

**Montrose Environmental Group  
Denmark ApS**

Kildemarksvej 3  
4200 Slagelse

CVR No. 43121685

**Annual report 2023**

1 January 2023 - 31 December 2023

Adopted at the Annual General Meeting on 25  
June 2024

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Tore Christian Svendsen  
*Chairman*

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## Company details

### Company

Montrose Environmental Group Denmark ApS  
Kildemarksvej 3  
4200 Slagelse

CVR No.: 43121685

### Executive board

Tore Christian Svendsen

### Board of Directors

Allan Michael Dicks  
Ryan Thomas Brokamp

### Auditors

inforevision  
statsautoriseret revisionsaktieselskab  
Buddingevej 312  
2860 Søborg  
CVR No. 19263096

Martin Hansen, state authorised public accountant

# Management's Review

## Primary activities

The company's purpose is to offer consultancy services within water purification technology, as well as development, leasing, sales, and servicing of equipment for water purification and related areas.

## Development in activities and finances

The results of the company's activities in the financial year amounted to a profit of DKK 3.997.091 against DKK 1.060.271 in last financial year. The equity at the balance sheet date amounted to DKK 5.097.362.

Management consider the results as satisfactory.

## Outlook

Management expects next years results are at the same level as this years results.

# Statement by Management

The Board of Directors and The Executive Board have today considered and adopted the annual report for 1 January 2023 - 31 December 2023 for Montrose Environmental Group Denmark ApS.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the the company's financial position at 31 December 2023 and of the results of its operations for the financial year 1 January 2023 - 31 December 2023.

We believe that the Management's review contains a fair review of the affairs and conditions referred to therein.

We still consider that the conditions to refrain audit are fulfilled.

We recommend that the annual report be adopted at the Annual General Meeting.

Slagelse, 25 June 2024

## Executive board

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Tore Christian Svendsen  
*Executive director*

## Board of Directors

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Allan Michael Dicks  
*Board member*

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Ryan Thomas Brokamp  
*Board member*

# The independent auditor's review report on the financial statements

## To the shareholder of Montrose Environmental Group Denmark ApS

We have reviewed the accompanying financial statements of Montrose Environmental Group Denmark ApS for the financial year 1 January 2023 - 31 December 2023, which comprise summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes.

## Management's responsibilities for the financial statements

Management is responsible for the preparation of a financial statements, that give a true and fair view in accordance with Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of the financial statements that are free from material misstatement whether due to fraud or error.

## Auditor's responsibilities

Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our review in accordance with International Standard relating to Engagements to Review Historical Financial Statements and additional requirements under Danish Auditor regulation. This requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This requires us also to comply with relevant ethical requirements.

A review of financial statements in accordance with the International Standard relating to Engagements to Review Historical Financial Statements is a limited assurance engagement.

The auditor performs procedures primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not give a true and fair view of the company's assets, liabilities and financial position as at 31 December 2023 and of the company's financial performance for the financial year 1 January 2023 - 31 December 2023 in accordance with the Danish Financial Statements Act.

Søborg, 25 June 2024

inforevision  
Statsautoriseret revisionsaktieselskab  
CVR No. 19263096

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Martin Hansen  
State Authorised Public Accountant  
mne45104

# Accounting policies

## Information on reporting class

The annual report has been prepared in accordance with Danish financial statement legislation as well as generally accepted accounting principles.

The annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing Reporting class B.

Some provisions from reporting class C has been adopted.

The accounting policies have not been changed from last year.

## Generally regarding recognition and measurement

The financial statements have been prepared based on historical cost.

The income is recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the annual report which confirm or invalidate affairs and conditions existing at the balance sheet date.

The functional currency is Danish Kroner. All other currencies are considered foreign currencies.

## Foreign currency translation

During the year, transactions in foreign currencies have been translated applying the exchange rate at the transaction date. If currency positions are considered hedge of future cash flows, the value adjustments are recognised directly in equity.

Receivables and debt denominated in foreign currencies have been recognised at the exchange rate of the balance sheet date.

