 years

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

Commitment to Free Cash Flow Generation

| <i>(\$ in thousands)</i> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
|--|-------------|-------------|-------------|-------------|-------------|
| Revenue | \$ 700,970 | \$ 742,354 | \$ 748,586 | \$ 592,571 | \$ 677,131 |
| Gross Profit | \$ 187,712 | \$ 207,874 | \$ 217,297 | \$ 178,531 | \$ 197,147 |
| Gross Margin | 26.8% | 28.0% | 29.0% | 30.1% | 29.1% |
| Selling, general and administrative expenses | \$ 153,025 | \$ 166,352 | \$ 168,621 | \$ 157,157 | \$ 161,334 |
| Capital expenditures | \$ 20,569 | \$ 21,125 | \$ 22,920 | \$ 15,772 | \$ 19,276 |



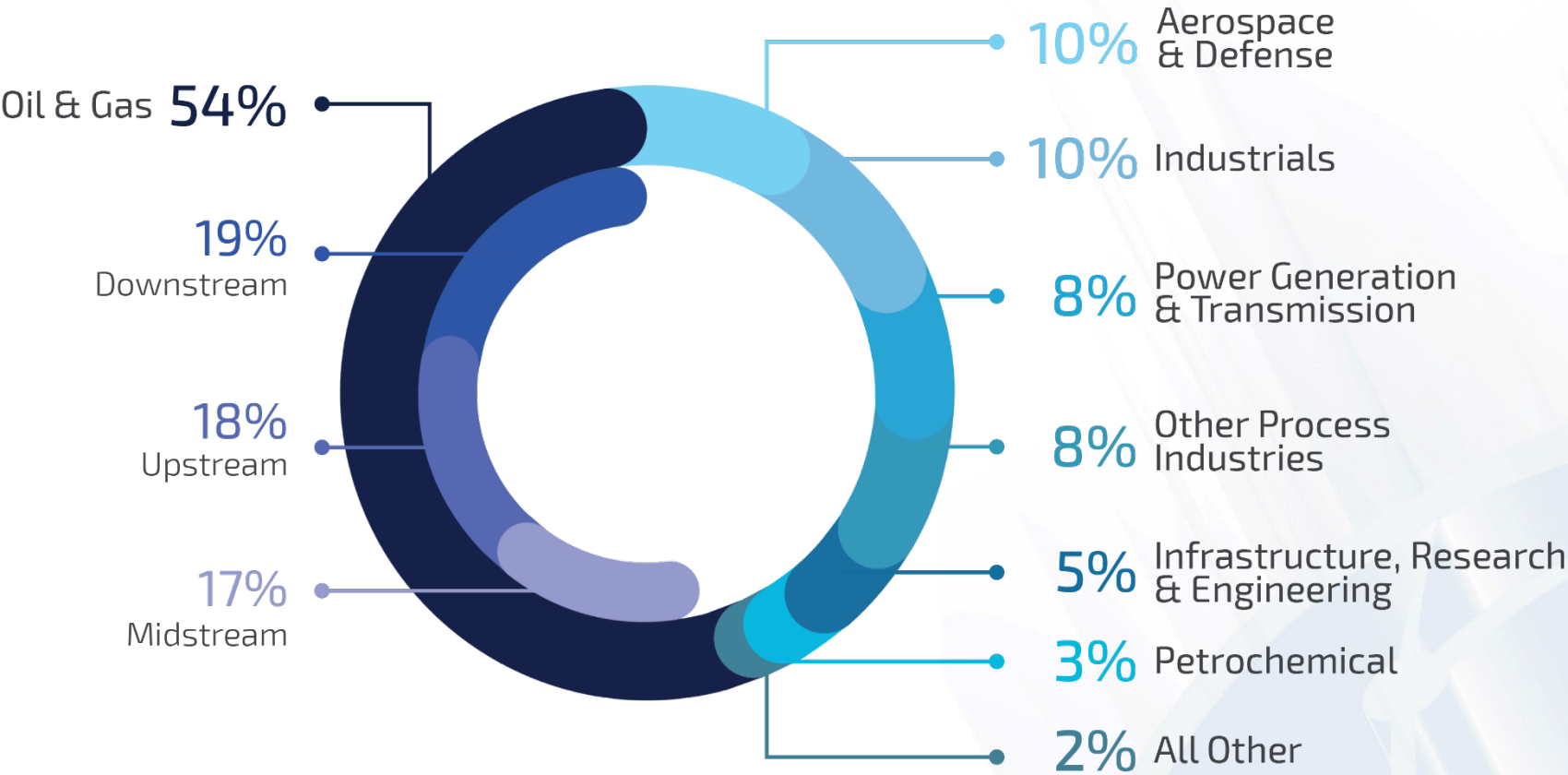
Debt History from 2019-2021 provided as this represents the period following the Company's significant acquisition of Onstream in December 2018 for \$143 million and associated amendment to the Company's credit facility.

