

Q2

REPORT 2024



www.desertcontrol.com



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CEO Message



Desert Control made solid progress in the second quarter of 2024, with advancements in technology development, strategic partnerships, market expansion, and significant acceleration of project installations.

We increased our pilot acquisition rate in the United States, with several projects bypassing initial small-scale testing and moving directly to extended (stage-2) pilots. This milestone underscores growing confidence in our Liquid Natural Clay (LNC) technology. The quarter saw strong performance in citrus, dates, and vineyards, and we made significant headway in the golf course market. Development of a new prototype system accelerated installations to record numbers, enhancing efficiency and reducing costs, strengthening the value of LNC adoption.

In the Middle East, engagements with governments and authorities are progressing toward integrating LNC into regulatory frameworks as a preferred solution for soil and water conservation requirements. These efforts aim to pave the way for broader adoption and align with our strategy to become the region's leading solution provider for critical water scarcity issues. Our partners'

pipeline continues to grow, with several notable implementations underway.

Innovation remains at the core of our growth strategy. Recent collaborations with Syngenta and the University of California validate LNC's growing recognition in soil health beyond water conservation. Another significant technological milestone is the sixfold increase in production capacity with the development of a new, compact, and lightweight prototype system, which significantly improves the mobility, efficiency, and scalability of LNC deployments.

Looking ahead, we aim to drive the adoption of economical, scalable, and sustainable solutions to global challenges of water scarcity and soil degradation, creating long-term value for customers, partners, and shareholders.

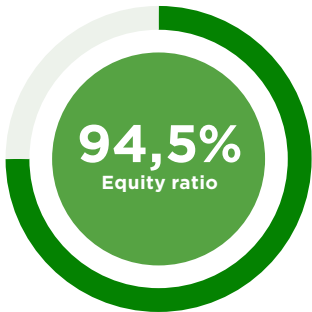
The achievements of the second quarter lay a strong foundation for continued success and growth.

Ole Kristian Sivertsen
Chief Executive Officer
Desert Control



Key Figures *

NOK million	Quarters		First Half	
	2Q 2024	2Q 2023	2024	2023
LNC Revenue	0,5	0,0	1,8	0,9
Other Income	-	0,4	-	1,4
Revenue	0,5	0,5	1,8	2,3
EBITDA	-16,0	-19,5	-30,4	-42,9
Net Income	-22,3	-18,2	-30,2	-37,5
Total cash balance (Bank deposits and funds)	91	42	91	42
Equity 30.06.2024	100	68	100	68
Equity Ratio	94,5%	91,2%	94,5%	91,2%



* The figures presented in this section includes both continued and discontinued operations. Revenue as outlined includes contributions from 'Other Revenue,' which originated from the cessation of our direct activities in the Middle East and the shift towards a licensing model in the prior year. These figures reflect the net outcome after adjusting for goodwill, covering the final transactions, including sales, settlements, and the formation of licensing agreements, as part of our strategic decision to discontinue direct operations in this region. These impacts were disclosed in the 2023 annual report. No material changes have taken place in the first half of 2024 compared with the annual report. For further details into the financial impact of this decision, including the details on discontinued operations, readers need to refer to Note 5, "Discontinued Operations," in this quarterly financial report.



Company Update

TECHNOLOGICAL BREAKTHROUGHS DROVE RECORD GROWTH IN INSTALLATIONS

Significant Technological Advancements

Desert Control achieved notable technological milestones in the second quarter of 2024. The prototype development of the next-generation Liquid Natural Clay (LNC) production system increased production capacity sixfold compared



Field-testing of new LNC prototype production system.

to the second quarter of 2023. The new prototype's lightweight, nimble design allows for profitably taking on a broader range of projects. Integration of LNC application with client irrigation systems continued to streamline deployment processes, reducing time and costs of project execution. These advancements strengthen the company's capabilities to transition from pilot-scale projects to larger deployments.