Realised and unrealised exchange gains and losses have been recognised in the income statement under other financial income and expenses.

## Accounting policies, continued

### Income statement

The income statement has been classified by nature.

### Gross profit

Gross profit/loss includes "Revenue", "Cost of sales" and "External expenses".

### Revenue

As income recognition criterion, the production criterion is applied so that revenue comprises the invoiced revenue for the year reduced by prepayments and with addition for work in progress measured at market value. Revenue is measured at fair value excl. VAT and less granted discounts.

### Cost of sales

Cost of sales comprise expenses incurred to earn revenue for the year including changes in goods for resale, raw materials and consumables used in the year.

### External expenses

External expenses comprises Selling costs and Administrative expenses.

### Staff costs

Staff costs include wages and salaries including holiday pay and pensions and other social security costs etc. to the company's employees.

### Financial expenses

Financial expenses is recognised with amounts concerning the the financial year. Financial expenses comprise interest as well as realised and unrealised exchange losses.

### Tax on profit or loss for the year

Tax on profit or loss for the year represents 22% of the book profit or loss adjusted for non-taxable and non-deductible items.

Tax on profit or loss for the year consists of the anticipated tax portion of the taxable income for the year adjusted for the changes for the year in deferred tax. Changes in deferred taxes due to adjustments of tax rates is recognised in the income statement.

Tax on profit or loss for the year is recognised in the income statement by the portion attributable to the profit or loss for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The company is subject to the Danish Tax Prepayment Scheme. Interest reimbursement and interest surcharge have been recognised in financial income and expenses.



## Accounting policies, continued

### Balance sheet

The balance sheet has been presented in account form.

### Assets

#### Property, plant and equipment

Property, plant and equipment are measured at cost less accumulate depreciation. The basis of depreciation is cost less estimated residual value after the end of useful life.

Cost comprises the acquisition price as well as costs directly related to the acquisition until the time when the asset is ready to be put into operation.

The costprice for an asset is divided into separate components, that are depreciated separately, if the useful life of the individual components is significantly different.

Depreciation is initiated when the assets are ready to be taken into operation. Assets are depreciated on a straight-line basis over their estimated useful lives with following residual values:

Category	Period	Residual value
Fixtures, fittings, tools and equipment	5 years	0%

Minor purchases with useful lives below one year have been recognised as an expense in the income statement in external expenses.

Profit/loss on sale or retirement has been included in the income statement under gross profit or loss and other operating expenses.

The carrying amounts of property, plant and equipment are reviewed annually for indication of impairment for losses, apart from what is expressed by usual depreciation. If this applies, impairment for loss is made of each asset or group of assets, respectively, to lower recoverable amount. As recoverable amount, the higher of expected net selling price and net present value is applied. The net present value is calculated as the present value of the expected cash flows from the use of the asset or the group of assets.

Impairment for loss for the year is recognised in the income statement as amortisation, depreciation and impairment for loss of property, plant and equipment and intangible assets.

### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

## Accounting policies, continued

### Contract work in progress

Contract work in progress has been recognised according to the percentage-of-completion method, according to which contract work in progress is measured at the market value of the work performed. The market value is measured on the basis of the stage of completion at the balance sheet date and the total expected income from each contract work in progress. Stage of completion is calculated as the proportion of the costs incurred in relation to the expected total costs of the individual contract work in progress.

When the market value of the individual contract work in progress cannot be measured reliably, the market value is recognised at cost or net realisable value, if this value is lower.

Each contract work in progress is recognised in the balance sheet as receivables or liabilities other than provisions depending on the net value of the selling price less prepayments.

Costs in connection with sales work and contracting are recognised in the income statement as incurred. Any finance costs of financing of contract work in progress are included in financial expenses.

When it is probable that the total cost will exceed the total income from a contract work in progress an expected loss is immediately recognised as a provision.

### Prepayments

Prepayments comprise costs incurred relating to subsequent financial years.

### Equity and liabilities

#### Deferred tax and corporation tax

Deferred tax is measured using the balance sheet liability method. Provision has been made for deferred tax by 22% on all temporary differences between carrying amount and tax-based value of assets and liabilities. Deferred tax is also measured with respect of the planned use of the asset and the settlement of the liability.

