

Q3 Report And Financial Results

2025



About Desert Control



Technology

A climate-smart 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



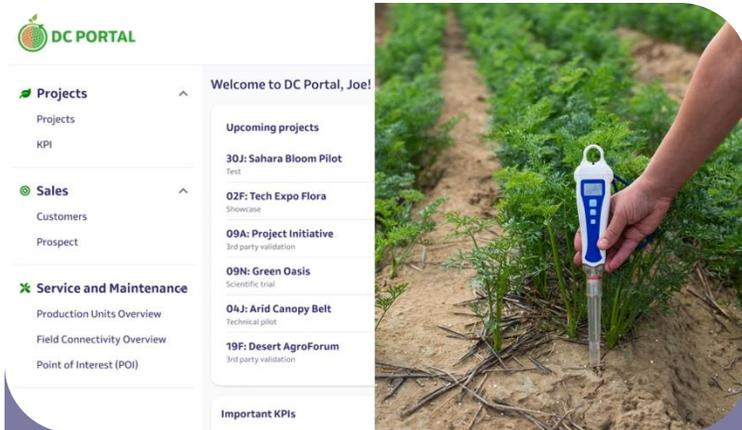
Trees & Forest



Golf, Turf & Landscaping



HOW IT'S DELIVERED



01 Assess & Analyze Design & Prescribe

- ➔ Gain understanding of client needs and location-specific soil and water conditions.
- ➔ Desert Control collects soil samples and implements sensors to assess and monitor soil health and water use.
- ➔ The optimal soil improvement solution is prescribed with a tailored LNC formulation.



02 LNC is Produced On Site With Tailored Formulation

- ➔ Desert Control brings LNC production units (as seen above) to the client location.
- ➔ The unit connects to a local water supply, and the specific formulation of natural materials (clay, minerals, etc.) is loaded into the unit.
- ➔ The unit processes the raw materials into a highly charged liquid nearly as thin as water.



03 Apply Easily Through Irrigation Systems (one-time application)

- ➔ The liquid has sub-micron particles and can safely be applied through irrigation systems.
- ➔ The liquid migrates into the ground, forming a soil structure in the root zone that retains water and nutrients like a sponge.
- ➔ One treatment can last for 5 years.

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

FOCUSED COMMERCIAL STRATEGY WITH MULTIPLE REVENUE STREAMS

United States



Middle-East



Focus Areas

California
Arizona

United Arab Emirates
Saudi Arabia

Commercial Strategy

Direct sales

Licensing partners

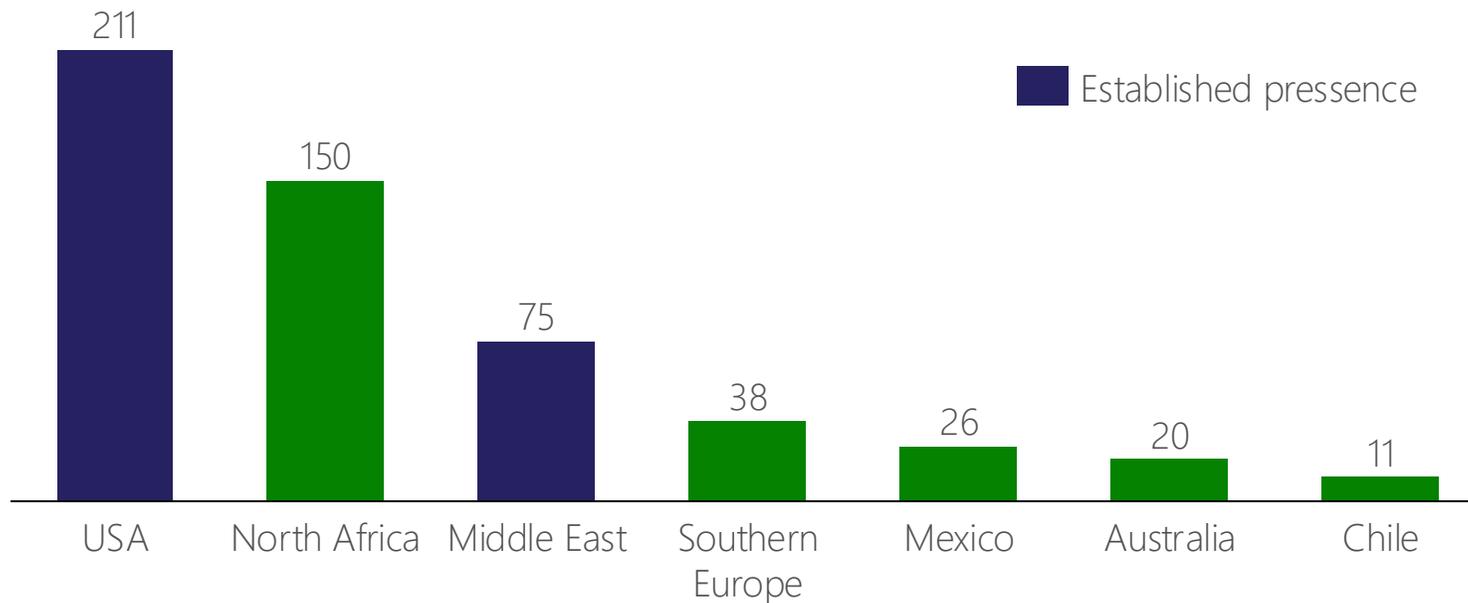
Revenue streams

Pay on Delivery
Pay-as-you save («PAYS»)