Accelerated U.S. Market Expansion

The U.S. market has rapidly expanded, with the project portfolio growing from 29 to 38 projects. Field-testing the new LNC production prototype drove a record increase in installations, with 15 projects executed since the last report and nine in the second quarter. This highlights improved efficiency and faster project turnaround times, unlocking profitable pathways to new opportunities. Additionally, several projects have moved directly to extended stage-2 pilots, bypassing initial small-scale testing, demonstrating growing market trust.

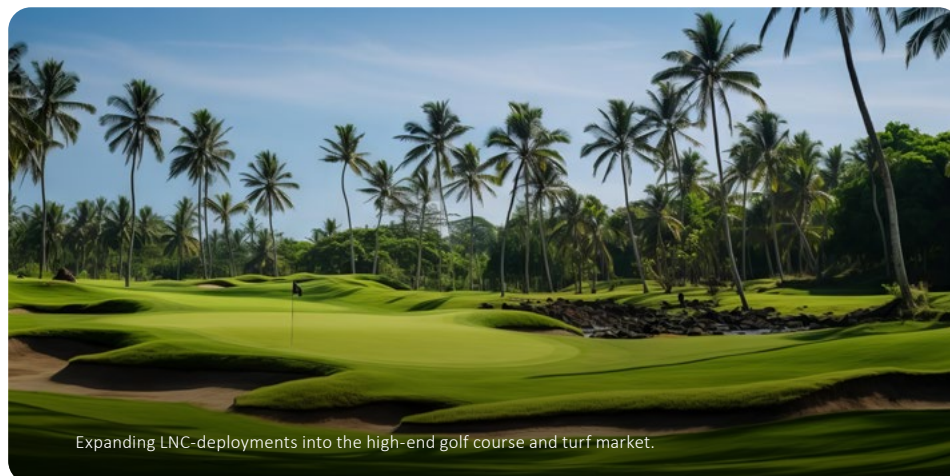


LNC treated date palms in Yuma, Arizona.

INCREASED PILOT ACQUISITION RATE AND NEW MARKET WINS SECURED IN THE UNITED STATES

Robust Traction

Intensified sales efforts have accelerated the pilot acquisition rate, historically averaging five new pilots per quarter. Strong performance includes permanent crops such as citrus, dates, and vineyards, alongside significant progress in landscaping.



Expanding LNC-deployments into the high-end golf course and turf market.

New Market Penetration

New sales and business development personnel have driven expansion into high-value segments, securing notable opportunities with golf courses and sports fields. The portfolio of golf course projects expanded to 10 technical pilots, with another two golf courses having advanced to stage-2 deployments for entire fairways. Early observations are encouraging with increased soil moisture retention and lower salinity, paving the way for large-scale

contracts towards the end of the year for deployments in 2025 and beyond.

ACCELERATED REGULATORY INTEGRATION AND SOLIDIFIED POSITION IN THE MIDDLE EAST

Progress with Regulatory Initiatives

Efforts to integrate LNC into regulatory frameworks for soil and water conservation requirements in the UAE are actively underway, establishing a foundation for long-term market stability and adoption.

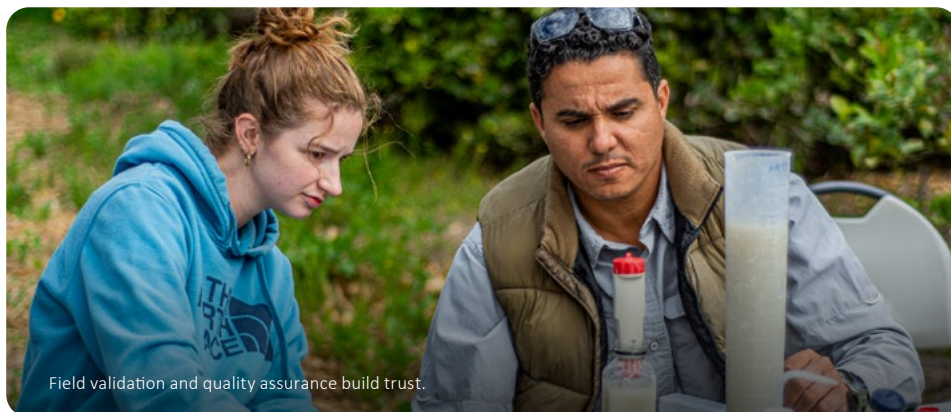


Strategic pieces coming together in the Middle East.

