

Q4 REPORT 2024

Company Update
Desert Control AS



ABOUT DESERT CONTROL



Technology

A climate-smart nano-tech powered innovation to restore and improve soil, increase water use efficiency, and strengthen economic resilience for our clients



Solution Areas

Soil enhancement solutions to reduce water and input usage while increasing plant health for agriculture, forest management, golf courses, turf and landscaping

Agriculture



Trees & Forest



Golf, Turf & Landscaping

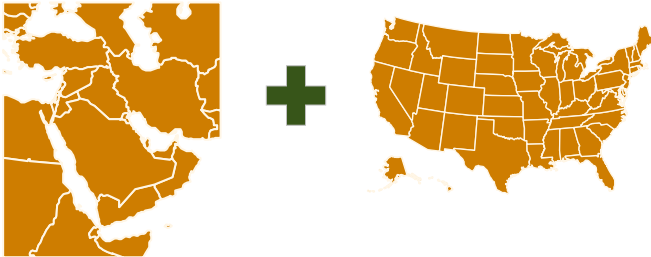


UNLOCKING OPPORTUNITY IN A \$100B+ WATER & SOIL TECH MARKET

STAGE
01

MENA & U.S.

- Accelerate the licensed operator model in the Middle East and continue direct sales in the U.S. to grow adoption and prove the technology on a larger scale



STAGE
02

Australia

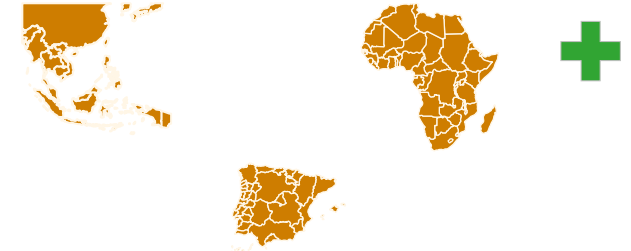
- Continue scale-up and scale-out expansion to sandy soil regions in Australia



STAGE
03

Europe, Africa, Asia/India, RoW

- Global expansion to all regions experiencing desertification, drought, and water shortage



>110 countries are exposed to desertification, land degradation, droughts and water scarcity

COMPANY JOURNEY

COMPANY INCORPORATION

- Desert Control was incorporated to develop scalable solutions based on its patented nanotechnology to address global challenges related to water scarcity, agriculture, and land productivity.

BUILT MVP

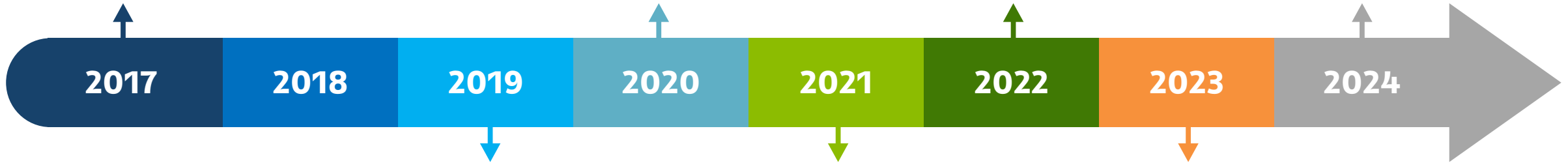
- Successfully built MVP for the LNC production system.
- Independent validation with the International Center of Biosaline Agriculture (ICBA).

BUILT PROTOTYPES

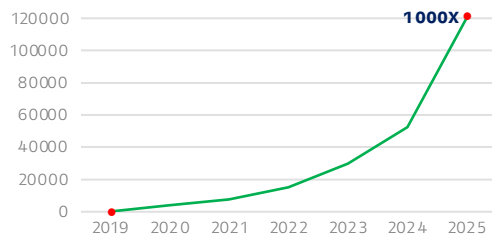
- Completed three clusters of industrial-grade prototypes.
- Established operations in U.S.
- Initiated validation program with the University of Arizona.
- Launched the first U.S. pilots.
- ≈1 Million liters of LNC produced in the U.S.

ACCELERATING COMMERCIALIZATION

- Achieved scalable prototype
- Unlocked application via irrigation systems.
- Increased commercial traction in the United States and Middle East.
- Reached 44 projects in the U.S.
- ≈5,2 Million liters of LNC produced in the U.S. (>2X revenue)



PRODUCTION CAPACITY DEVELOPMENT



RAISED ≈\$5M

- The company secured its first major investment in Dec 2019, raising \$5 million to fund the initial Minimum Viable Product (MVP) development and expand the engineering and R&D team.

RAISED ≈\$20M

- Raised capital to build the first industrial-grade prototypes, expand operations, and fund pilot programs in the U.S.
- Listed on Euronext Growth in April 2021.

