



▶ September Investor Presentation

September 2025



Disclosures

Safe Harbor

Statements contained herein and in the accompanying oral presentation contain 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. Forward-looking statements may be identified by the use of words such as “intend,” “expect”, and “may”, and other similar expressions that predict or indicate future events or that are not statements of historical matters.

Forward-looking statements are based on current information available at the time the statements are made and on management’s reasonable belief or expectations with respect to future events, and are subject to risks and uncertainties, many of which are beyond Montrose Environmental Group, Inc.’s (“Montrose,” “we,” “us” and “our”) control, that could cause actual performance or results to differ materially from the belief or expectations expressed in or suggested by the forward-looking statements. Additional factors or events that could cause actual results to differ may also emerge from time to time, and it is not possible for us to predict all of them. Forward-looking statements speak only as of the date on which they are made, and we undertake no obligation to update any forward-looking statement to reflect future events, developments or otherwise, except as may be required by applicable law. Investors are referred to Montrose’s filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2024, as supplemented by its Quarterly Reports on Form 10-Q for the quarter ended March 31, 2025, for additional information regarding the risks and uncertainties that may cause actual results to differ materially from those expressed in any forward-looking statement.

Included in this presentation and the accompanying oral presentation are certain financial measures that are not calculated in accordance with U.S. generally accepted accounting principles (“GAAP”) designed to supplement, and not

substitute, Montrose's financial information presented in accordance with GAAP. The non-GAAP measures as defined by Montrose may not be comparable to similar non-GAAP measures presented by other companies. The presentation of such measures, which may include adjustments to exclude unusual or non-recurring items, should not be construed as an inference that Montrose's future results, cash flows or leverage will be unaffected by other unusual or nonrecurring items. Please see the Appendix to this presentation for how we define these non-GAAP measures, a discussion of why we believe they are useful to investors and certain limitations thereof, reconciliations for historical periods thereof to the most directly comparable GAAP measures and certain matters related to forward-looking non-GAAP information.

The data included in this presentation regarding markets and the industry in which we operate, including the size of certain markets, are based on publicly available information, reports of government agencies, and published industry sources such as Environmental Business International, Inc. (“EBI”). In presenting this information, we have also made certain estimates and assumptions that we believe to be reasonable based on the information referred to above and similar sources, as well as our internal research, calculations and assumptions based on our analysis of such information and our knowledge of, and our experience to date in, our industries and markets. Market share data is subject to change and may be limited by the availability of raw data, the voluntary nature of the data gathering process and other limitations inherent in any statistical survey of market share data. In addition, customer preferences are subject to change. Accordingly, you are cautioned not to place undue reliance on such market share data or any other such estimates. While we believe such information is reliable, we cannot guarantee the accuracy or completeness of this information, and have we independently verified any third-party information and data from our internal research has not been verified by any independent source.

Montrose is a Pure-Play Environmental Science & Technology Company

For Planet and Progress – On a Mission to Protect the Air We Breathe, the Water We Drink & the Soil that Feeds Us

Unwavering commitment to safety, innovation and excellence

NYSE: MEG
Est. 2012 / IPO in 2020



Integrated Platform:

CONSULTING | TESTING | TREATMENT

Tech-Enabled:

Differentiated, proprietary, patent-protected environmental technologies

Proven Growth Formula & Track Record of Execution

13%

Average annual organic revenue growth¹

96%

Annual recurring revenue³

3x

5-year total revenue growth²

76

Acquisitions completed since 2013

1) Based upon the as-reported organic growth information in the 10-K reports issued for 2021, 2022, 2023, and 2024. See the Appendix to this presentation for a discussion of this measure.

2) Calculated total revenue growth from 2019 through 2024, includes M&A.

3) Represents the top 70% of revenue, excluding 2024 acquisitions. See the Appendix to this presentation for a discussion of this measure.

Positioned To Grow



Global Market
With Structural
Demand Drivers

- **\$1.8T global environmental industry¹**
- **\$650B+ addressable environmental services market¹**
- Long-term structural growth drivers: state and local regulatory requirements, climate events, and sustainability commitments
- Diversified base of predominantly private-sector clients



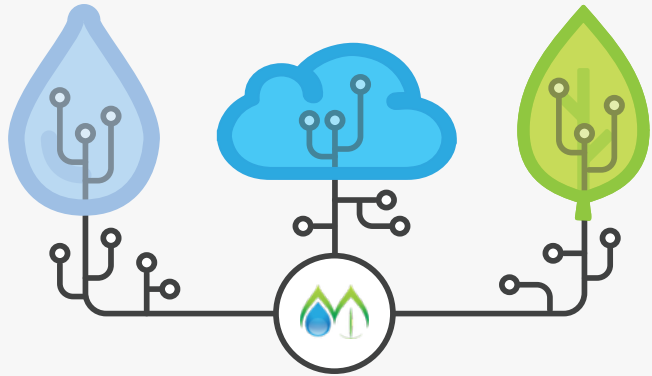
Unique
Integrated
Model

- **Consulting + Testing + Treatment** integration supports scalability and cross-selling upside
- Clients prefer integrated environmental-science solutions
- Preeminent environmental-incident-response capabilities facilitate cross-selling and support organic growth

¹) Environmental Business Journal volume 38, numbers 7/8: Q3 2025 Environmental Data Set

Innovation Edge Supports Shareholder Value Proposition

Differentiated by Technology



- **12 research & development PhDs & senior scientists across 3 labs**
- Proprietary IP, 30 patents, and bespoke solutions
- Continuing investments in real-time air monitoring and advanced data analytics

Delivering Shareholder Value

Strong historical performance

- Since 2019, 24% revenue CAGR², 13% average organic revenue growth³, and 25% Consolidated Adj. EBITDA CAGR²

Confident outlook

- Continued focus on 7-9% annual organic growth
- Clear path to continued margin expansion
- Strong free cash flow generation expected in FY25 and beyond

1) Patent portfolio includes 8 distinct patents approved in numerous countries for a total of 30 patents in the portfolio.

2) 2019 – 2024 CAGR. Consolidated Adjusted EBITDA is a non-GAAP measure. See the Appendix to this presentation for a discussion of this measure.

3) Based upon the as-reported organic growth information in the 10-K reports issued for 2021, 2022, 2023, and 2024. See the Appendix to this presentation for a discussion of this measure.