Strengthened Middle East Market Position

The first phase of LNC deployment for a residential development project in Abu Dhabi was completed, with the second phase commencing in the third quarter. Strategic pilots with developers and government entities have been secured to demonstrate LNC's potential in larger-scale applications. In Saudi Arabia, both licensed operators are now fully operational with offices and production capacity. Initial pilots

and deployments are underway with government entities and large commercial enterprises. A showcase pilot with a leading food industry player is scheduled for the second half of 2024. Engagements with large-scale urban development projects and conservation initiatives are progressing, with several notable pilots planned for the coming quarters.



Field validation and quality assurance build trust.

ENTERED NEW PARTNERSHIPS AND EXPANDED MARKET VALIDATION

Strategic Partnership

Desert Control's recently announced MoU with Syngenta, one of the world's largest agricultural technology companies, aims to further validate the LNC technology and expand its impact beyond water savings to holistic soil health solutions. This collaboration will empower new innovations, enhancing impact, market reach, and credibility.

Market Validation

Additional research collaborations initiated with the University of California and their leading Turf Research Center in Riverside aim to position LNC as a relevant, trusted, and attractive solution in this specialty segment, opening doors to the broader golf course and turf market. The five-year research program with the University of Arizona also continues, with an interim publication currently under peer-review expected to conclude in the coming months.



Record number of LNC-deployments in 2024.



Webcast presentation for Desert Control Q2 2024 Report and Interim Financial Results is hosted on 20 August 2024 at 10:00 AM, Central European Time (CET). Register: <https://go.desertcontrol.com/Q2-2024>



Outlook

A robust pipeline of pilots and deployments in the U.S. and Middle East, combined with progress on integrating LNC into regulatory frameworks, positions Desert Control for continued expansion, with several initiatives underway to develop a market leadership position in soil

and water conservation solutions. Ongoing technological advancements and successful projects strengthen the company’s capabilities for larger-scale commercial deployments, enhancing the foundation for substantial long-term value creation for stakeholders.





Responsibility Statement

Today, the Board of Directors and the Chief Executive Officer have reviewed and approved the Desert Control Group Condensed Interim Financial Statements as of 30 June 2024.

Pursuant to the Norwegian Securities Trading Act § 5-6 and the Norwegian Accounting Act § 3-3d, we confirm to the best of our knowledge that:

The Desert Control Group Condensed Interim Financial Statements for the first half of 2024 have been prepared in accordance with IFRS

Accounting Standards as adopted by the European Union (EU), IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), and additional Norwegian disclosure requirements.

The Condensed Interim Financial Statements give a true and fair view of the Group's assets, liabilities, financial position, and results as of 30 June 2024.

The interim report gives a fair view of important events that have occurred during the first six months of the financial year and their impact on the Condensed Interim Financial Statements, and the principal risks and uncertainties for the remaining six months of the financial year.

Sandnes, 19.08.2024

Knut Nesse
Chair

Lars Raunholt Eismark
Board Member

Marit Røed Ødegaard
Board Member

Roar Husby
Board Member

Ole Kristian Sivertsen
Chief Executive Officer

Maryne Lemvik
Board Member

James Thomas
Board Member



CONDENSED INTERIM FINANCIAL STATEMENTS AND NOTES

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Consolidated Statement of Comprehensive Income