SECURED ≈\$10M

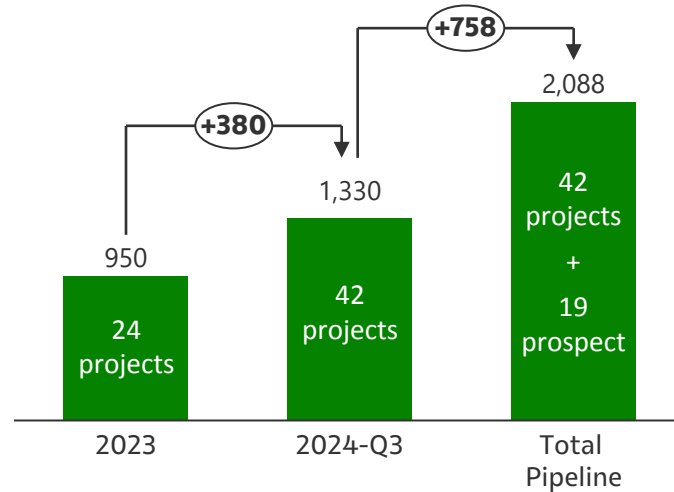
- Launched a licensed operator model for the Middle East and streamlined operations.
- Secured ≈\$10M (capital raise and asset sales).
- Received regulatory approvals in U.S. and UAE.
- Total U.S. project portfolio of 24 projects.
- ≈2 Million liters of LNC produced in the U.S.
- Initiated design of next-gen prototype to achieve scalable production capacity.

CURRENT STATUS

The LNC Technology is Reaching Inflection Point for Scalable Commercialization



The Opportunity Pipeline in the U.S. Keeps Growing at an Accelerating Pace



Commercial Traction in U.S. and Middle East in Landscaping/Golf Courses and Agriculture

Desert Control's Technology Selected for the UN World Food Programme Innovation Accelerator
Enhancing food security through sustainable soil and water solutions.

Desert Control Partners with Oasis Date for Liquid Natural Clay Deployment Across 160 Acres of Premium Medjool Date Palms

Desert Control Partners with Berkeley Country Club for Water Conservation

Desert Control Partners with Woodland Hills Country Club for Water Conservation.

- LNC unit production capacity to increase from 15 CBM/h to >120 CBM/h in H1-2025
- Unlocks opportunities that require large volumes delivered with short time windows
- Other 2024 technology breakthroughs:
 - Compatibility with irrigation systems
 - Expansion of addressable market

- 2023: LNC volume potential from 24 projects of 950 million liters @100% conversion
- 2024: LNC potential from 42 projects of 1,3 billion liters @100% conversion (mid-Q4)
- Total pipeline mid-Q4 2024 of >2 Bn liters
- Additional pipeline growth and technology developments expanding market adds ≈3X

- 2024 LNC volume & revenue >2X from 2023
- Q3 to Q4 licensing revenue growth of >3X
- Significant commercial traction on pay-as-you-save model in the golf course segment
- WFP opening doors to large impact markets
- 2025: Traction to grow revenues >10X



COMPANY UPDATE PRESENTATION



Highlights



Financials



Outlook



Questions
and answers



UNITED STATES

Expanding Commercial Deployments and Strong Pipeline Growth in the U.S.

- **Landscaping:** Launch of “pay-as-you-save” model for the golf course market:
 - Berkeley Country Club
 - Woodland Hills Country Club
 - Significant interest at GCSAA
- **Agriculture:** Three date pilot clients in discussion to expand deployments in 2025
 - Oasis Date: First 160 acres roll-out in Feb-25



MIDDLE EAST

Solid Partner Traction Turns Middle East Into a High-Growth Region

- LNC volumes and licensing revenue tripled from Q3 to Q4 2024
- **UAE:** Multiple landscaping and real-estate development projects
- **Saudi Arabia:** Public sector landscaping (trees), and private sector projects, including food sector/agribusiness projects



INNOVATION

Technology Breakthroughs Unlocks Large-Scale Opportunities

- Next-Gen prototype achieving >120 CBM/h capacity target -> on track for commercial readiness in H2-2025
- Significant automation driving further cost efficiency and scalability improvements
- Compatibility with a wide range of irrigation systems proven in 2024
- Expansion of addressable market