Licensing revenue
Hardware sales

ESTABLISHED PRESENCE IN HIGHLY ATTRACTIVE MARKETS

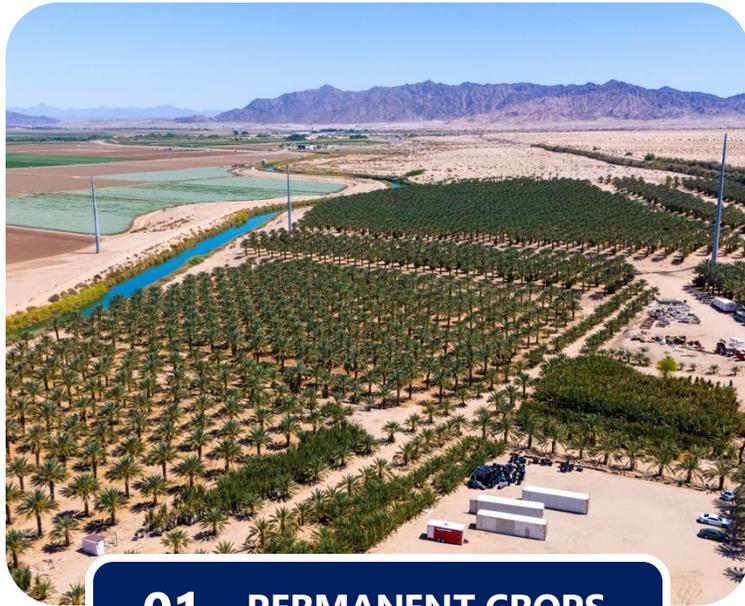
Major addressable markets – Sandy soil agriculture (USD billions)



Desert Control has an established presence in USA and Middle East, two of the largest addressable markets in the world

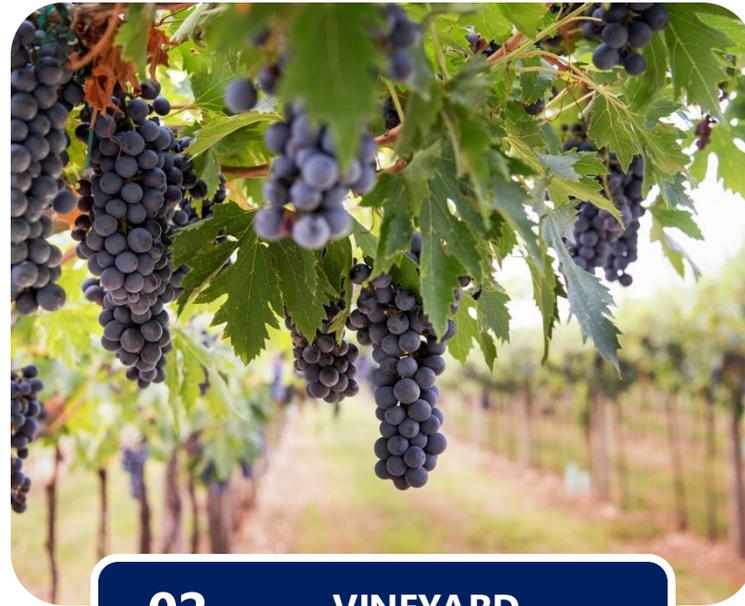
Source: Westwater Research's numbers for US agriculture, National Agriculture statistics service, Independent market research firm, Internal calculations

AGRICULTURAL SUBSEGMENTS

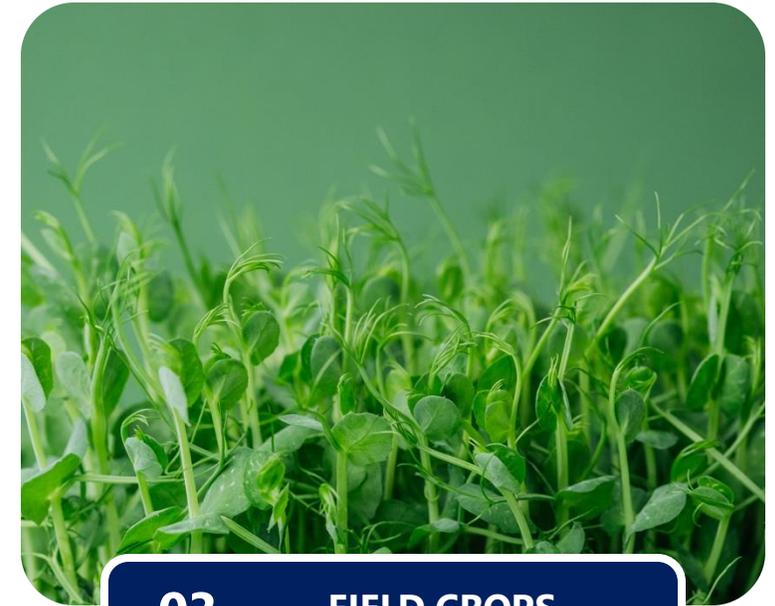


01 PERMANENT CROPS

- Tree nuts
- Orchards



02 VINEYARD



03 FIELD CROPS

- High value (vegetables, berries, etc.)
- Broad crop (alfalfa, corn, cotton, peanuts, etc.)