(Amounts in NOK thousand, unaudited)	Notes	Quarters		First half	
		Q2 2024	Q2 2023	2024	2023
Revenue from sales	2	507	19	1 770	845
Other income		-	15	-	525
Total revenue and other income		507	34	1 770	1 370
Cost of goods sold (COGS)		89	3	242	63
Gross margin		418	31	1 527	1 307
Salary and employee benefit expenses		7 399	8 069	17 230	20 130
Other operating expenses		9 054	6 850	14 744	13 470
Depreciation and amortisation		1 139	1 135	2 424	1 998
Operating profit or loss		-17 174	-16 022	-32 870	-34 291
Finance income		1 968	3 821	10 126	9 825
Finance costs		7 076	443	7 081	441
Profit or loss before tax from continuing operations		-22 282	-12 645	-29 825	-24 907
Income tax expense		9	8	59	11
Profit or loss for the year from continuing operations		-22 291	-12 653	-29 884	-24 918
Discontinued operations					
Profit or loss after tax for the year from discontinued operations	5	-16	-5 584	-339	-12 614
Profit or the loss for the year		-22 307	-18 236	-30 223	-37 532

(Amounts in NOK thousand, unaudited)	Notes	Quarters		First half	
		Q2 2024	Q2 2023	2024	2023
Allocation of profit or loss:					
Profit/loss attributable to the parent		-22 307	-18 236	-30 223	-37 532
Other comprehensive income:					
Items that subsequently may be reclassified to profit or loss:					
Exchange differences on translation of foreign operations		-82	-2 693	-271	46
Total items that may be reclassified to profit or loss		-82	-2 693	-271	46
Total other comprehensive income for the year		-22 389	-2 693	-30 494	46
Total comprehensive income for the year		-22 389	-20 930	-30 494	-37 486
Allocation of total comprehensive income					
Total comprehensive income attributable to owners of the parent		-22 389	-20 930	-30 494	-37 486



Consolidated Statement of Financial Position

(Amounts in NOK thousand)	Notes	At 30 June		At 31 December
		2024	2023	2023
		(unaudited)	(unaudited)	(audited)
ASSETS				
Non-current assets				
Property, plant and equipment	5	8 201	7 055	8 044
Right-of-use assets	5	201	647	439
Total non-current assets		8 403	7 701	8 484
Current assets				
Inventory		277	230	217
Trade receivables		18	21	17
Other receivables		6 131	4 404	5 172
Other current financial assets		2	23 979	19 616
Cash and cash equivalents	4	90 887	18 004	100 008
Total current assets		97 316	46 637	125 030
Assets classified as held for sale	5	-	20 046	-
TOTAL ASSETS		105 718	74 385	133 514
EQUITY AND LIABILITIES				
Equity				
Share capital	3	161	124	161
Share premium		323 776	230 849	321 180
Currency translation differences		-124	-1 290	-80
Retained earnings		-223 877	-161 840	-192 194
Total equity		99 937	67 843	129 067

(Amounts in NOK thousand)	Notes	At 30 June		At 31 December
		2024	2023	2023
		(unaudited)	(unaudited)	(audited)
Non-current liabilities				
Non-current lease liabilities		-	702	-
Total non-current liabilities		-	702	-
Current liabilities				
Current lease liabilities		210	217	464
Trade and other payables		4 113	3 294	1 873
Public duties payable		915	690	912
Other current liabilities		543	1 638	1 198
Total current liabilities		5 781	5 839	4 448
Total liabilities		5 781	6 541	4 448
TOTAL EQUITY AND LIABILITIES		105 718	74 384	133 514

Sandnes, 19.08.2024

Knut Nesse
ChairLars Raunholt Eismark
Board MemberMarit Røed Ødegaard
Board MemberRoar Husby
Board MemberMaryne Lemvik
Board MemberJames Thomas
Board MemberOle Kristian Sivertsen
Chief Executive Officer