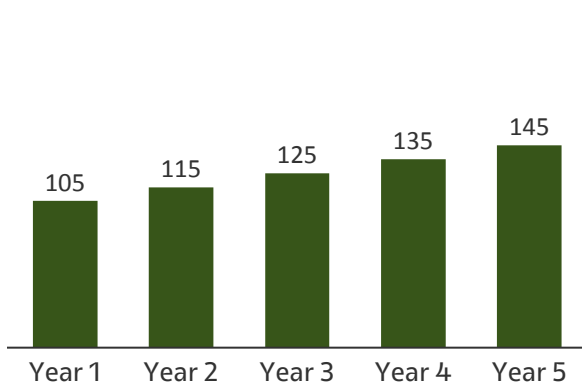
CASE STUDY: PAY-AS-YOU-SAVE BUSINESS MODEL

- > **Berkeley Country Club: Full deployment of LNC for the 63-acre golf course is anticipated to be executed at the latest in H2-2025**
- > **Outcome based revenue model generating monthly recurring revenue (MRR)**
- > **Potential contract value of NOK >6 million over the initial five-year contract**

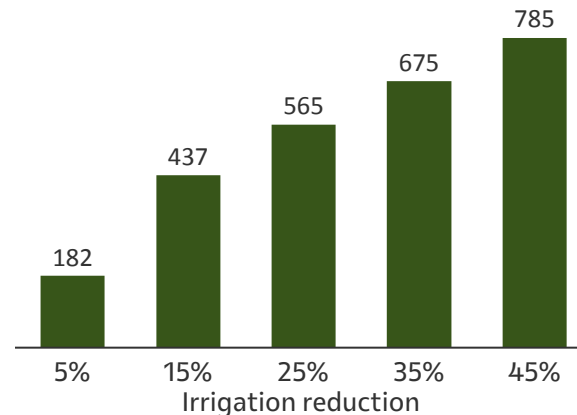
“We are excited to partner with Desert Control in pioneering a sustainable future for the golf industry”

Jeff Perry, GM of Berkeley Country Club

Illustrative revenue recognized by DC at 30% water savings (USD ‘000)



Total contract value over initial 5-year contract period (USD ‘000)



Berkeley Country Club and Woodland Hills Country Club are important milestones for DSRT

- First large-scale contracts within the landscaping segment in the US
- The new pay-as-you-save outcome-based revenue model was introduced in Q4-2024

Key attractions of the outcome-based revenue model

- Immediate positive cash flow for customer resulting in acceleration from pilot testing to large scale deployment
- Cash flow visibility through MRR creating long-term shareholder value

NORTH AMERICA'S LARGEST DATE GROWER MOVING AHEAD WITH COMMERCIAL DEPLOYMENT OF LIQUID NATURAL CLAY



Commercial Progress:

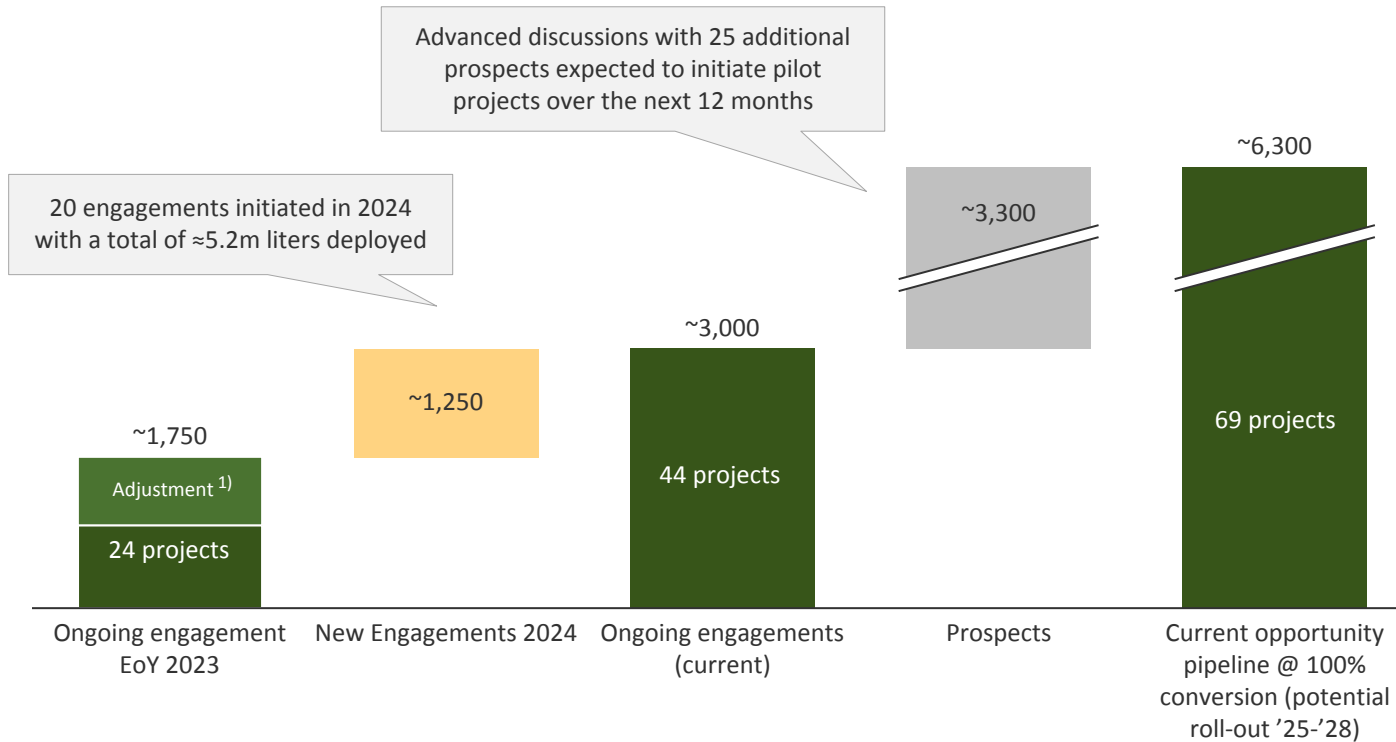
- Direct to stage-2 pilot in July 2024 (13 acres)
- First ranch for commercial deployment in February 2025:
 - Corn Springs, CA
 - 160 acres, NOK 1,5 million
- Total potential:
 - Vast number of ranches
 - 5000 acres under management