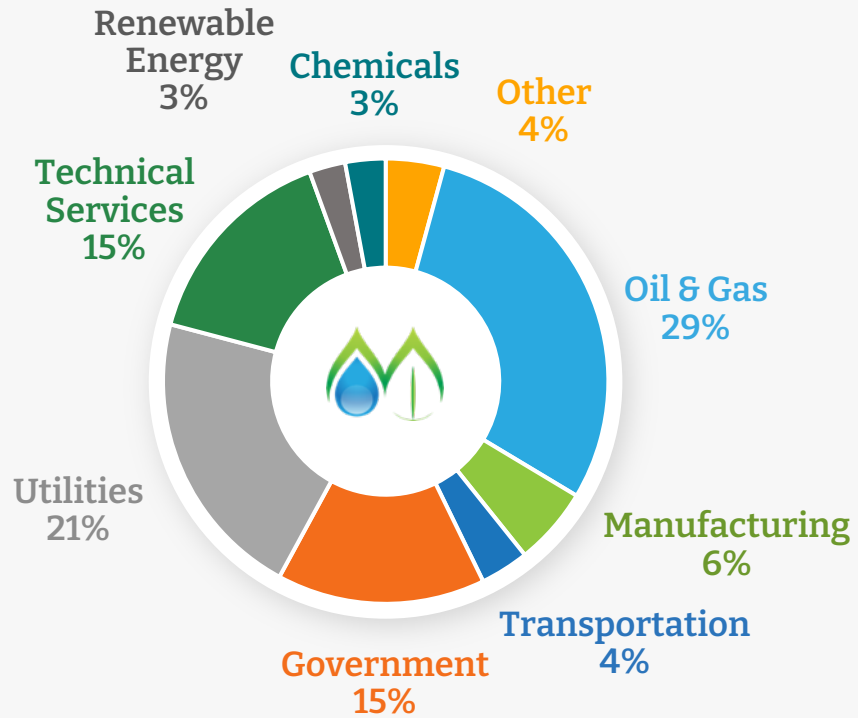
▶ Global Market, Structural Drivers



Durable Business Model

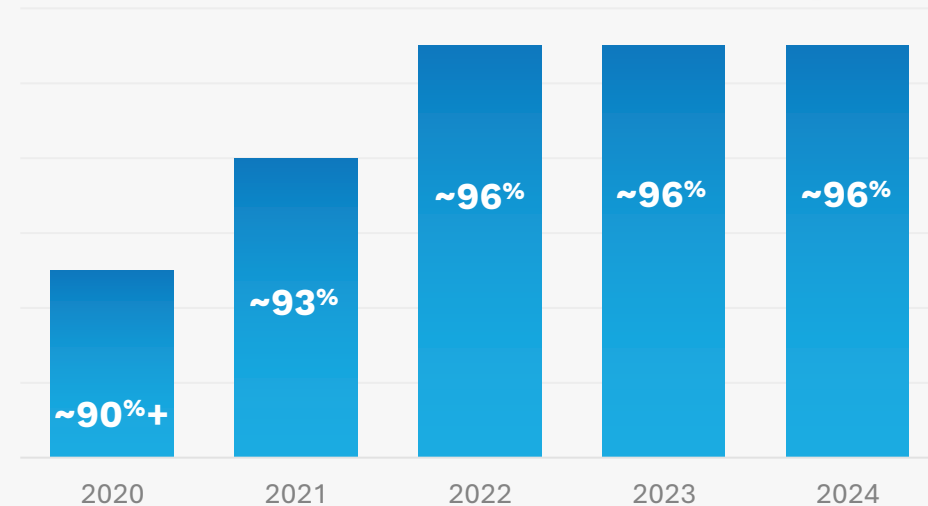
Diversified Customer Base & End Markets

2024 Top Customer Revenue by End Market¹



Strong Client Retention Drives Recurring Revenue

- Percentage of recurring revenue¹ has increased
- Expect continued, stable recurring revenue¹



¹) Represents the top 70% of revenue, excluding 2024 acquisitions. See the Appendix to this presentation for a discussion of this measure.

Environmental Services Tailwinds



Energy development & industrial activity

+ Demand for **consulting & testing & remediation** services



Power, infrastructure & defense spending

+ Demand for **consulting** (permitting & compliance), **testing**, and **treatment** services



Industrial & weather-related incidents

+ Demand for **environmental emergency response** services



Core international, regional, and U.S. state regulations

+ Demand for consulting & **water treatment** and **testing** (emissions monitoring) services



Known & Emerging Contaminants

+ Demand for **remediation** services (PFOA, PFOS MCLs, landfill leachate, AFFF switch outs, 1,4-Dioxane, selenium, and others)