Consolidated Statement of Changes in Equity

(Amounts in NOK thousand, unaudited)	Share capital	Share premium	Cumulative translation differences	Retained earnings	Total equity
At 1 January 2023	123	230 849	-1 336	-122 636	107 001
Profit (loss) for the year				-37 532	-37 532
Other comprehensive income			46	-5 613	-5 567
Issue of share capital	1				1
Share based program options				3 940	3 940
At 30 June 2023	124	230 849	-1 290	-161 841	67 843
At 1st January 2024	161	321 180	-80	-192 194	129 067
Profit (loss) for the period	-			-30 223	-30 223
Other comprehensive income					-
Issue of share capital	0				0
Currency translation effects			-44	-1 650	-1 694
Share based program options		2 597		190	2 787
At 30 June 2024	161	323 776	-124	-223 877	99 937



Consolidated Statement of Cash Flows

		Quarters		First half	
(Amounts in NOK thousand, unaudited)	Notes	Q2 2024	Q2 2023	2024	2023
Income / (loss) before tax for continued operations		-22 282	-12 645	-29 818	-24 907
Income / (loss) before tax for discontinued operations		-16	-5 584	-339	-12 614
Adjustments to reconcile profit before tax to net cash flows:					
Depreciation and amortisation and net impairments	1 139	2 092	2 424	3 999	
Net financial income/expense	5 111	-3 380	-3 048	-9 384	
Foreign exchange gains or losses	-	-	-	-	
Share-based payment expense	1 393	2 025	2 787	3 940	
Working capital adjustments:					
Changes in accounts receivable and other receivables	-186	5 066	-1 019	6 198	
Changes in trade payables, duties and social security payables	2 181	-1 682	2 121	-1 964	
Changes in other current liabilities and contract liabilities	-673	-1 370	-438	-3 200	
Net cash flows from operating activities		-13 333	-15 476	-27 330	-37 931
Cash flows provided by (used in) investing activities (NOK)					
Capital expenditures and investment	-1 251	-	-2 323	-346	
Sale (Purchase) of financial instruments	-0	14 924	19 613	17 437	
Proceeds from sale of property, plant and equipment	-	433	-	1 234	
Interest received	-	82	-	170	
Net cash flow provided by (used in) investing activities		-1 251	15 439	17 290	18 495

		Quarters		First half	
(Amounts in NOK thousand, unaudited)	Notes	Q2 2024	Q2 2023	2024	2023
Cash flow provided by (used in) financing activities (NOK)					
Proceeds from issuance of equity	-	1	-	1	
Lease payments	-129	-128	-256	676	
Interest paid	-	-4	-	-2	
Net cash flows provided by (used in) financing activities		-129	125	-256	675
Net increase/(decrease) in cash and cash equivalents		-14 713	88	-10 296	-18 761
Cash and cash equivalents at beginning of the year/period	105 125	17 795	100 008	36 791	
Net foreign exchange difference	475	121	1 176	-26	
Cash and cash equivalents, end of period		90 887	18 004	90 887	18 004





Notes to the Consolidated Financial Statements



1.1 GENERAL INFORMATION

Corporate information

The consolidated financial statements of Desert Control AS and its subsidiaries (collectively, “the Group”, “Company” or “Desert Control”) for the three months period ended 30 June 2024 were authorised for issue by a Board meeting held on 19 August 2024.

Desert Control AS is a private limited liability company incorporated and domiciled in Norway. It’s shares are traded at the unregulated market place Euronext Growth. The Group’s head office is located at Grenseveien 21, 4313 Sandnes, Norway.

Desert Control specializes in climate-smart Agri-tech solutions to combat desertification, soil degradation, and water scarcity. Its patented Liquid Natural Clay (LNC) enables sustainable ecosystem management by restoring and protecting soil’s ability to preserve water and increase yields for agriculture, forests, and green landscapes.

1.2 BASIS OF PREPARATION

The consolidated financial statements of the Group comprise consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity, and related notes.

The consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards as adopted by The European Union (“EU”).

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments measured at fair value. Further, the financial statements are prepared based on the going concern assumption.

Comparative financial information is provided for the preceding period in the Consolidated statement of comprehensive income, Consolidated statement of financial position and Consolidated statement of cash flows.