The the world's first and only Regenerative Organic Certified® date farm!

SIGNIFICANT GROWTH IN THE U.S. OPPORTUNITY PIPELINE

Total potential LNC demand from ongoing engagements and identified prospects

(chart below: LNC volume in million liters)



- YoY growth in deployed LNC volume and revenue of more than 2x
- 44 ongoing engagements (pilots and deployments) and ~8.3m liters of LNC deployed
 - 2022: ~1m liters
 - 2023: ~2m liters
 - 2024: ~5.2m liters
- 20 of the 44 engagements initiated in 2024
- Projects secured for 2025 implementation: Berkeley Country Club, Woodland Hills Country Club, Oasis Date, WFP

Current opportunity pipeline

>USD 300m

in potential total contract value (TCV) ¹⁾

¹⁾ Adjustment of historical figures to illustrate the impact of larger addressable acreage per ongoing client engagement (TCV based on 100% conversion at 5 cents/liter).

Pipeline growth from Q3-2024 driven by an increase from 42 to 44 project engagements and 19 to 25 developed prospects. Addressable acreage per client has further increased primarily due to expanded feasibility of LNC beyond highly sandy soils.

INCREASING AWARENESS CONTRIBUTES TO PIPELINE GROWTH



CES 2025
Showcased by Siemens



GCSAA
International Golf Industry Event

THE MIDDLE EAST BECOMES A HIGH-GROWTH REGION

Driven by Solid Traction with our Partners

- LNC volume and licensing revenues tripled from Q3 to Q4 2024:
 - UAE: Multiple landscaping and real-estate development projects
 - Saudi Arabia: Public sector landscaping (trees), and private sector projects, including food sector/agribusiness projects
- **Outlook**
 - Anticipating LNC volumes to grow 6X 2024 full-year volume in the first half of 2025.
 - Larger-scale projects in the pipeline indicate a potential requirement for next-generation high-capacity production units for H2-2025