► Unique
Integration
Model
Supports
Scalability



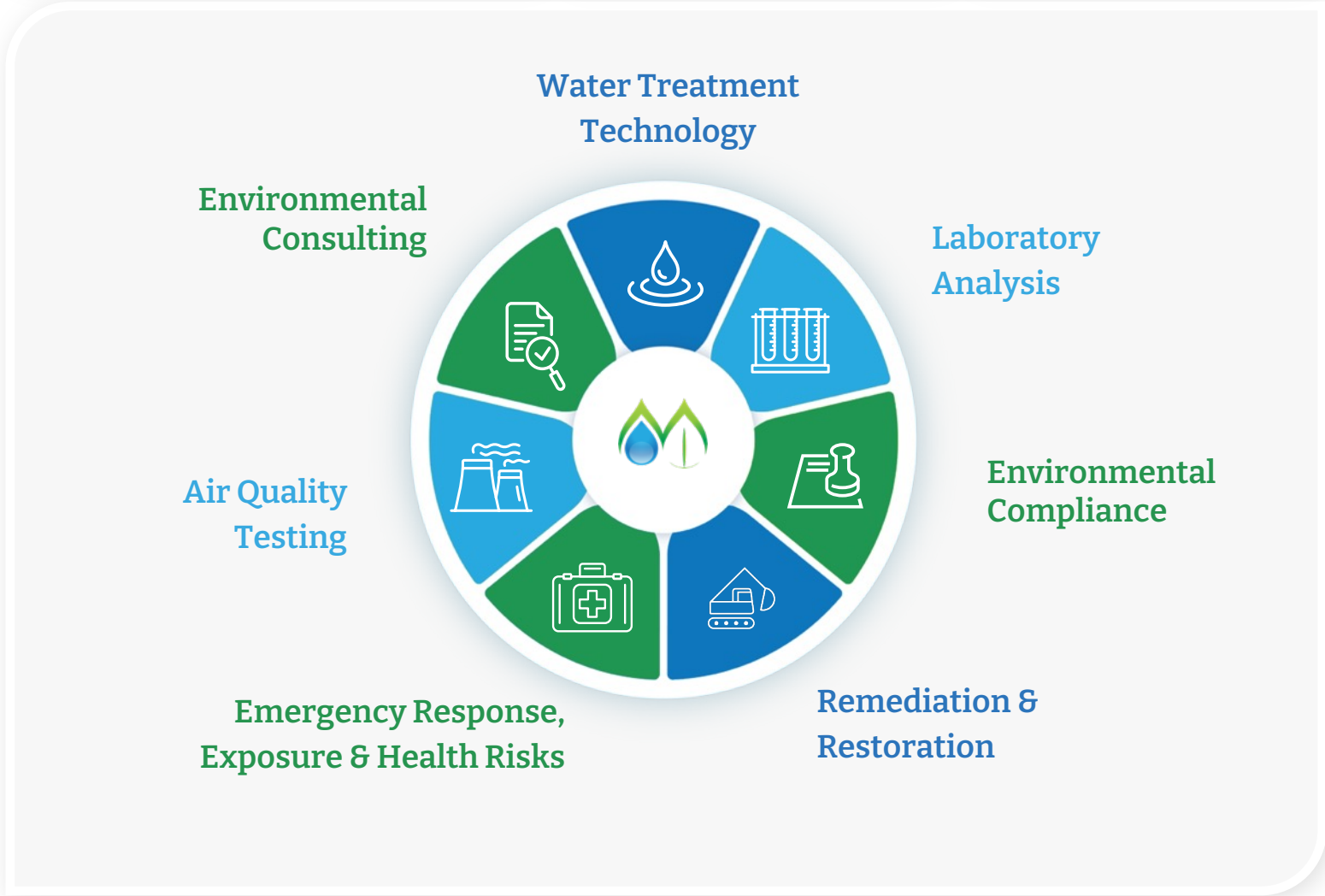
Assessment Permitting & Response

Measurement & Analysis

Remediation & Reuse

Unique Integration Model: The Montrose Flywheel

Montrose fills a gap in the market – as few firms provide integrated consulting, testing, & remediation solutions under one roof



Integrated Offerings Support Strong Organic Growth Outlook

Integrated Environmental Solutions Survey

A third-party study¹ of **500+ companies** indicated that there was significant demand for integrated environmental solutions

73%

Of respondents were extremely interested in an integrated solution...

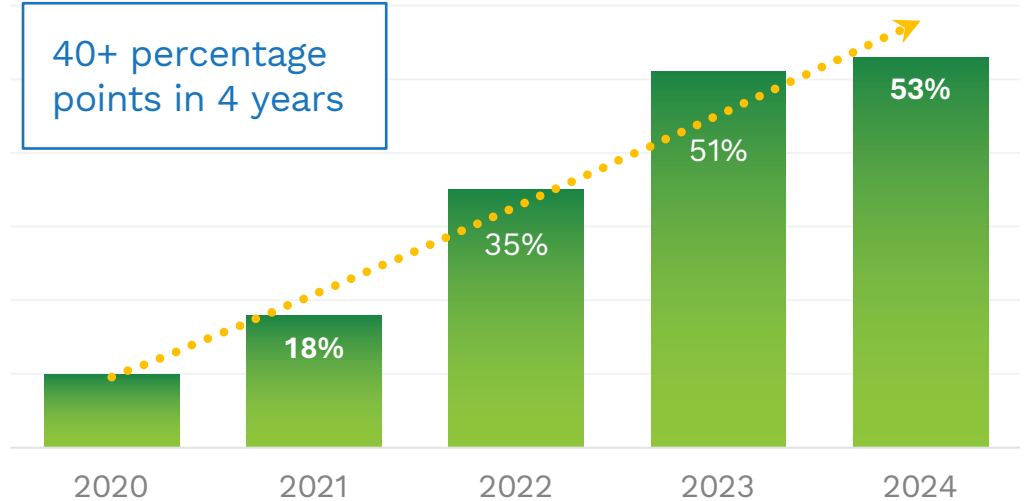
81%

...of respondents were unaware or unsure of where to find one.

Differentiated by design

Driven by intentional leadership, dedicated sector leads, key account program, employee incentive programs, operating structure, and investments in branding

Percentage of revenue from cross-sell² increased, and drove 13% average annual organic growth³...



1) Conducted by KS&R Research from January 26 to February 15, 2023, this study surveyed 505 respondents online to assess awareness and associations with Montrose Environmental Group's brands versus competitors. It explored the buying journey for environmental services and solutions, and gauged reactions to an integrated service model concept, focusing on interest and potential usage.

2) 2024 revenue includes customers in the top 70% of gross revenue, excluding Matrix. See the Appendix to this presentation for a discussion of cross-selling.

3) Based upon the as-reported organic growth information in the 10-K reports issued for 2021, 2022, 2023, and 2024

The Montrose Flywheel: A Landfill Remediation Case Study

Bringing Value to Our Clients Through Integrated Services



It all started with an air quality study...



...strategic expansion of Montrose's services, starting with testing and adding services over time, increasing overall client share of wallet



Air Quality Testing

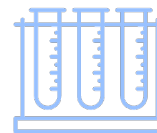
Collected & analyzed ambient air samples to quantify VOCs and nuisance compounds

2023



Emergency Response, Exposure & Health

Performed toxicology evaluations, risk assessments & risk communication to enhance public safety



Laboratory Analysis

Provided ambient testing, industrial hygiene & community monitoring, and lab analysis to ensure regulatory compliance



Water Treatment Technology

Designed, engineered, built and operated treatment systems for VOC removal from leachate



Environmental Consulting Environmental Compliance

2025


2024

Energy Case Study: Building Scalable, Long-Term Relationship

Bringing Value to Our Clients Through Integrated Services



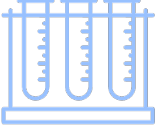
A long-standing relationship further expands with a site-specific compliance challenge...



Environmental Compliance & Regulatory Support


Client sought a new environmental partner in Colorado. Montrose was engaged to provide a fresh, credible approach that would restore trust with state regulators

...that scaled into a strategic, multi-touchpoint relationship. This case study illustrates how Montrose’s integrated model unlocks long-term client value.


Laboratory Analysis

Client’s needs drove increased demand for lab testing services. Montrose provided immediate & long-term support through one of its local labs



Emergency Response, Exposure & Health

Following an environmental incident, our environmental rapid response team mobilized



Remediation & Restoration

Following the emergency phase, Montrose teams transitioned into longer-term site work providing environmental remediation, advisory, and compliance support



Looking Ahead – Expanded Services in Motion

With trust established, our work is expanding and includes air monitoring, lab services, remediation, technology deployment, environmental consulting...