MAJOR TURF SEGMENTS



Parks



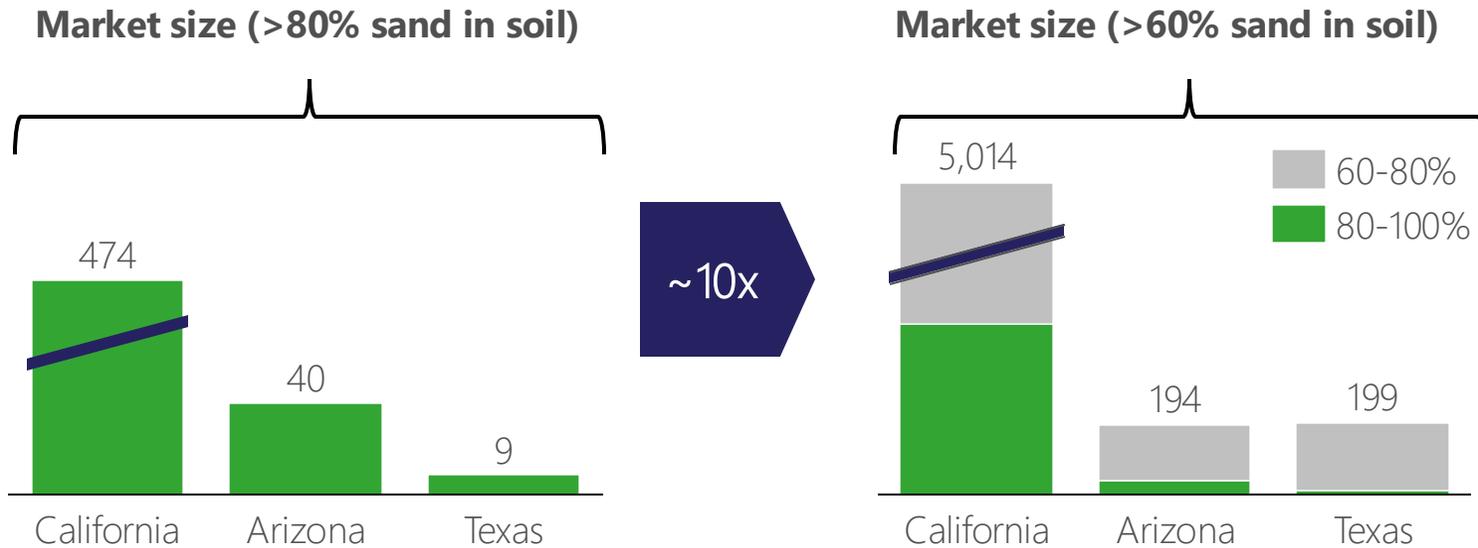
Playing Fields



Golf Courses

SIGNIFICANT MARKET POTENTIAL WITHIN SERVICABLE ADDRESSABLE MARKET IN TIER 1 TARGET STATES IN THE US

(Agriculture segment (excl. Broad Crop), \$ million)



Significant market potential of USD >500m within core Agriculture segments (>80% sand in soil)

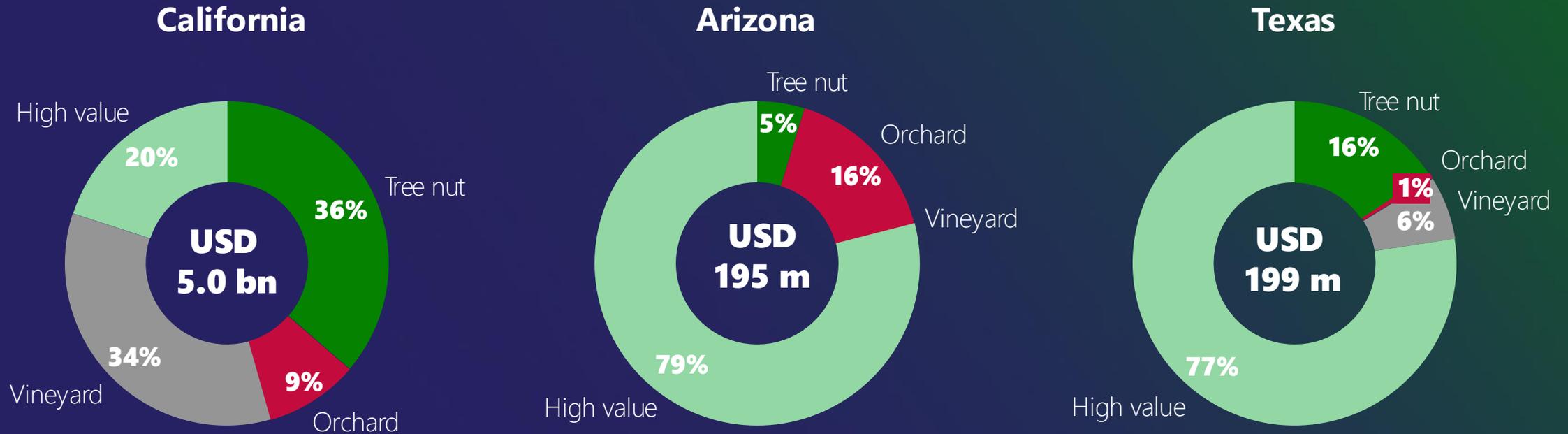
Market potential ~10x larger if also considering areas with 60-80% sand content in soil (Total market potential of USD 5.4 billion)