LIQUID NATURAL CLAY SELECTED FOR THE UNITED NATIONS WORLD FOOD PROGRAMME (WFP) INNOVATION ACCELERATOR



WFP Innovation Accelerator SPRINT Program

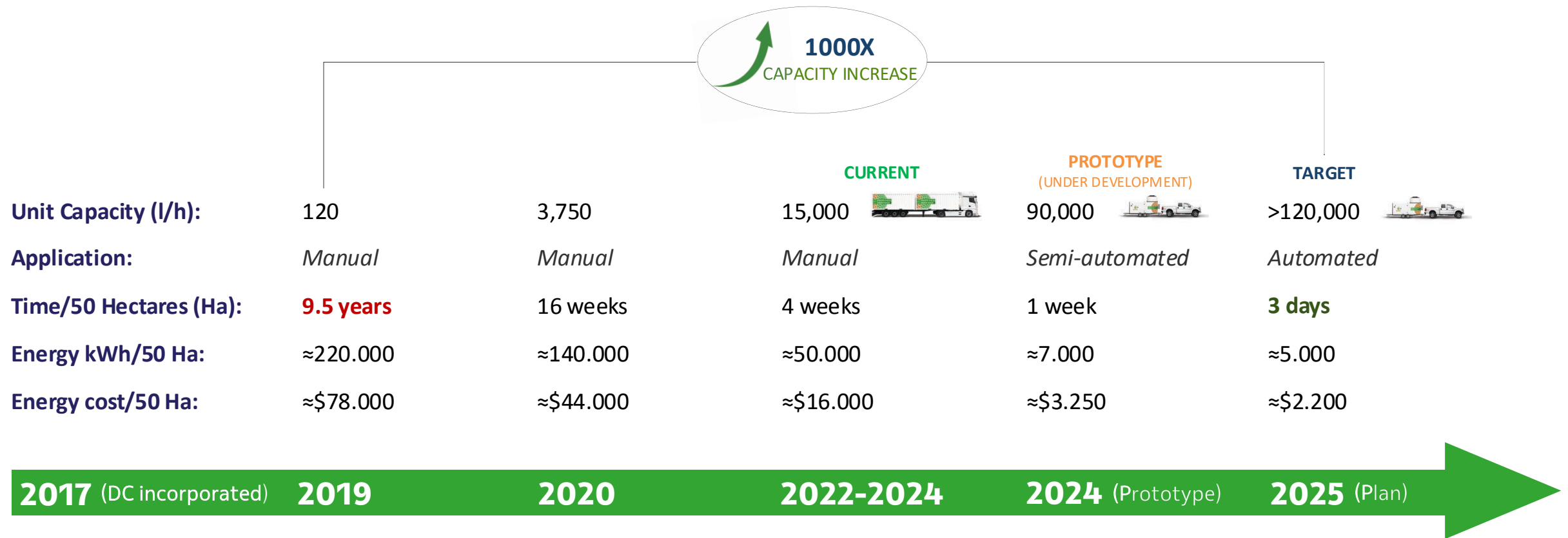
- Funded 6-months demonstration project in Iraq:
 - Implementation planned for April/May 2025
 - Collaboration with Desert Control's Middle East partner Soyl (Mawarid) and WFP Iraq Country Office
- Objectives:
 - Turning desert land into fertile soil for climate-resilient farming in water-stressed regions
 - Develop a blueprint for drought response and land restoration
- Long-term potential:
 - UN/WFP Long Term Agreement (LTA)
 - WFP operates in more than 120 countries



2024 – 2025 TECHNOLOGY BREAKTHROUGHS



TECHNOLOGY DEVELOPMENT ON-TRACK TO UNLOCK NEW OPPORTUNITIES



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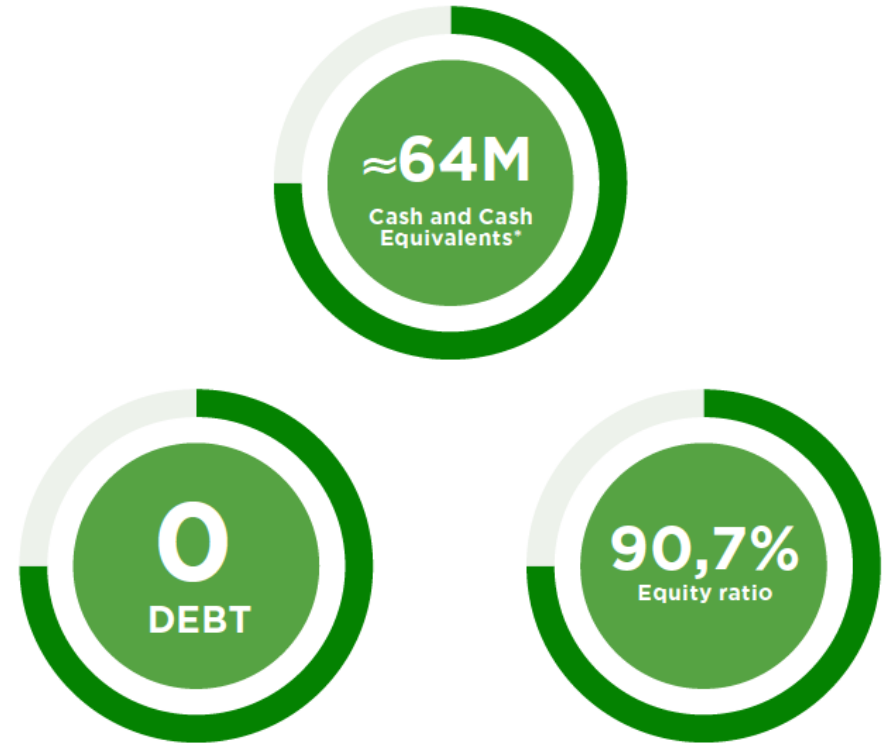
Questions
and answers

FINANCIAL HIGHLIGHTS

KEY FIGURES *

NOK million	Quarters		YTD	
	Q4 2024	Q4 2023	2024	2023
LNC Revenue	0,00	-0,00	1,88	0,89
Licensing Royalties	0,22	-	0,29	-
Other Income	-	15,54	-	17,24
Total revenue and other income	0,22	15,54	2,17	18,13
EBITDA	-11,99	0,76	-56,78	-60,05
Net Income	-7,07	-8,41	-53,14	-65,27
Total cash balance (Bank deposits and funds)	63,57	119,29	63,57	119,29
Equity at 31 December 2024	74,27	129,07	74,27	129,07
Equity Ratio	90,7%	96,7%	90,7%	96,7%

* Includes both continued and discontinued operations. For more details, refer to Note 5, "Discontinued Operations," and the 2023 Annual Report.