► Differentiated
by Technology



Our Approach to Innovation

Our Sustainable Innovation Strategy Targets

- 1 Driven by client needs
- 2 Delivering superior efficacy & compelling lifecycle cost
- 3 Achieving genuine technology innovation

The Team

Dedicated Unit: 12 PhDs and scientists; 3 research & development labs and centers

Concentration is Key: Focused expertise maintains the pipeline of patents (30 granted¹, additional patents pending)

Technology Applications



Biosolids



Groundwater



Surface
Water



Drinking
Water



Landfill
Leachate



Municipal
Wastewater



Industrial
Process
Wastewater

1) Patent portfolio includes 8 distinct patents approved in numerous countries for a total of 30 patents in the portfolio.

Across the R&D Continuum: Tying research to commercialization



Explore

Tracking tomorrow's challenges today



Commercialize

From concept to commercialization



Optimize

Incorporating know-how into continuous improvement



Respond

Leveraging expertise for immediate needs

← Solutions are quickly commercialized with revenue generated from internally developed technology solutions →

▶ Select examples of commercialized technology

Client Challenge

Landfill operators face increasing challenges from leachate contamination. These persistent chemicals are difficult to capture from leachate, and upcoming EPA regulations classifying PFAS as hazardous substances will add further compliance pressures.



Our Solution

FOAM-X™ addresses critical challenges associated with capturing contaminants from leachate for disposal or degradation.

▼
100% Success on Regulatory Compliance with our Solutions

Applications



Landfill Leachate



Municipal Wastewater



Industrial Process Wastewater

NANOSORB **Patented**

Client Challenge

Conventional wastewater treatment facilities do not effectively remove PFAS, leaving it in the treated water. Traditional materials like Granular Activated Carbon are less effective and lose adsorption capacity quickly. Captured PFAS also contaminates sludge, requiring specialized disposal methods.



Our Solution

NanoSORB™ confines PFAS to a manageable byproduct, reducing its spread and environmental impact.

Applications



Groundwater



Surface Water



Municipal Wastewater



Industrial Process Wastewater

Client Challenge

PFAS are extremely resistant to breakdown and are difficult to capture using traditional treatment methods, posing significant health and environmental risks. Contamination is widespread in both groundwater and surface water, with varying chemical compositions, so utilities and treatment facilities struggle to meet regulations while managing costs and ensuring efficient operation.



Our Solution

SORBIX™ offers an advanced ion exchange resin solution which is adaptable to diverse water matrices, providing effective treatment for industrial wastewater, municipal water supplies, and environmental remediation projects.

Applications



Groundwater



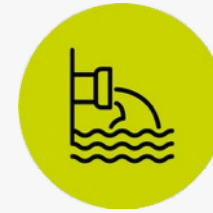
Surface Water



Drinking Water



Landfill Leachate



Municipal Wastewater



Industrial Process Wastewater

Client Challenge

PFAS are highly resistant to breakdown and are difficult to capture using traditional treatment methods, posing significant health and environmental risks. Contamination is widespread in groundwater and surface water, with varying chemical compositions, so utilities and treatment facilities struggle to meet regulations while managing costs and ensuring efficient operation. The facilities may use granular activated carbon or a single-use resin, which becomes spent quickly, leading to high costs for new resins and the disposal of the spent material.

Our Solution

SORBIX™ offers an advanced ion exchange resin solution which is adaptable to diverse water matrices, providing effective treatment for industrial wastewater, municipal water supplies, and environmental remediation projects. Our RePURE resin is regenerable which results in waste minimization as well as lower disposal costs and long-term operational costs.



Applications



Groundwater



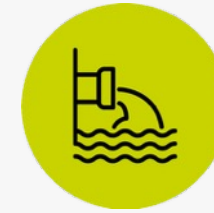
Surface
Water



Drinking
Water



Landfill
Leachate



Municipal
Wastewater



Industrial
Process
Wastewater

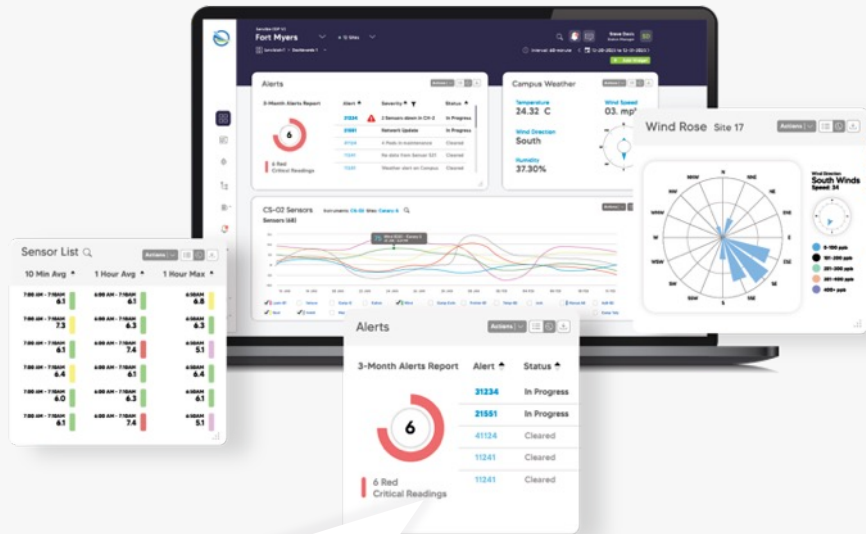
Differentiated by Technology: Innovation Bolsters Organic Growth and Creates Barrier to Entry

Measurement & Analysis

Real-Time Monitoring and Software Innovation Core To Our Future



The scale, complexity and regulatory requirements of the environmental contamination challenges today require real-time monitoring through platform solutions - like Sensible EDP