Presentation currency and functional currency

The consolidated financial statements are presented in Norwegian Kroner (NOK), which is also the functional currency of the parent company. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

For presentation purposes, balance sheet items are translated from functional currency to presentation currency by using exchange rates at the reporting

date. Items within total comprehensive income are translated from functional currency to presentation currency by applying monthly average exchange rates. If currency rates are fluctuating significantly, transaction date exchange rates are applied for significant transactions. The subtotals and totals in some of the tables in the notes may not equal the sum of the amounts shown in the primary financial statements due to rounding. All amounts have been rounded to the nearest thousand unless otherwise stated.

Going concern basis of accounting

Desert Control is currently in the pre-commercialization phase, focusing on refining our technologies and securing key partnerships for market entry. The company anticipate completing this phase within the next two years, transitioning into commercial operations and revenue generation by the end of 2025.

This timeline is based on current progress in product development, expected regulatory approvals, and initial customer engagement strategies. Management is committed to regularly reviewing and updating this timeline as circumstances evolve, ensuring financial strategies are aligned with operational milestones to support the ongoing viability of the company. Desert Control’s consolidated financial statements are prepared on a going concern basis.



1.3 SIGNIFICANT ACCOUNTING POLICY CHANGES

PPE Capitalisation of prototype development cost for the next generation LNC production systems.

Starting in Q2 2024, the Company has implemented a change in its accounting policy by commencing the capitalisation of costs directly associated with the development and construction of certain next generation LNC production systems, in accordance with IAS 16 – Property, Plant and Equipment. Previously, these costs were expensed as incurred. The decision to capitalise these costs reflects a reassessment of the nature and future economic benefits of the assets being developed. These developments are expected to generate future economic benefits, including enhanced production capacity, operational efficiency, and the potential for increased market opportunities. Capitalising these costs aligns the recognition of expenses more closely with the periods in which the related economic benefits are expected to be realized, thereby providing more relevant and reliable financial information to users of the financial statements.

2 REVENUE FROM CONTRACTS WITH CUSTOMER

ACCOUNTING POLICIES

Revenue

Revenue from sales is recognised when control of the goods or services transfers to the customer, reflecting the total consideration expected under the terms of the contract. Specifically, for our product LNC, revenue is recognised at the moment the product is applied at the delivery

point, as this is when control typically passes to the customer, in accordance with the contractual agreements. This process marks the completion of the sole performance obligation per sale.

The Group's revenue from contracts with customers has been disaggregated and presented in the tables below:

	Quarters		First Half	
	2Q 2024	2Q 2023	2024	2023
By area of operation: (Amounts in NOK thousand)				
Liquid NaturalClay (LNC) continued operations	507	18	1 770	845
Liquid NaturalClay (LNC) discontinued operations	-	-	-	48
Total	507	18	1 770	893

	Quarters		First Half	
	2Q 2024	2Q 2023	2024	2023
By geographic market:				
Norway	-	-	-	-
USA	507	18	1 770	845
UAE, ref note 5 discontinued operations	-	-	-	48
Total	507	18	1 770	893



3 EQUITY AND SHAREHOLDERS

ACCOUNTING POLICIES

Costs related to equity transactions

Transaction costs are deducted from equity, net of associated income tax.

Distribution to shareholders

The Group recognises a liability to make distributions to equity holders when the distribution is authorised and no longer at the discretion of the Group. As per the corporate laws of Norway, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

No distributions were made to shareholders in the current or prior period.

Issued capital and reserves:

	Number of shares authorised and fully paid	Par value per share (NOK)	Financial Position
Share capital in Desert Control AS			
At 31 December 2022	41 099 680	0,003	123 299
Share issue 10 March 2023	227 109	0,003	681
Share issue 31 July 2023	1 000 000	0,003	3 000
Share issue 13 October 2023	10 000 000	0,003	30 000
Share issue (rep) 17 November 2023	1 181 188	0,003	3 544
At 31 December 2023	53 507 977	0,003	160 524
Share issue 22 February 2024	120 000	0,003	360
At 30 June 2024	53 627 977	0,003	160 884

All shares are ordinary and have the same voting rights and rights to dividends.