The tax value of the tax losses to be carried forward are included in the calculation of deferred taxes if it is probable that the losses can be used. Deferred tax assets are measured at net realisable value.

Deferred tax assets which are not expected utilised within a few years have been disclosed in notes under contingent assets.

Corporation tax relating to the the financial year which has not been settled at the balance sheet date is classified as corporation tax in receivables or liabilities other than provisions.

### Financial debts

Short-term debts are measured at amortised cost, substantially corresponding to nominal value.

### Deferred income

Deferred income comprise income received relating to subsequent financial years.

## Income statement

	Note	2023 DKK	2022 DKK
<b>Gross profit</b>		<b>7.560.634</b>	<b>2.228.637</b>
Staff costs	1	-2.068.796	-651.043
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>		<b>5.491.838</b>	<b>1.577.594</b>
Depreciation, amortisation and impairment losses of property, plant and equipment and intangible assets	2	-298.232	-195.866
<b>Earnings before interest and taxes (EBIT)</b>		<b>5.193.606</b>	<b>1.381.728</b>
Finance expenses		-66.202	-22.406
<b>Profit/loss before tax</b>		<b>5.127.404</b>	<b>1.359.322</b>
Tax on profit/loss for the year	3	-1.130.313	-299.051
<b>Profit/loss for the year</b>		<b>3.997.091</b>	<b>1.060.271</b>

## Proposed distribution of profit and loss

	2023 DKK	2022 DKK
Proposed distribution of profit and loss for the year :		
Transferred to retained earnings	3.997.091	1.060.271
<b>Profit/loss for the year</b>	<b>3.997.091</b>	<b>1.060.271</b>

## Assets

	<u>Note</u>	<u>31/12-2023</u>	<u>31/12-2022</u>
		DKK	DKK
Fixtures, fittings, tools and equipment		1.012.897	1.273.129
<b>Property, plant and equipment</b>	4	<u>1.012.897</u>	<u>1.273.129</u>
<b>Fixed assets</b>		<u>1.012.897</u>	<u>1.273.129</u>
Trade receivables		2.907.402	1.162.733
Contract work in progress	5	698.000	0
Other receivables		693.955	40.000
Prepayments		3.849	0
<b>Receivables</b>		<u>4.303.206</u>	<u>1.202.733</u>
<b>Cash at bank and in hand</b>		<u>5.461.254</u>	<u>992.981</u>
<b>Current assets</b>		<u>9.764.460</u>	<u>2.195.714</u>
<b>Total assets</b>		<u><u>10.777.357</u></u>	<u><u>3.468.843</u></u>

## Equity and liabilities

	<u>Note</u>	<u>31/12-2023</u>	<u>31/12-2022</u>
		DKK	DKK
Contributed capital		40.000	40.000
Retained earnings		5.057.362	1.060.271
<b>Equity</b>		<b><u>5.097.362</u></b>	<b><u>1.100.271</u></b>
Deferred tax, liabilities	3	19.709	37.704
<b>Provisions</b>		<b><u>19.709</u></b>	<b><u>37.704</u></b>
Trade payables		243.262	343.747
Payables to group enterprises		3.385.395	0
Corporation tax payables	3	1.148.308	261.347
Other payables		883.321	1.647.974
Deferred income		0	77.800
<b>Short-term liabilities other than provisions</b>		<b><u>5.660.286</u></b>	<b><u>2.330.868</u></b>
<b>Liabilities other than provisions</b>		<b><u>5.660.286</u></b>	<b><u>2.330.868</u></b>
<b>Total equity and liabilities</b>		<b><u>10.777.357</u></b>	<b><u>3.468.843</u></b>
Unrecognised contractual commitments	6		