Brings an entire ecosystem of information to a single dashboard



► Shareholder Value Creation



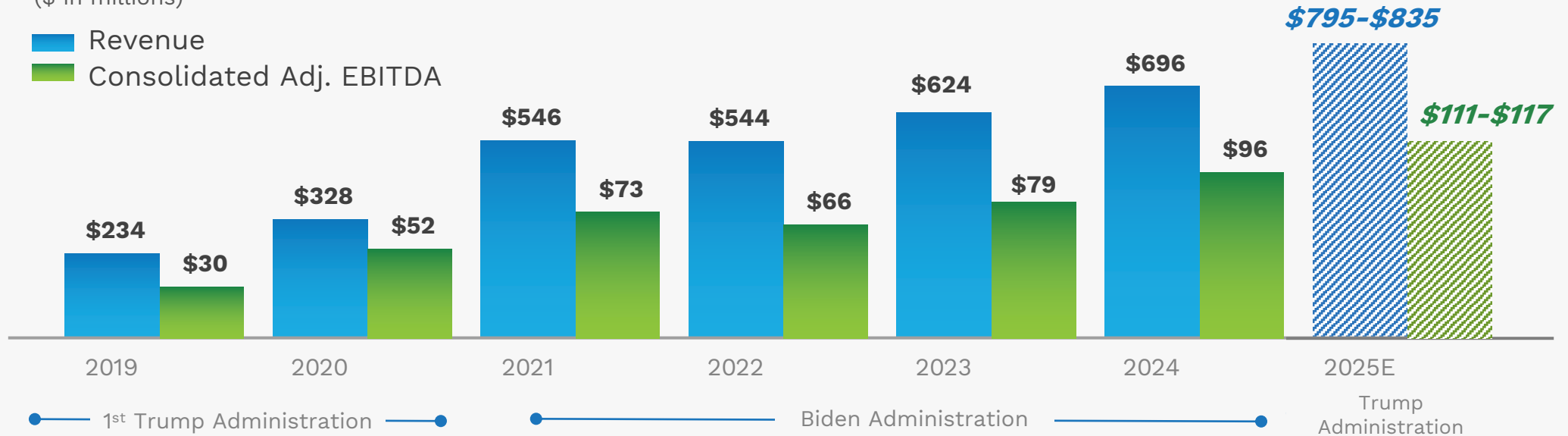
Demonstrated Growth and Resiliency During a Decade of Dynamic Change

Significant Growth During Changing Political Landscape

(\$ in millions)

Revenue

Consolidated Adj. EBITDA




24% Revenue CAGR¹


25% Consolidated Adj. EBITDA CAGR¹

1) 2019 – 2024 CAGR. Consolidated Adjusted EBITDA is a non-GAAP measure. See the Appendix to this presentation for a discussion of this measure.

Six Months Ahead of Plan: Delivering on Strategic Financial Priorities

<3.0x

7% to
9%

50%+

1. Prioritize balance sheet simplification, redeem Series A-2 prior to YE25, and subsequently de-lever

- ✓ Remaining \$122M Series A-2 Preferred Stock (Series A-2) - **fully redeemed six months early**
- ✓ Committed to fund redemption via cash flow generation and incremental borrowing under line of credit, ***and*** committed not to issue equity as a source of funds – **redeemed in cash & borrowings**
 - ✓ Stated objective: de-lever below 3.0x leverage by YE25 - **achieved six-months early**

2. Strategic capital allocation shift to temporarily deemphasize acquisitions

- ✓ Continued focus on organic revenue growth - **organic growth at or above 7% to 9% range in 2025**
- ✓ Announced inaugural stock repurchase program of up to \$40M in May 2025

3. Increase in Operating Cash Flow Generation & Attractive Capital Structure

- Target 50%+ of Operating Cash Flow as a percentage of Consolidated Adjusted EBITDA¹ on an annual basis
 - Well on track to achieve in FY25
- Strong free cash flow² generation expected in FY25

1) Consolidated Adjusted EBITDA is a non-GAAP measure. See the Appendix to this presentation for a discussion of this measure.

2) Free cash flow is defined as operating cash flow minus capital expenditures minus software development.

Note: the full \$182M of Series A-2 was redeemed within an 18-month period that ended July 1, 2025.

Enhancing Profitability – Road to Margin Improvement Across Segments

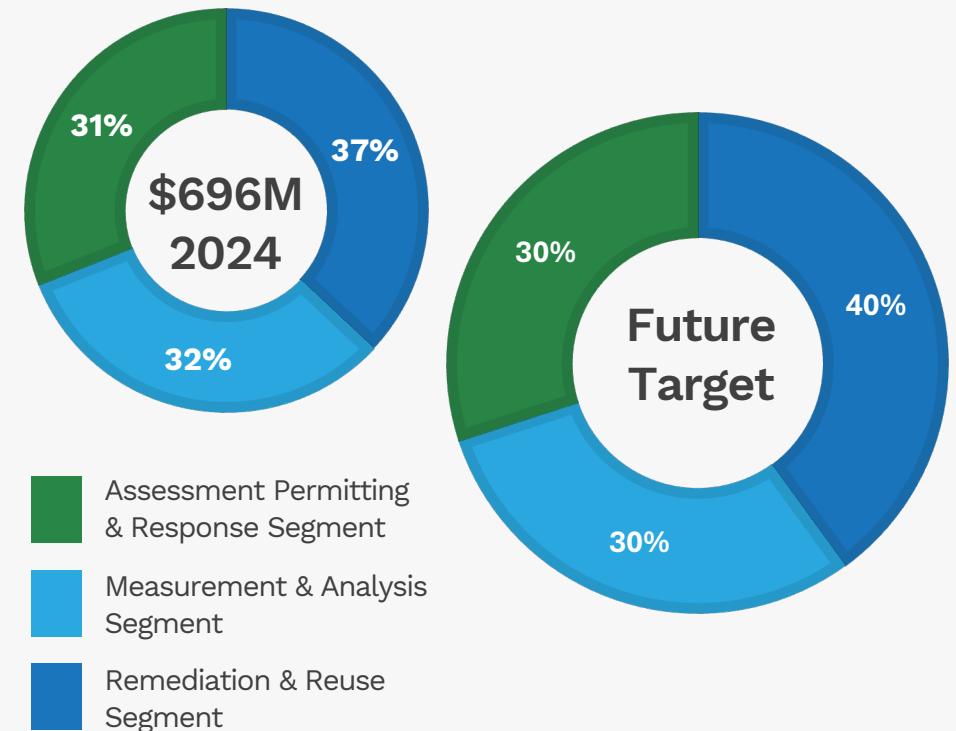
Assessment Permitting & Response Segment
Target Long-Term Margins: 20% to 25%

Measurement & Analysis Segment
Target Long-Term Margins: 18% to 22%

Remediation & Reuse Segment
Target Long-Term Margins: 20% to 25%

- 1. Operating Leverage Driven by Organic Growth:** Existing back-office infrastructure supports scale
- 2. Operating Efficiency:** Process optimization and automation to create incremental operating effectiveness
- 3. Business Maturity:** Normalizing to target long-term segment margins, with scale expected to continue benefitting the Remediation & Reuse Segment
- 4. Segment Revenue Mix:** Remediation & Reuse Segment expected to be $\geq 40\%$ of total Company, due to differentiated IP, largest addressable market, and PFAS tailwinds