Reconciliation of the Group's equity is presented in the statement of changes in equity.

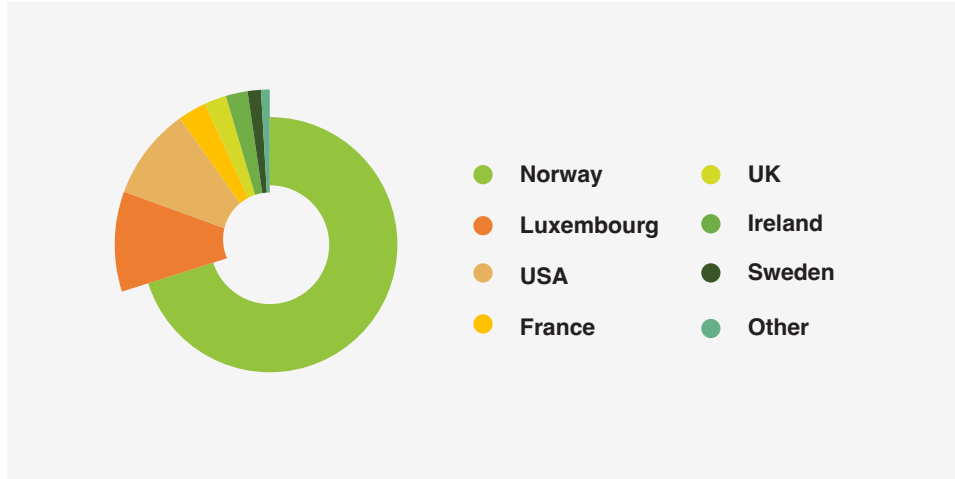


The Group’s shareholders:

Shareholders in Desert Control AS at 30.06.2024	Total shares	Ownership/ Voting rights
OLESEN CONSULT HVAC AS	5 900 000	11,0%
Woods End Interests LLC	5 343 472	10,0%
J.P. Morgan SE	4 331 440	8,1%
NORDNET LIVSFORSIKRING AS	2 248 053	4,2%
DNB BANK ASA	2 003 270	3,7%
LITHINON AS	1 720 002	3,2%
BNP Paribas	1 613 470	3,0%
OLE MORTEN OLESEN	1 586 083	3,0%
LIN AS	1 502 275	2,8%
GLOMAR AS	1 368 456	2,6%
NESSE & CO AS	1 360 000	2,5%
JAKOB HATTELAND HOLDING AS	1 222 222	2,3%
CLEARSTREAM BANKING S.A.	1 216 807	2,3%
Citibank	1 212 280	2,3%
OKS CONSULTING AS	1 050 000	2,0%
The Northern Trust Comp	958 275	1,8%
SORTUN INVEST AS	949 937	1,8%
ATLE IDLAND	888 888	1,7%
SUNDEVOLDEN HOLDING AS	554 431	1,0%
Others	16 598 616	31,0%
TOTAL	53 627 977	100,0%

Origin of shareholders

Country of Origin	No of shares	%	# shareholders
Norway	36 986 673	69,0%	3 319
United States	5 643 460	10,5%	6
Luxembourg	5 548 247	10,3%	7
France	1 609 173	3,0%	5
United Kingdom	1 388 145	2,6%	8
Ireland	1 217 955	2,3%	11
Sweden	713 182	1,3%	15
Others	521 142	1%	30
Grand Total	53 627 977	100%	3 401





4 CASH AND CASH EQUIVALENTS

ACCOUNTING POLICIES

Cash and cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits. Restricted bank deposits comprise of cash for withholding taxes which may not be used for other purposes.

	At 30 June		At 31 December
	2024	2023	2023
Cash and cash equivalents (Amounts in NOK thousand)			
Bank deposits, unrestricted	91 048	17 043	99 522
Bank deposits, restricted	-161	961	486
Total cash and cash equivalents	90 887	18 004	100 008

Bank deposits earns a low interest at floating rates based on the bank deposit rates.