Core target markets include permanent crops (tree nuts and orchards), vineyards and high value field crop

Westwater Research's numbers for US agriculture, Internal calculations for turf, National Agriculture statistics service

PRIORITY 1 STATES: SUBSEGMENTS (excl. broad crop)

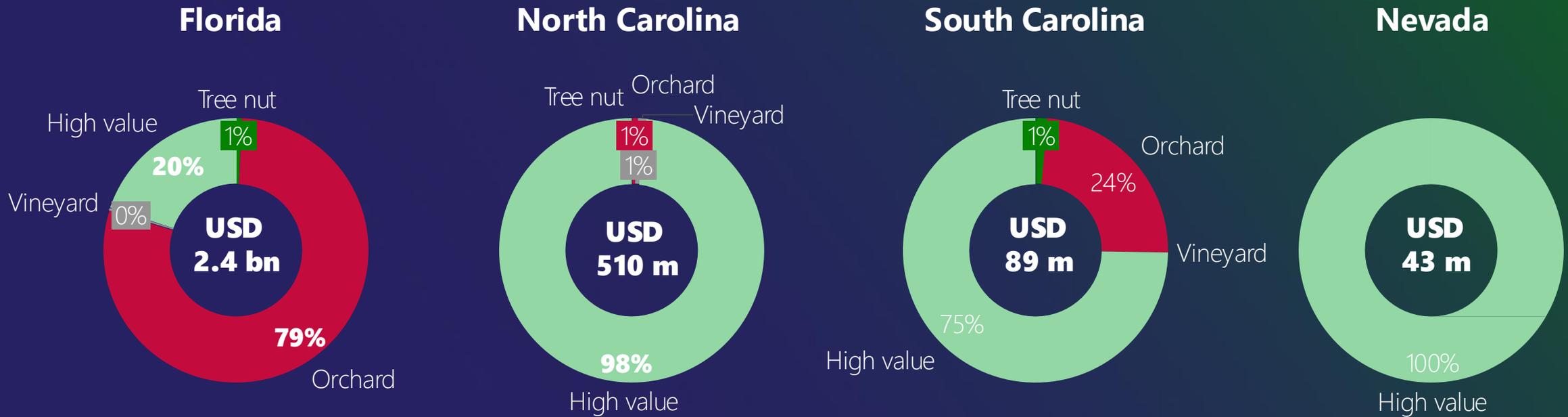
Market size (60-100% sand in soil (excl. broad crop), \$ billion)



Westwater Research's numbers for US agriculture, Internal calculations for turf, National Agriculture statistics service

PRIORITY 2 STATES: SUBSEGMENTS (excl. broad crop)

Market size (60-100% sand in soil (excl. broad crop), \$ billion)



Westwater Research's numbers for US agriculture, Internal calculations for turf, National Agriculture statistics service

Q3 2025 Agenda

COMPANY UPDATE PRESENTATION



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**Questions
and answers**

Q3 2025 & YTD 2025 Highlights

UNITED STATES

Applications

- WHCC: Water savings, incentive programs, and measurable turf health improvements
- Wood Ranch Golf Club: Trial application completed
- First Almond trials initiated this week
- Arizona Soil Health Grant: Now available to our customers to pay 100% of large trials of LNC cost

MIDDLE EAST

Major Award and Further Validations

- Soyl awarded large residential project in Abu Dhabi
- Completed 1 year demonstration in the desert on tree survival & growth with LNC
- Delivered 1st LNC treatment for new public park
- SDC – New University collaboration and strong field validation data

INNOVATION

Scientific and Organizational Updates

- Microbial + LNC trials show improved root health & microbial diversity
- Collaborative research with UiS on advanced techniques for soil-clay interaction analysis
- Detailed engineering & design finalized with Arizona partner for next-gen production unit
- Participation in UN Climate Week with Siemens



U.S. Golf Course Update – Early Commercial Validation

Woodland Hills Country Club (CA)

First Pay-As-You-Save (PAYS) program client.