Segment Revenue Mix

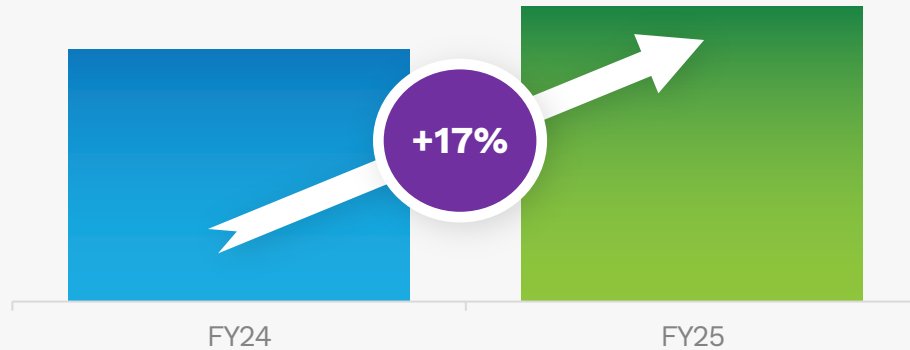


Full-Year 2025 Guidance Strengthened

2025 Revenue range of \$795M to \$835M,
from \$735M to \$785M

- Strong broad-based demand outlook, more tailwinds than headwinds, particularly for private sector clients
- Reiterated organic revenue growth expectations, at or above the 7% to 9% long-term range
- 2025 environmental emergency response¹ revenue expected \$70M to \$90M, an increase from \$50M to \$70M

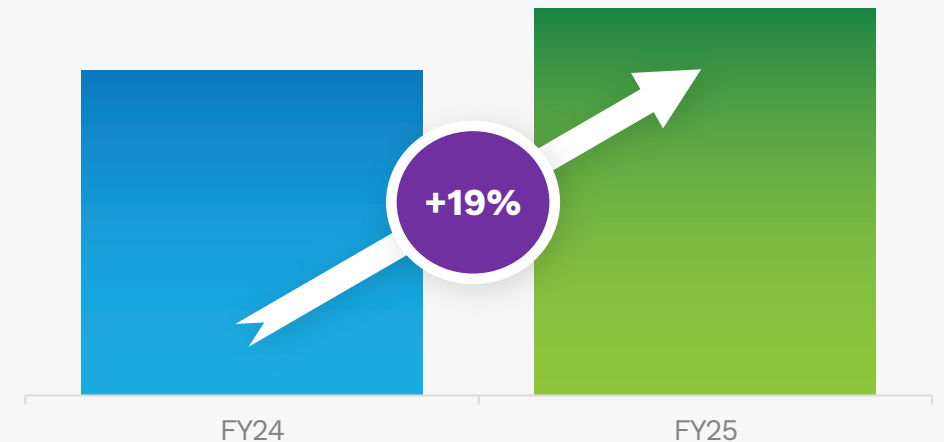
17% Revenue Growth Expected²



2025 Consolidated Adjusted EBITDA³ range of \$111M to \$117M, from \$103M to \$110M

- Expect year-over-year expansion in Consolidated Adjusted EBITDA¹ as a percentage of revenue due to operating leverage from solid organic growth and operating efficiency

19% Consolidated Adj. EBITDA³ Growth Expected²



1) Environmental emergency responses are event-driven, not backlog-driven, and therefore may vary significantly.
2) Calculated as FY24 actual results versus the midpoint of FY25 guidance ranges.
3) Consolidated Adjusted EBITDA is a non-GAAP measure. See the Appendix to this presentation for a discussion of this measure.

Investment Highlights



Uniquely **integrated** across environmental consulting, testing, and treatment science



Large TAM and secular **tailwinds** backed by regulatory and corporate initiatives



Consistent financial **performance** across political and economic cycles



Patent protected technology provides significant competitive advantages in a highly fragmented industry



Global scale and **diverse recurring** customer base supports cross-selling upside



Strong organic **growth** coupled with opportunistic **accretive** acquisitions



Strong balance sheet, **demonstrated** cash flow generation, & path to margin **enhancement**



Experienced management team & a team-centric **culture**

► Segments Section



Assessment, Permitting & Response Segment

► Identify



Key Capabilities

- Environmental Assessments
- Environmental Emergency Response
- Toxicology Consulting
- Environmental Audits & Permitting
- NRDA, NEBA & other Advisory Services

Highlights



Annual responses by premier response brand



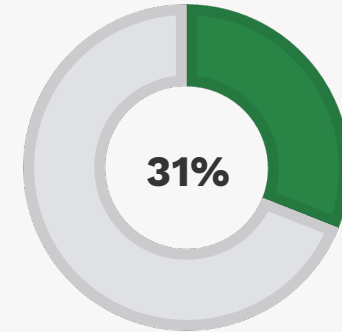
Segment Revenue Growth Rate¹



Ranked among top Environmental Management firms²

2024 Revenue

% of Montrose's Total Revenue



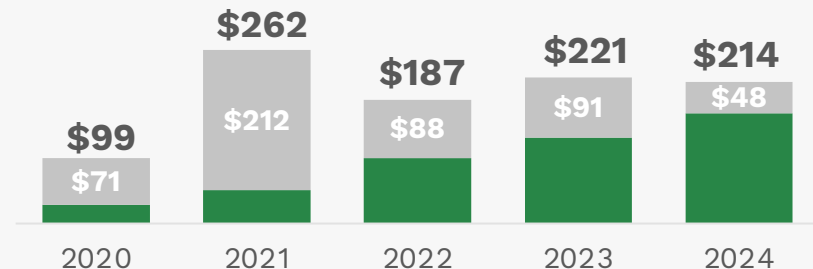
2024 Margin
22%

Long Term Margin Target
20%-25%

Segment Revenue

2020-2024 CAGR: 21%

■ Revenue excludes ER
■ Environmental Emergency Response



1) Segment CAGR from 2020 to 2024, excluding environmental emergency response revenue of \$71M in 2020, \$212M in 2021, \$88M in 2022, \$91M in 2023, and \$48M in 2024.