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) | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|------------------|------------------|------------------|------------------|------------------|
| Net income (loss) attributable to Mistras Group, Inc. | \$ (2,175) | \$ 6,836 | \$ 6,060 | \$ (99,461) | \$ 3,860 |
| Interest expense | \$ 4,386 | \$ 7,950 | \$ 13,698 | \$ 12,955 | \$ 10,882 |
| Provision (benefit) for income taxes | \$ 1,942 | \$ 7,426 | \$ 4,359 | \$ (14,706) | \$ 3,395 |
| Depreciation and amortization | \$ 31,383 | \$ 34,413 | \$ 38,533 | \$ 35,705 | \$ 34,921 |
| Share-based compensation expense | \$ 6,575 | \$ 6,107 | \$ 5,766 | \$ 5,851 | \$ 5,421 |
| Acquisition-related expense (benefit), net | \$ 482 | \$ 532 | \$ 875 | \$ 337 | \$ 1,133 |
| Legal settlement and litigation charges, net | \$ 1,600 | \$ - | \$ - | \$ (220) | \$ 2,042 |
| Bad debt provision for troubled customers, net of recoveries | \$ 1,200 | \$ 650 | \$ 3,038 | \$ - | \$ - |
| Impairment charges | \$ 15,810 | \$ - | \$ - | \$ 106,062 | \$ - |
| Gain on sale of subsidiary | \$ - | \$ (2,384) | \$ - | \$ - | \$ - |
| Pension withdrawal expense | \$ - | \$ 5,886 | \$ 848 | \$ - | \$ - |
| Loss on debt modification | \$ - | \$ - | \$ - | \$ 645 | \$ 278 |
| Reorganization and other costs | \$ 1,941 | \$ 4,758 | \$ 890 | \$ 1,613 | \$ 673 |
| Foreign exchange (gain) loss | \$ 604 | \$ 1,311 | \$ (535) | \$ 3,100 | \$ 371 |
| Adjusted EBITDA | \$ 63,748 | \$ 73,485 | \$ 73,532 | \$ 51,881 | \$ 62,976 |

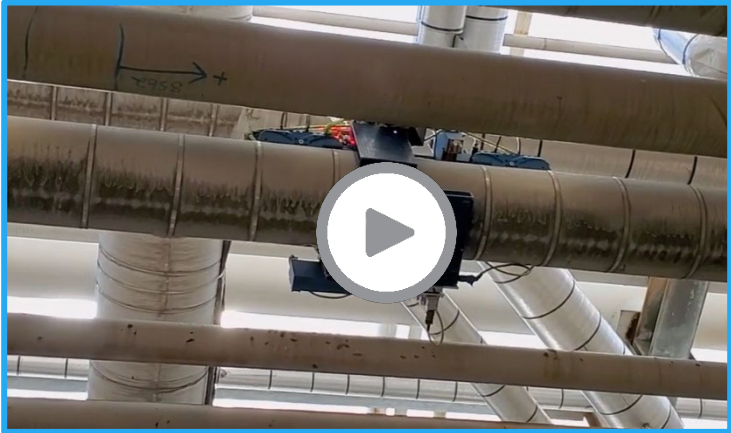
| <i>(\$ in thousands)</i> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
|--|-------------|-------------|-------------|
| Current portion of long-term debt | \$ 6,593 | \$ 10,678 | \$ 20,162 |
| Long-term debt, net of current portion | \$ 248,120 | \$ 209,538 | \$ 182,403 |
| Total Gross Debt (GAAP) |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



*Note- Petrochemical market was separated from Oil & Gas effective with the 2021 Form 10-K.
Per Annual Report on Form 10-K*



SENSORIA



ART CRAWLER