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Amounts in NOK thousand)	Notes	Quarters		Full year	
		Q4 2024	Q4 2023 ¹	2024 (unaudited)	2023 (audited)
Revenue from sales	2	220	0	2 172	844
Other income		-	5	-	543
Total revenue and other income		220	4	2 172	1 387
Cost of goods sold (COGS)		14	-1	270	62
Gross margin		206	5	1 901	1 325
Salary and employee benefit expenses		4 952	7 696	31 308	39 064
Other operating expenses		7 408	4 564	27 043	22 286
Depreciation and amortisation		1 291	1 212	5 112	4 175
Operating profit or loss		-13 445	-13 467	-61 562	-64 200
Finance income		5 758	6 840	13 545	17 600
Finance costs		28	11 095	5 053	12 776
Profit or loss before tax from continuing operations		-7 715	-17 721	-53 071	-59 376
Income tax expense		-7	-0	52	-13
Profit or loss for the year from continuing operations		-7 708	-17 721	-53 123	-59 364
Discontinued operations					
Profit or loss after tax for the year from discontinued operations	5	638	9 310	-15	-5 910
Profit or the loss for the year		-7 070	-8 411	-53 139	-65 274

(Amounts in NOK thousand)	Notes	Quarters		Full year	
		Q4 2024	Q4 2023 ¹	2024 (unaudited)	2023 (audited)
Allocation of profit or loss:					
Profit/loss attributable to the parent		-7 070	-8 411	-53 139	-65 274
Other comprehensive income:					
Items that subsequently may be reclassified to profit or loss:					
Exchange differences on translation of foreign operations		-3 913	1 383	-7 439	1 414
Total items that may be reclassified to profit or loss		-3 913	1 383	-7 439	1 414
Total other comprehensive income for the year		-11 622	1 383	-60 578	1 414
Total comprehensive income for the year		-11 622	-7 028	-60 578	-63 860
Allocation of total comprehensive income					
Total comprehensive income attributable to owners of the parent		-11 622	-7 028	-60 578	-63 860

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Amounts in NOK thousand)	Notes	At 31 December	
		2024 (unaudited)	2023 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment	5	11 200	8 044
Right-of-use assets		-	439
Total non-current assets		11 200	8 484
Current assets			
Inventory		152	217
Trade receivables		376	17
Other receivables		6 576	5 172
Other current financial assets		3	19 616
Cash and cash equivalents	4	63 572	100 008
Total current assets		70 678	125 030
TOTAL ASSETS		81 878	133 514
EQUITY AND LIABILITIES			
Equity			
Share capital	3	161	161
Share premium	6	133 402	321 180
Currency translation differences		-6 156	-80
Retained earnings		-53 139	-192 194
Total equity		74 267	129 067

(Amounts in NOK thousand)	Notes	At 31 December	
		2024 (unaudited)	2023 (audited)
Current liabilities			
Current lease liabilities		-	464
Trade and other payables		4 205	1 873
Public duties payable		1 383	912
Other current liabilities		2 023	1 198
Total current liabilities		7 611	4 447
Total liabilities		7 611	4 447
TOTAL EQUITY AND LIABILITIES		81 878	133 514

CONSOLIDATED STATEMENT OF CASH FLOWS

	Quarters		Full year	
	Q4 2024	Q4 2023 ¹	2024 (unaudited)	2023 (audited)
<i>(Amounts in NOK thousand, unaudited)</i>				
Profit or loss before tax from continuing operations	-7 715	-17 721	-53 071	-59 376
Profit or loss before tax for discontinued operations	638	9 310	-15	-5 910
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation and amortisation	1 291	2 177	5 112	6 492
Net financial income/expense	-6 167	3 798	-8 478	-4 449
Foreign exchange gains or losses	89	3 186	115	3 186
Share-based payment expense	220	1 409	4 416	4 219
Derecognition of Goodwill	-	7 220	-	7 220
Working capital adjustments:				
Changes in accounts receivable and other receivables	894	25 267	-1 696	5 802
Changes in trade payables, duties and social security payables	2 577	-931	2 802	-3 162
Changes in other current liabilities and contract liabilities	1 357	-29 107	825	-4 236
Net cash flows from operating activities	-6 817	4 608	-49 991	-50 214
Cash flows provided by (used in) investing activities (NOK)				
Capital expenditures and investments	-4 860	-345	-7 823	-691
Sale (Purchase) of financial instruments	-0	209	19 613	22 346
Proceeds from sale of property, plant and equipment	-	9 331	-	10 556
Interest received	438	217	2 065	398
Net cash flow provided by (used in) investing activities	-4 422	9 412	13 855	32 610