2) ENR The Top 200 Environmental Firms

Measurement & Analysis Segment

► Quantify



Key Capabilities

- Multi-Media Laboratory Services
- Data Solutions (Sensible EDP)
- Stack & Ambient Air Testing
- Leak Detection & Repair using traditional methods and OGI

Highlights



One of the largest North American pure-play environmental field teams



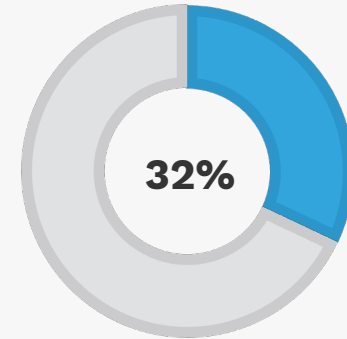
Tech-enabled integrated platform: field, lab & digital data solutions



One of America's largest network of environmental labs

2024 Revenue

% of Montrose's Total Revenue

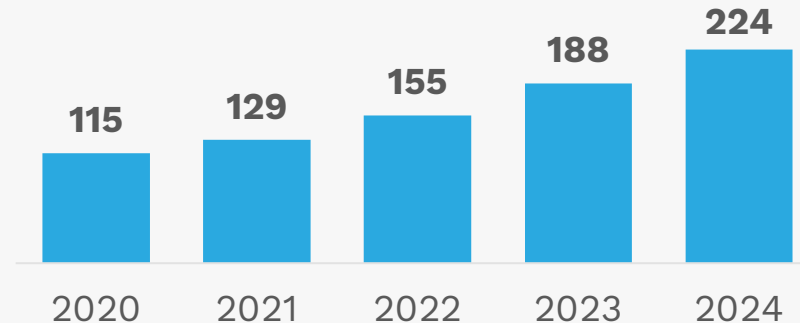


2024 Margin
23%

Long Term Margin Target
18%-22%

Segment Revenue

2020-2024 CAGR²: 18%



1) Measurement & Analysis excludes discontinued services revenues of \$36.8M in 2020, \$23.9M in 2021, \$17.0M in 2022, \$8.8M in 2023, and zero in 2024.

Remediation & Reuse Segment

▶ Remediate



Key Capabilities

- Consulting, Engineering, Design, & Implementation Services
- Water Treatment (e.g., PFAS & Selenium Water Removal)

Highlights



Patents issued for proprietary innovations²



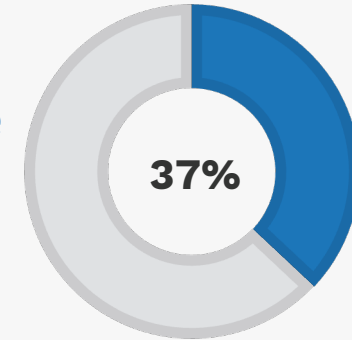
Ongoing patent submissions



Total addressable market³

2024 Revenue

% of Montrose's Total Revenue



2024 Margin

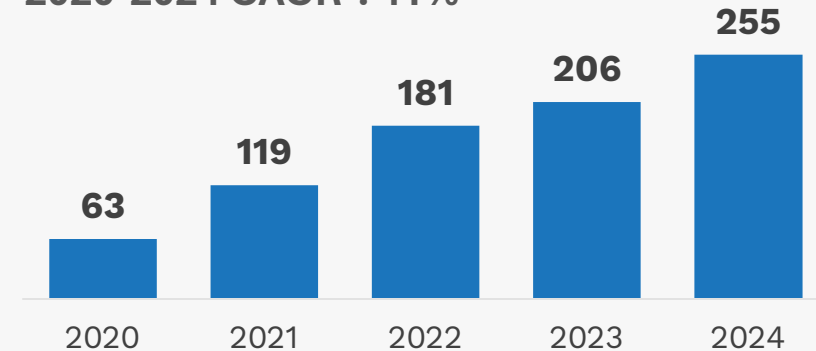
15%

Long Term Margin Target

20%-25%

Segment Revenue

2020-2024 CAGR¹: 41%



1) Remediation & Reuse excludes discontinued services revenues of \$14.7M in 2020, \$12.1M in 2021, \$3.6M in 2022, zero in 2023, and zero in 2024.

2) Patent portfolio includes 8 distinct patents approved in numerous countries for a total of 30 patents in the portfolio.

3) Environmental Business Journal, Volume XXXVII, Numbers 5/6, 2024, TAM over next 20 to 30 years

► Appendix



Non-GAAP Financial Information

In addition to our results under GAAP, in this presentation we also present certain other supplemental financial measures of financial performance that are not required by, or presented in accordance with, GAAP, including, Consolidated Adjusted EBITDA, Consolidated Adjusted EBITDA margin, Adjusted Net Income and Diluted Adjusted Net Income per Share. We calculate Consolidated Adjusted EBITDA as net income (loss) before interest expense, income tax expense (benefit) and depreciation and amortization, adjusted for the impact of certain other items, including stock-based compensation expense and acquisition-related costs, as set forth in greater detail in this Appendix. We calculate Consolidated Adjusted EBITDA margin as Consolidated Adjusted EBITDA divided by revenue. We calculate Adjusted Net Income as net income (loss) before amortization of intangible assets, stock-based compensation expense, fair value changes to financial instruments and contingent earnouts, and other gain or losses, as set forth in greater detail in this Appendix. Diluted Adjusted Net Income per Share represents Adjusted Net Income attributable to stockholders divided by the fully diluted number of shares of common stock outstanding during the applicable period.

Consolidated Adjusted EBITDA is one of the primary metrics used by management to evaluate our financial performance and compare it to that of our peers, evaluate the effectiveness of our business strategies, make budgeting and capital allocation decisions and in connection with our executive incentive compensation. Adjusted Net Income and Diluted Adjusted Net Income per Share are useful metrics to evaluate ongoing business performance after interest and tax. These measures are also frequently used by analysts, investors and other interested parties to evaluate companies in our industry. Further, we believe they are helpful in highlighting trends in our operating results because they allow for more consistent comparisons of financial performance between periods by excluding gains and losses that are non-operational in nature or outside the control of management, and, in the case of Consolidated Adjusted EBITDA, by excluding items that may differ significantly depending on long-term strategic decisions regarding capital structure, the tax jurisdictions in which we operate and capital investments.

These non-GAAP measures do, however, have certain limitations and should not be considered as an alternative to net income (loss), earnings (loss) per share or any other performance measure derived in accordance with GAAP. Our presentation of Consolidated Adjusted EBITDA, Adjusted Net Income and Diluted Adjusted Net Income per Share should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items for which we may make adjustments. In addition, Consolidated Adjusted EBITDA, Adjusted Net Income and Diluted Adjusted Net Income per Share may not be comparable to similarly titled measures used by other companies in our industry or across different industries, and other companies may not present these or similar measures. Management compensates for these limitations by using these measures as supplemental financial metrics and in conjunction with our results prepared in accordance with GAAP. We encourage investors and others to review our financial information in its entirety, not to rely on any single measure and to view Consolidated Adjusted EBITDA, Adjusted Net Income and Diluted Adjusted Net Income per Share in conjunction with the related GAAP measures.