Reduced irrigation costs while maintaining turf quality.

Q3 water savings and incentive value exceed USD 100K (pending approval).

Berkeley Country Club (CA)

Pilot completed with positive performance data.

Discussions ongoing for full-scale application.

Wood Ranch Golf Club (CA)

Pilot showing consistent water-use reduction results.

Next-phase evaluation planned for 2025.

Los Angeles region → 35 golf courses, ~1,000 acres in LADWP area

California Almond Pilot – Scaling LNC in High-Value Permanent Crops

California produces 80 % of global almonds on 1.4 million acres worth ~USD 10 billion/year. Almonds require $\approx 4,000 \text{ m}^3$ water per hectare annually, driving > USD 1 billion in irrigation costs.

With most orchards already on micro-irrigation, future efficiency gains depend on better soil structure and moisture retention.

The pilot launched this week aims to quantify LNC's potential for water savings and yield stability in commercial orchards.



SOYL – Large Landscaping Award and Positioning

Major New Residential Community Project Award

- Reem Hills gated community in Abu Dhabi under development by Modon Properties
- Over 4 million liters of LNC
- Application phase to follow over next quarters in line with landscaping completion

Recurring Landscaping Work

- Masdar City Connect Park LNC treatment completed in August – first public park installation
- LNC highlighted in Masdar City's 2024 ESG Report as a model for sustainable landscaping

Demonstration and Positioning

- Completed one-year trials at the Baynounah desert forest project
- Testing survivability and growth rates for different native trees without regular irrigation
- Significant better performance seen for LNC treated trees compared to controls
- Participation and strong interest from relevant governmental entities



Saudi Desert Control – Validations and Positioning



Research Collaboration

- Partnered with Princess Nourah University to study LNC in high-clay soils

Positive Field Validations

- > 2× improvement in water retention recorded for different soil environments
- > 3 x increase in nutrient-holding capacity (CEC) in treated plots vs. controls, after 10 months
- Misk City pilot maintaining plant vigor with water reduction through summer heat

Positioning

- Strengthening reputation as technology and research leader supporting Saudi Vision 2030
- Positioning for long term governmental opportunities

Q3 2025 Agenda

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**Questions
and answers**

FINANCIAL REVIEW

Key figures NOK million, unaudited	Quarters		Change Q3 on Q3	First nine months		Change
	Q3 2025	Q3 2024		2025	2024	
LNC Revenue	0,0	0,1		1,6	1,9	
Licensing Royalties	0,1	0,1		0,1	0,1	
Other Income	-	-		-	-	
Total revenue and other income	0,1	0,2	(67%)	1,8	2,0	(9%)
Salary and employee benefit expenses	12,6	9,1	38%	27,6	26,4	5%
Other operating expenses	6,4	4,9	32%	23,4	19,6	19%
Depreciation and amortisation	0,7	1,4	(49%)	2,7	3,8	(28%)
Operating profit or loss	(19,7)	(15,2)	(29%)	(52,7)	(48,1)	(9%)
EBITDA	(19,0)	(14,0)	(3%)	(49,9)	(44,8)	(11%)
Profit / (Loss) for the Period	(20,7)	(15,2)	(36%)	(62,0)	(45,4)	(36%)
Cash and cash equivalents	8,2	74,8	(89%)	8,2	74,8	(89%)
Equity at 30 September	88,1	86,3	2%	88,1	86,3	2%
Equity Ratio	84,3%	95,4%	(12%)	84,3%	95,4%	(12%)



Consolidated Statement Of Comprehensive Income

(Amounts in NOK thousand, unaudited)	Note	Quarters		First nine months	
		Q3 2025	Q3 2024	2025	2024
Revenue from sales	2	60	182	1 779	1 952
Other income		-	-	-	-
Total revenue and other income		60	182	1 779	1 952
Cost of goods sold (COGS)		0	13	686	256
Gross profit		59	169	1 093	1 696
Salary and employee benefit expenses		12 624	9 126	27 587	26 356
Other operating expenses		6 442	4 892	23 448	19 636
Depreciation and amortisation		706	1 397	2 747	3 822
Operating profit or loss		(19 713)	(15 247)	(52 688)	(48 117)
Finance income		(202)	(2 339)	437	7 787
Finance costs		790	(2 055)	9 734	5 026
Profit or loss before tax from continuing operations		(20 706)	(15 531)	(61 985)	(45 356)
Income tax expense		(3)	(0)	20	59
Profit or loss for the year from continuing operations		(20 703)	(15 531)	(62 005)	(45 415)
Discontinued operations					
Profit or loss after tax for the year from discontinued operations		-	(315)	-	(654)
Profit or the loss for the year		(20 703)	(15 846)	(62 005)	(46 069)