The growth in project volume and LNC deployment, combined with improved EBITDA figures, underscores the enhanced efficiency of operations.



5 DISCONTINUED OPERATIONS

Middle East Operations

In June 2023, Desert Control entered into a significant agreement with Mawarid Holding Investment LLC (MHI) for the sale of its production entity in the United Arab Emirates, which included transferring the shares in the joint venture, Mawarid Desert Control, along with the Liquid Clay (LNC) production assets. This agreement designated MHI as the exclusive licensed operator for the UAE, aiming to expand operations across the Middle East. Subsequently, in July 2023, an agreement

was reached with Holistic Earth Advanced Regeneration Technologies SA (H-EART), resulting in the transfer of a LNC Production cluster, which includes four production units, and granting H-EART an operational license for production, sales, and delivery of LNC in the Kingdom of Saudi Arabia.

Following these agreements, Desert Control Middle East LLC initiated the liquidation process to phase out the company's operations in the Middle East effectively.

In alignment with IFRS 5, the Group has classified its operations in the United Arab Emirates as discontinued following

the strategic decision to exit the market. This reflects a significant shift in our geographical and operational focus, deemed material to our business structure and financial outlook.

The financial results from these discontinued operations, including the gain or loss on deconsolidation, are separately reported in the Consolidated Statement of Comprehensive Income to enhance clarity and decision-usefulness for our stakeholders. Non-current assets and disposal groups related to these operations were measured at the lower of their carrying amount and fair value less costs to sell and have been presented as

held for sale in prior reporting periods until their disposal in 2023.

As of this date, Desert Control has no assets classified as held for sale, indicating the completion of significant transactions related to the discontinued operations within the 2023 fiscal year. All remaining minor transactions are expected to be settled by the final liquidation of Desert Control Middle East LLC in 2024.

The net results from these discontinued operations have been reported as a single line item in the Consolidated Statement of Comprehensive Income. For enhanced transparency and comparability, prior period figures have been restated.

Net result for discontinues operations as of 30 June 2024

(Amounts in NOK thousand, unaudited)

	Notes	Quarters		First half	
		Q2 2024	Q2 2023	2024	2023
Revenue from sales	2	0	0	-0	48
Other income		-	417	5	923
Total income from discontinued operations		-	417	5	971
Cost of goods sold (COGS)		-	-166	156	226
Gross margin from discontinued operations		-	583	-151	745
Salary and employee benefit expenses		-	3 198	-	7 230
Other operating expenses		16	2 014	188	4 128
Depreciation and amortisation		-	957	-	2 001
Impairment		-	-	-	-
Operating profit or loss from discontinued operations		-16	-5 586	-339	-12 614
Finance income*		-	-	-	-
Finance costs		-	1 293	-	2 872
Profit or loss before tax from discontinued operations		-16	-6 880	-339	-15 486
Income tax expense		-	-	-	-
Profit or loss for the year from discontinued operations		-16	-6 880	-339	-15 486



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,

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Q2 2024

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





INQUIRIES

For more information, please contact:

Ole Kristian Sivertsen

President and Group CEO

Email: oks@desertcontrol.com

Mobile (NOR): +47 957 77 777

Mobile (USA): +1 650 643 6136

Leonard Chaparian

Chief Financial Officer

Email: leonard.chaparian@desertcontrol.com

Mobile: +47 90 66 55 40



Leading the way towards increased profitability and sustainability for desert farming.

Making Earth Green Again

GROUP HQ - NORWAY

Desert Control AS
Grenseveien 21 (FOMO Works)
4313 Sandnes, Norway

PALO ALTO

Desert Control Americas Inc
470 Ramona Street
Palo Alto, CA 94301, USA

YUMA

Desert Control Americas Inc
1219 E 21st St
Yuma, AZ 85365, USA

PHOENIX / MARICOPA

Desert Control Americas Inc
37860 W Smith Enke Rd
Maricopa, AZ 85138, USA

@DesertControl



www.desertcontrol.com