	Quarters		Full year	
	Q4 2024	Q4 2023 ¹	2024 (unaudited)	2023 (audited)
<i>(Amounts in NOK thousand, unaudited)</i>				
Cash flow provided by (used in) financing activities (NOK)				
Proceeds from issuance of equity	-	75 471	-	85 473
Transaction costs on issue of shares	-	-3 608	-	-3 608
Lease payments	-87	-2 169	-471	-1 146
Interest paid	-5	-20	-5	-23
Net cash flows provided by (used in) financing activities	-557	69 674	-476	80 696
Net increase/(decrease) in cash and cash equivalents	-11 332	83 694	-36 612	63 092
Cash and cash equivalents at beginning of the year/period	74 833	15 731	100 008	36 791
Net foreign exchange difference	72	583	176	125
Cash and cash equivalents, end of period	63 572	100 008	63 572	100 008

DISCONTINUED OPERATIONS (MIDDLE EAST)

Middle East Operations Update

During 2023, Desert Control Middle East LLC completed the sale of its UAE production entity, transferring LNC production licenses and assets to Mawarid Holding Investment LLC and Holistic Earth Advanced Regeneration Technologies SA. This strategic exit from the Middle East resulted in the classification of these operations as discontinued.

By the end of 2023, all assets previously held for sale were disposed of. As of Q1 2024, there have been no material changes or additional transactions related to these discontinued operations. The results from these operations for prior periods are reported as a single line item to ensure comparability and transparency.

Desert Control continues to manage any remaining obligations, which are expected to be resolved by the final liquidation of Desert Control Middle East LLC in 2024. Any significant subsequent events will be disclosed as necessary.

Net result for discontinued operations as of 31 December

	Notes	Quarters		Full year	
		Q4 2024	Q4 2023 ¹	2024 (unaudited)	2023 (audited)
<i>(Amounts in NOK thousand, unaudited)</i>					
Revenue from sales	2	0	0	0	48
Other income		0	15 540	5	16 697
Total income from discontinued operations		-	15 540	5	16 745
Cost of goods sold (COGS)		-164	51	156	353
Gross margin from discontinued operations		164	15 490	-151	16 393
Salary and employee benefit expenses		-	1 346	-	10 398
Other operating expenses		1	1 128	184	6 016
Depreciation and amortisation		-	146	-	2 317
Impairment		-	-	-	-
Operating profit or loss from discontinued operations		163	12 870	-335	-2 338
Finance income		-	-	-	-
Finance costs		-	688	-	3 571
Profit or loss before tax from discontinued operations		163	12 182	-335	-5 910
Income tax expense		-	-	-	-
Profit or loss for the year from discontinued operations		163	12 182	-335	-5 910

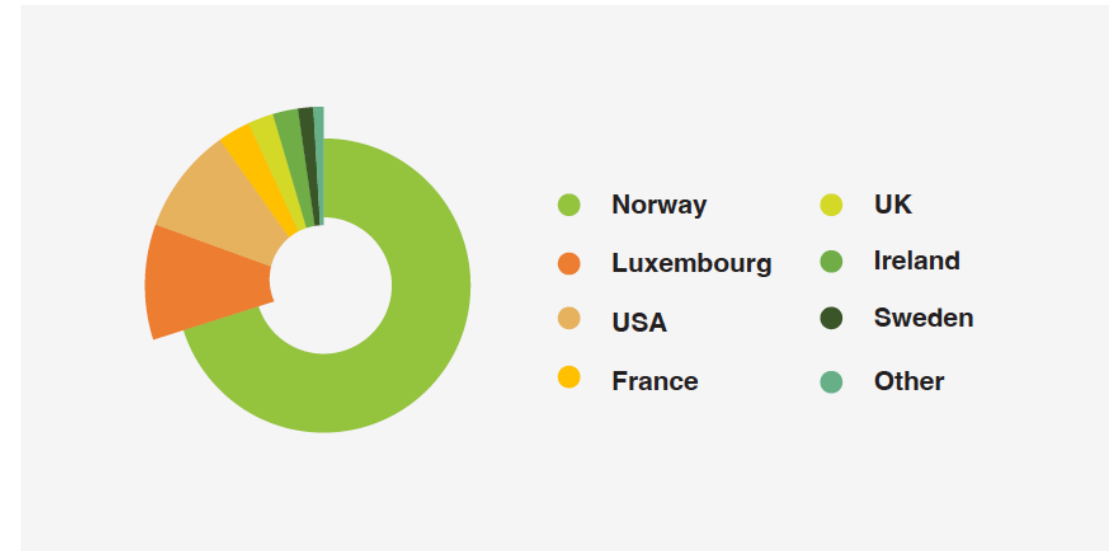
DSRT SHAREHOLDERS

The Group's shareholders:

Shareholders in Desert Control AS at 31.12.2024	Total shares	Ownership/ Voting rights
Woods End Interests LLC	5 343 472	10,0%
J.P. Morgan SE	4 247 077	7,9%
Citibank	3 610 828	6,7%
Nordnet Livsforsikring AS	2 617 583	4,9%
Lithinon AS	1 720 002	3,2%
BNP Paribas	1 627 836	3,0%
Olesen Ole Morten	1 586 083	3,0%
Lin AS	1 502 275	2,8%
Olesen Consult HVAC AS	1 475 000	2,8%
Glomar AS	1 368 456	2,6%
DNB Bank ASA	1 315 718	2,5%
Ninas Holding AS	1 225 173	2,3%
Jakob Hatteland Holding AS	1 222 222	2,3%
Hako Ventures AS	1 112 431	2,1%
Idland Atle	1 090 491	2,0%
OKS Consulting AS	1 050 000	2,0%
The Northern Trust Comp	958 275	1,8%
Sortun Invest AS	949 937	1,8%
Clearstream Banking S.A.	945 107	1,8%
Yggdrasil Venture AS	787 220	1,5%
Sundvolden Holding AS	594 431	1,1%
Others	17 278 360	32,2%
Total	53 627 977	100,0 %

Origin of shareholders:

Country of Origin	No of shares	%	No of shareholders
Norway	35 394 135	66,0%	3 103
United States	5 636 059	10,5%	7
Luxembourg	5 222 184	9,7%	8
Ireland	3 626 814	6,8%	12
France	1 618 104	3,0%	5
United Kingdom	1 117 175	2,1%	7
Sweden	604 403	1,1%	14
Others	409 103	0,8%	33
Grand Total	53 627 977	100%	3 189





COMPANY UPDATE PRESENTATION



Highlights



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and answers

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STRATEGIC PRIORITIES FOR 2025



Key Objectives:

U.S. GOLF & LANDSCAPING

- Expanding LNC's footprint in golf and turf management, building on the early success of the pay-as-you-save model to drive recurring revenue and expand adoption.

U.S. AGRICULTURE

- Scaling deployments in high-value permanent crops, leveraging industry partnerships and strong reference projects to drive adoption.

MIDDLE EAST

- Growing licensing revenues and deployment volumes in the Middle East following the transition of pilot projects into larger-scale commercial implementations.

TECHNOLOGY

- Executing the commercial launch of the next-generation production system, unlocking significant operational efficiencies, cost reductions, and the ability to meet increasing demand while opening new revenue opportunities from sales of production units and hardware to partners.

With a strong pipeline, secured contracts, strategic partnerships, and a diversified revenue model—including recurring revenues, upfront projects, hardware and licensing revenues, Desert Control is on track to grow its contracted revenues more than tenfold in 2025.



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**Questions
and answers**

Cautionary Note

FORWARD-LOOKING STATEMENTS

Disclaimer related to forward-looking statements

This release contains forward-looking information and statements relating to the business, performance, and items that may be interpreted to impact the results of Desert Control and/or the industry and markets in which Desert Control operates.

Forward-looking statements are statements that are not historical facts and may be identified by words such as “aims”, “anticipates”, “believes”, “estimates”, “expects”, “foresees”, “intends”, “plans”, “predicts”, “projects”, “targets”, and similar expressions. Such forward-looking statements are based on current expectations, estimates, and projections, reflect current views concerning future events, and are subject to risks, uncertainties, and assumptions, and may be subject to change without notice. Forward-looking statements are not guaranteeing any future performance,

and risks, uncertainties, and other important factors could cause the actual business, performance, results, or the industry and markets in which Desert Control operates in, to differ materially from the statements expressed or implied in this release by such forward-looking statements.

No representation is made that any of these forward-looking statements or forecasts will come to pass or that any forecasted performance, capacities, or results will be achieved, and you are cautioned not to place any undue reliance on any forward-looking statements.

Q4 2024

The information enclosed is subject to the disclosure requirements pursuant to sections 5-12 in the Norwegian Securities Trading Act.



Thank you
for your
attention!