(Amounts in NOK thousand, unaudited)	Quarters		First nine months	
	Q3 2025	Q3 2024	2025	2024
Allocation of profit or loss:				
Profit/loss attributable to the parent	(20 703)	(15 846)	(62 005)	(46 069)
Other comprehensive income:				
Items that subsequently may be reclassified to profit or loss:				
Exchange differences on translation of foreign operations	1 491	(3 255)	9 449	(3 526)
Total items that may be reclassified to profit or loss	1 491	(3 255)	9 449	(3 526)
Total other comprehensive income for the year	1 491	(3 255)	9 449	(3 526)
Total comprehensive income for the year	(19 212)	(18 463)	(52 556)	(48 957)
Allocation of total comprehensive income				0
Total comprehensive income attributable to owners of the parent	(19 212)	(18 463)	(52 556)	(48 957)

Consolidated Statement Of Financial Position

	Note	At 30 September		At 31 December	Note	At 30 September		At 31 December
		2025	2024	2024		2025	2024	2024
(Amounts in NOK thousand)		(unaudited)	(unaudited)	(audited)		(unaudited)	(unaudited)	(audited)
ASSETS								
Non-current assets								
Property, plant and equipment		13 775	7 548	11 292				
Right-of-use assets		-	80	-				
Total non-current assets		13 775	7 627	11 292				
Current assets								
Inventory		323	162	152				
Trade receivables		475	264	376				
Other receivables	3	81 646	7 571	6 031				
Other current financial assets		-	3	3				
Cash and cash equivalents	4	8 231	74 833	63 572				
Total current assets		90 675	82 832	70 133				
TOTAL ASSETS		104 450	90 459	81 426				
EQUITY AND LIABILITIES								
Equity								
Share capital	5	161	161	161				
Share premium	6	83 095	133 182	135 118				
Other paid-in capital pending registration	6	63 023	-	-				
Currency translation differences		3 785	(1 565)	(5 664)				
Retained earnings		(62 005)	(45 460)	(54 845)				
Total equity		88 059	86 318	74 769				
Current liabilities								
Current lease liabilities		-	84	-				
Trade and other payables		2 625	2 498	3 448				
Public duties payable		229	513	1 383				
Other current liabilities ¹		13 537	1 047	1 826				
Total current liabilities		16 391	4 141	6 657				
Total liabilities		16 391	4 141	6 657				
TOTAL EQUITY AND LIABILITIES		104 450	90 459	81 426				

¹ Other liabilities increased by NOK 11.97 million in Q3 2025, representing transaction costs related to the rights issue. Of this, NOK 8.07 million was settled through share-based underwriting fees (non-cash) and NOK 3.9 million comprised cash-based capital-raising costs accrued at quarter-end to be paid in Q4 2025.

Sandnes, 05.11.2025



Lars R. Eismark
Executive Chairman



Marit Røed Ødegaard
Board Member



James Thomas
Chief Executive Officer



Maryne Lemvik
Board Member

Consolidated Statement of Cash Flows

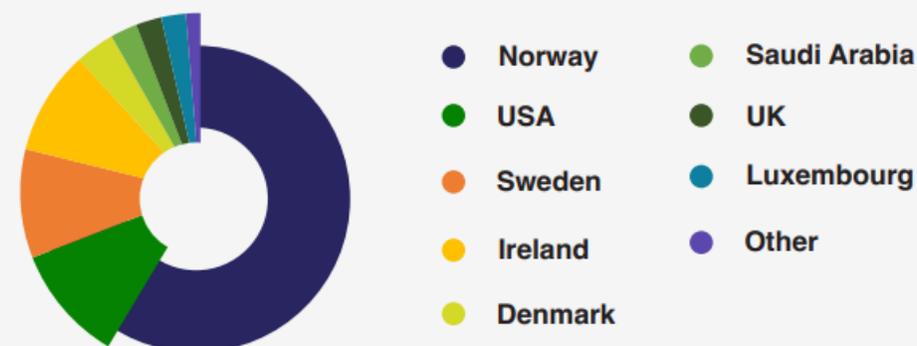
(Amounts in NOK thousand, unaudited)	Quarters		First nine months	
	Q3 2025	Q3 2024	2025	2024
Profit or loss before tax from continuing operations	(20 706)	(15 538)	(61 985)	(45 356)
Profit or loss before tax for discontinued operations	-	(315)	-	(654)
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation and amortisation	1 912	1 397	2 747	3 822
Net financial income/expense	(110)	737	(464)	(2 311)
Foreign exchange gains or losses	3 203	27	8 509	27
Share-based payment expense	533	1 409	3 174	4 195
Adjustments for other non-cash items	7 368		8 638	-
Working capital adjustments:				
Changes in accounts receivable and other receivables	4 461	(1 571)	(883)	(2 590)
Changes in trade payables, duties and social security payables	1 564	(1 895)	1 977	226
Changes in other current liabilities and contract liabilities	(12 053)	(94)	(11 712)	(532)
Net cash flows from operating activities	(13 828)	(15 844)	(49 999)	(43 173)