## Statement of changes in equity

	<b>Contributed capital</b>	<b>Retained earnings</b>	<b>Total</b>
	DKK	DKK	DKK
Contribution at subscription	40.000	0	40.000
Distributed profit/loss for the year		1.060.271	1.060.271
<b>Equity at 1 January 2023</b>	<b>40.000</b>	<b>1.060.271</b>	<b>1.100.271</b>
Distributed profit/loss for the year		3.997.091	3.997.091
<b>Equity at 31 December 2023</b>	<b>40.000</b>	<b>5.057.362</b>	<b>5.097.362</b>

## Notes

### 1. Staff costs

	<u>2023</u>	<u>2022</u>
	DKK	DKK
Wages and salaries	2.008.071	632.391
Other social security costs	12.780	4.828
Other staff cost	47.945	13.824
<b>Total</b>	<b><u>2.068.796</u></b>	<b><u>651.043</u></b>
Average number of full-time employees	<u>4</u>	<u>2</u>

### 2. Depreciation, amortisation and impairment losses of property, plant and equipment and intangible assets

	<u>2023</u>	<u>2022</u>
	DKK	DKK
Depreciation of property, plant and equipment	298.232	195.866
<b>Total</b>	<b><u>298.232</u></b>	<b><u>195.866</u></b>

### 3. Tax expense

	<u>Corpora- tion tax</u>	<u>Deferred tax</u>	<u>Tax on profit/loss for the year</u>	<u>2022</u>
	DKK	DKK	DKK	DKK
Payables at 1 January 2023	261.347	37.704		
Paid in respect of previous years	-261.347			
Tax on profit/loss for the year	1.148.308	-17.995	1.130.313	299.051
<b>Payables at 31 December 2023</b>	<b><u>1.148.308</u></b>	<b><u>19.709</u></b>		
<b>Tax on profit/loss for the year recognised in the income statement</b>			<b><u>1.130.313</u></b>	<b><u>299.051</u></b>
<i>Recognition in balance sheet:</i>				
Provisions		19.709		
Short-term payables	1.148.308			
<b>Total</b>	<b><u>1.148.308</u></b>	<b><u>19.709</u></b>		

## Notes, continued

### 4. Property, plant and equipment

	<b>Fixtures, fittings, tools and equipment</b>	<b>Total</b>	<b>2022</b>
	DKK	DKK	DKK
Cost at 1 January 2023	1.468.995	1.468.995	0
Additions for the year	38.000	38.000	1.468.995
<b>Cost at 31 December 2023</b>	<b>1.506.995</b>	<b>1.506.995</b>	<b>1.468.995</b>
Depreciation and impairment losses at 1 January 2023	-195.866	-195.866	0
Depreciation for the year	-298.232	-298.232	-195.866
<b>Depreciation and impairment losses at 31 December 2023</b>	<b>-494.098</b>	<b>-494.098</b>	<b>-195.866</b>
<b>Carrying amount at 31 December 2023</b>	<b>1.012.897</b>	<b>1.012.897</b>	<b>1.273.129</b>

### 5. Contract work in progress

	<b>2023</b>	<b>2022</b>
	DKK	DKK
Sales value of contract work in progress	263.000	0
Prepayments regarding contract work in progress	435.000	0
<b>Total</b>	<b>698.000</b>	<b>0</b>
<b>The gross values above are recognised as follows in the balance sheet:</b>		
Contract work in progress	698.000	0
<b>Total</b>	<b>698.000</b>	<b>0</b>

### 6. Unrecognised contractual commitments

	<b>2023</b>
	DKK
The company has entered into operational lease commitment regarding cars. The lease commitments expire within 4-5 years. The total lease commitment represents	362.000
<b>Total lease obligations</b>	<b>362.000</b>



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## Tore Christian Svendsen

Executive director

Serial number: d7a31c3a-6da4-4808-9095-694b5e10fbfe

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## Ryan Thomas Brokamp

Board member

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Board member

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## Martin Hansen

inforevision statsautoriseret revisionsaktieselskab CVR: 19263096

State Authorised Public Accountant

On behalf of: Inforevision A/S

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2024-06-25 14:58:26 UTC



## Tore Christian Svendsen

Chairman

Serial number: d7a31c3a-6da4-4808-9095-694b5e10fbfe

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