Additionally, we have provided estimates regarding Consolidated Adjusted EBITDA for 2025. These projections account for estimates of revenue, operating margins and corporate and other costs. However, we cannot reconcile our projection of Consolidated Adjusted EBITDA to net income (loss), the most directly comparable GAAP measure, without unreasonable efforts because of the unpredictable or unknown nature of certain significant items excluded from Consolidated Adjusted EBITDA and the resulting difficulty in quantifying the amounts thereof that are necessary to estimate net income (loss). Specifically, we are unable to estimate for the future impact of certain items, including income tax (expense) benefit, stock-based compensation expense, fair value changes and the accounting for the Series A-2 preferred stock. We expect the variability of these items could have a significant impact on our reported GAAP financial results.

Non-GAAP Financial Information (Continued)

This presentation also includes Adjusted Operating Cash Flow, a non-GAAP measure which represents cash flow provided by (used in) operating activities less amounts paid for acquisition-related contingent consideration. Payments for acquisition-related consideration are not part of the Company's day-to-day operations and management uses this measure to assess the Company's operating cash flow without the impact of these unique, non-operational payments. This measure does, however, have certain limitations as the excluded acquisition-related payments are typically paid in cash and, as a result, impact the Company's liquidity as a whole, and should therefore not be considered as an alternative to or in isolation from cash flow provided by (used in) operating activities or any other liquidity measure calculated in accordance with GAAP. Other companies, including other companies in our industry, may not use this measure in the same way or we may calculate it differently than as presented herein.

In this presentation we also reference our organic growth. We define organic growth as the change in revenues excluding revenues from i) our environmental emergency response business, ii) acquisitions for the first twelve months following the date of acquisition, and iii) businesses held for sale, disposed of or discontinued. Management uses organic growth as one of the means by which it assesses our results of operations. Organic growth is not, however, a measure of revenue growth calculated in accordance with U.S. generally accepted accounting principles, or GAAP, and should be considered in conjunction with revenue growth calculated in accordance with GAAP. We have grown organically over the long term and expect to continue to do so.

In a given reporting period, when we refer to revenue changes driven by acquisitions, we are referring to the revenue contribution from any acquisition from its closing date through the first 12 months of that acquisition, at which point any subsequent contribution therefrom would be organic.

Customer revenue retention defined as the percentage of revenue excluding environmental emergency response revenue from customers in one year that recurred in the following year (for example, revenue that occurred in 2023 that recurred in 2024). Emergency environmental response revenue is excluded from the calculation in light of episodic nature of emergency response work.

Cross-selling activity defined as the percentage of total revenue from customers purchasing two or more Montrose services within the same fiscal year.

Montrose Environmental Group, Inc.

Reconciliation of Net Income to Consolidated Adjusted EBITDA

	For the year ended December 31,					
	2024	2023	2022 ^(a)	2021 ^(a)	2020 ^(a)	2019 ^(a)
Net loss	\$ (28,225)	\$ (30,859)	\$ (31,819)	\$ (25,325)	\$ (57,949)	\$ (23,557)
Interest expense	4,442	7,793	5,239	11,615	13,819	6,755
Income tax expense (benefit)	3,516	(980)	2,250	1,709	851	(3,121)
Depreciation and amortization	15,357	45,780	47,479	44,810	37,274	27,705
EBITDA	\$ (4,910)	\$ 21,734	\$ 23,149	\$ 32,809	\$ (6,005)	\$ 7,782
Stock-based compensation ⁽¹⁾	29,799	47,267	43,290	10,321	4,849	4,345
Acquisition costs ⁽²⁾	1,456	6,930	1,891	2,088	4,344	3,474
Fair value changes in financial instruments ⁽³⁾	(1,727)	(4,129)	(3,396)	2,195	20,319	11,160
Expenses related to financing transactions ⁽⁴⁾	37	35	7	50	378	—
Fair value changes in business acquisition contingencies ⁽⁵⁾	149	84	(3,227)	24,372	12,942	1,392
Short term purchase accounting fair value adjustment to deferred revenue ⁽⁶⁾					243	858
Public offering expense ⁽⁷⁾					7,657	610
Discontinued Specialty Lab ⁽⁸⁾	—	6,112	—	—	5,662	577
Other (gains) losses and expenses ⁽⁹⁾	2,436	543	4,459	1,400	1,905	—
Consolidated Adjusted EBITDA	\$ 27,240	\$ 78,576	\$ 66,173	\$ 73,235	\$ 52,294	\$ 30,198

(a) Prior period amounts have been recalculated from amounts originally disclosed using the current methodology.

1) Represents non-cash stock-based compensation expenses related to (i) option awards issued to employees, (ii) restricted stock grants issued to directors and selected employees, (iii) and stock appreciation rights grants issued to selected employees.

2) Includes financial and tax diligence, consulting, legal, valuation, accounting and travel costs and acquisition-related incentives related to our acquisition activity.

3) Amounts relate to the change in fair value of the interest rate swap instrument and the embedded derivative attached to the Series A-2 Preferred Stock.

4) Amounts represent non-capitalizable expenses associated with refinancing and amending our debt facilities.

5) Reflects the difference between the expected settlement value of business acquisition contingencies at the time of the closing of acquisitions and the expected (or actual) value of these contingencies at the end of the relevant period.

6) Purchase accounting fair value adjustment to deferred revenue represents the impact of the fair value adjustment to the carrying value of deferred revenue as of the date of acquisition of ECT2.

7) Represents expenses incurred by us to prepare for our initial public offering, costs from IPO-related bonuses, and costs related to the November 2020 secondary public offering.

8) Amounts consist of operating losses before depreciation related to the Discontinued Specialty Lab.

9) Amounts in 2024 are primarily comprised of third-party expenses associated with the independent review and analysis of assertions in a short seller report regarding the Company, non-recurring costs to centralize certain back-office functions, and lease abandonment costs. Amount in 2023 consists of costs associated with an aviation loss. In 2022, amounts include costs associated with the exiting of the legacy water treatment and biogas operations and maintenance contracts and the Company's start-up lab in Berkeley, California, as well as an impairment charge for certain operating lease right-of-use assets and severance costs related to the restructuring within the Company's soil remediation business. In 2021, amounts include non-operational charges incurred due to the remeasurement of finance leases as a result of the adoption of ASC 842 and costs related to the implementation of a new ERP. In 2020 and 2019, amounts represent loss from the Discontinued Service Lines and the Berkeley Lab.