(Amounts in NOK thousand, unaudited)	Quarters		First nine months	
	Q3 2025	Q3 2024	2025	2024
Cash flows provided by (used in) investing activities (NOK)				
Capital expenditures and investments	(2 953)	(639)	(5 967)	(2 962)
Sale (Purchase) of financial instruments	-	(0)	-	19 613
Proceeds from sale of property, plant and equipment	-	-	-	-
Interest received	110	1 627	725	1 627
Net cash flow provided by (used in) investing activities	(2 843)	988	(5 242)	18 278
Cash flow provided by (used in) financing activities (NOK)				
Proceeds from issuance of equity	-	-	-	-
Transaction costs on issue of shares	-	-	-	-
Lease payments	-	(127)	-	(384)
Interest paid	(0)	-	(19)	-
Net cash flows provided by (used in) financing activities¹	(0)	(127)	(19)	(384)
Net increase/(decrease) in cash and cash equivalents	(16 671)	(14 983)	(55 260)	(25 279)
Cash and cash equivalents at beginning of the year/period	24 841	90 887	63 575	100 008
Net foreign exchange difference	62	(1 072)	(83)	104
Cash and cash equivalents, end of period	8 231	74 833	8 231	74 833

DSRT Shareholders

The Group's shareholders:

Shareholders in Desert Control AS at 30.09.2025	Total shares	Ownership/ Voting rights	Country of origin	No of shares	%	No of shareholders
Woods End Interests LLC	5 343 472	9,9%	Norway	31 438 277	58,5%	3 027
Citibank, N.A.	5 037 386	9,4%	United States	5 645 666	10,5%	3
J.P. Morgan SE	4 042 372	7,5%	Sweden	5 284 006	9,8%	35
Nordnet Livsforsikring AS	2 346 921	4,4%	Ireland	5 037 836	9,4%	11
Olesen	1 586 083	3,0%	Denmark	1 859 358	3,5%	20
BNP Paribas	1 577 799	2,9%	Saudi Arabia	1 300 000	2,4%	1
Lin AS	1 502 275	2,8%	United Kingdom	1 225 545	2,3%	13
Olesen Consult HVAC AS	1 475 000	2,7%	Luxembourg	1 205 543	2,2%	1
Glomar AS	1 368 456	2,6%	Others	751 746	1,3%	56
Lithinon AS	1 352 976	2,5%	Grand Total	53 747 977	100%	3 167
Jakob Hatteland Holding AS	1 222 222	2,3%				
Clearstream Banking S.A.	1 205 543	2,2%				
OKS Consulting AS	1 180 000	2,2%				
Idland	1 010 642	1,9%				
Ninas Holding AS	1 003 394	1,9%				
The Northern Trust Comp, London Br	958 275	1,8%				
Nordnet Bank AB	771 256	1,4%				
Sortun Invest AS	722 768	1,3%				
Handskjeik AS	670 050	1,3%				
Sundvolden Holding AS	419 431	0,8%				
ASO Risk Management AS	398 081	0,7%				
Others	18 553 575	34,5%				
Total	53 747 977	100 %				



Nominee Accounts

- New Norwegian rules (§4-1) require issuers to identify and make public the **beneficial owners** behind nominee-registered shares.
- We executed an SRD II/SWIFT identification via Euronext/VPS with manual follow-ups.
- **≈95% of outstanding shares identified** (incl. J.P. Morgan); small residual positions remain undisclosed.
- The latest overview will be published on our website.
- Current process meets regulatory expectations.



1 ALL HOLDERS

Desert Control AS | SHAREHOLDING AS OF JULY 31, 2025



Shareholder	# Shares	% S/O	Country	Shareholder Type
	Jul 25	Jul 25		
Woods End Interests Llc	5,343,472	9.94%	United States	Legal person
Mirza Reza Mehdi Pooya	3,511,329	6.53%	Pakistan	Natural person
Nordnet Livsforsikring As	3,370,387	6.27%	Norway	Legal person
Handelsbanken Nordiska Smabolag	1,808,533	3.36%	Sweden	Legal person
Handelsbanken Microcap Norden	1,714,379	3.19%	Sweden	Legal person
Ole Morten Olesen	1,586,083	2.95%	Norway	Natural person
Lin As	1,502,275	2.80%	Norway	Legal person
Olesen Consult Hvac As	1,475,000	2.74%	Norway	Legal person
Glomar As	1,368,456	2.55%	Norway	Legal person
Lithinon As	1,352,976	2.52%	Norway	Legal person
Snb Capital Private Fund 912	1,300,000	2.42%	Saudi Arabia	Legal person
Jakob Hatteland Holding As	1,222,222	2.27%	Norway	Legal person
Oks Consulting As	1,180,000	2.20%	Norway	Legal person
Ninas Holding As	1,003,394	1.87%	Norway	Legal person
Atle Idland	800,000	1.49%	Norway	Natural person
Sortun Invest As	722,768	1.34%	Norway	Legal person
Handskjeik As	625,276	1.16%	Norway	Legal person
Sundvolden Holding As	509,431	0.95%	Norway	Legal person
Handelsbanken Emea Tema	417,128	0.78%	Sweden	Legal person
Hmh Invest As	410,000	0.76%	Norway	Legal person
Aso Risk Management As	386,081	0.72%	Norway	Legal person
Savoca As	377,876	0.70%	Norway	Legal person
E.T.T Holding As	377,832	0.70%	Norway	Legal person
Stig Hay	330,000	0.61%	Norway	Natural person
C-S Holding As	301,139	0.56%	Norway	Legal person
Rune Skjei	276,137	0.51%	Norway	Natural person
Urban Cowboy As	260,000	0.48%	Norway	Legal person
Mtb Eiendomsutvikling As	244,310	0.45%	Norway	Legal person
Sparli As	200,000	0.37%	Norway	Legal person
Brppp Netherland Asn Biodiversiteitsfonds N V Asn Biodiversiteitsfonds	186,517	0.35%	Netherlands	Legal person
Alfonso As	170,000	0.32%	Norway	Legal person
Tor Mæhlum Karlsen	163,000	0.30%	Norway	Natural person
Mce Holding As	152,958	0.28%	Norway	Legal person
Storebrand Sverige Plus	151,479	0.28%	Sweden	Legal person
Ubatuba As	150,000	0.28%	Norway	Legal person
Kjell Kristoffersen As	150,000	0.28%	Norway	Legal person
Stoknes Futures As	137,000	0.25%	Norway	Legal person
Jørgen Rui	130,224	0.24%	Norway	Natural person
Atle Vimme	130,015	0.24%	Norway	Natural person

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COMPANY UPDATE PRESENTATION



Highlights



Financials



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**Questions
and answers**

Inflection Point broadens commercial expansion

Inflection point

Recent technological breakthroughs drive the transition from pilots to accelerating commercialization

High-growth potential

10x revenue expansion targeted from '25 to '27 with scalable profitability

Strong market drivers

Water costs, resource scarcity and regulatory shifts accelerate demand

Balanced capital strategy

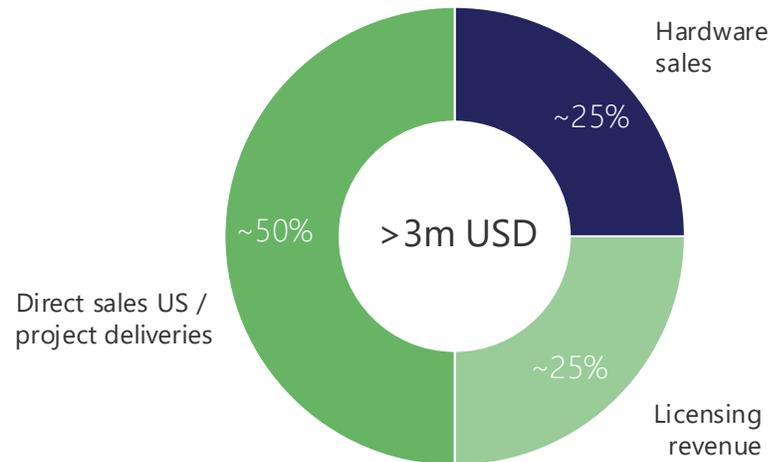
High-capacity production units allow for efficient capital allocation

Scalable expansion

Additional Locations and Licensors in United States, Middle East, and Europe

Milestones expected over The next 18 months

Estimated revenue 2026



Revenue defined as revenue recognized for the fiscal year + further revenue expected to be generated through PAYS contracts over the remaining contracting period

Key milestones for 2025/2026

- *Better execution in all areas, particularly in California*
- *Construction and delivery of new production units*
- *8 golf course pilots*
- *7 agriculture pilots California*
- *2 full golf course applications*
- *Initiation of large-scale contract in the Middle East*
- *Continuation of research confirming additional use cases and yield increase within agriculture segment*

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Financials



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**Questions
and answers**

Cautionary Note

This report contains forward-looking statements related to Desert Control's business, financial condition, operational results, and industry developments. These statements are based on management's current expectations, estimates, and projections about future events and trends, including but not limited to market adoption, regulatory developments, financial performance, and strategic growth initiatives.

Forward-looking statements are inherently subject to risks, uncertainties, and assumptions that could cause actual results to differ materially from those expressed or implied. These include, among others, risks related to market conditions, competition, regulatory changes, technology validation, supply chain constraints, macroeconomic factors, foreign exchange fluctuations, and the ability to secure and scale commercial contracts.

Terminology such as "expects," "intends," "plans," "believes," "anticipates," "projects," "targets," or similar expressions indicate forward-looking statements. While Desert Control considers these assumptions reasonable, there is no assurance that they will be realized. Investors are cautioned not to place undue reliance on forward-looking statements, as actual outcomes may differ due to external factors beyond the Company's control.

Except as required by law, Desert Control assumes no obligation to publicly update or revise forward-looking statements in light of new information or future events. This statement is made in accordance with applicable securities laws, including Section 5-12 of the Norwegian Securities Trading Act.





Thank you!

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