Q1 report

2022

DESERT CONTROL

Contents

Q1 2022 Report and Financial Results

Sandnes, Norway, 25 May 2022 – Desert Control AS (DSRT) today announced its Q1 2022 Report and Financial Results for the first fiscal quarter, ending 31 March 2022.

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. With solid progress during Q1 2022, the company is now entering the commercial stage in the Middle East and preparing to accelerate its activities in the United States.

Q1 Highlights

Solid progress towards commercialization readiness:

- Completed incorporation (29 March) of the sales and distribution company Mawarid Desert Control LLC to start the commercialization of Liquid Natural Clay (LNC) in the United Arab Emirates
- Achieved further positive results from pilots with date palms reaching water saving of 50% and a public park in Abu Dhabi exceeding 40% water savings
- Executed field initiatives to increase LNC application capacity and capabilities (video: https://youtu.be/q3vellaEK5Y)
- Developed a new prototype LNC production unit for pilot projects in the U.S.
- Completed the first deployment of LNC on American soil for a field study in collaboration with the University of Arizona (video: https://youtu.be/PZ3heTEMtlE)
- Continued building LNC production capacity to be deployed for the UAE and U.S.

Strengthening of the team to prepare for scale-up:

- Strengthened the executive leadership team with Chief Strategy Officer, Chief Operations Officer, and Chief Commercial Officer, all joining on 1 July 2022
- Hired CEO for Desert Control Americas Inc. to build the team, drive validation initiatives and pilots, and spearhead the company's activities in the United States
- Attracted new talent joining in Q2 to establish a business development team and fill key roles to accelerate commercialization and go-to-market activities
- Ramped up Desert Control Academy to accelerate the onboarding of personnel and to drive training and field readiness initiatives

Webcast presentation for Desert Control Q1 2022 Report and Financial Results is hosted on 25 May 2022 at 10.00 AM, Central European Time (CET). Register: https://bit.ly/3MbkEt0

50%

water saving

Financial key figures

FINANCIAL HIGHLIGHTS FIRST QUARTER 2022
[first quarter 2021 in brackets]

- Revenue NOK 0.6M [NOK 0.0M]
- EBITDA NOK -22.8M [NOK -9.2M]
- Net Income NOK -23.7M [NOK -9.3M]
- Gross R&D expenses NOK 1.6M [NOK 3.9M]
- Innovation Norway / Skattefunn grants NOK 1.9M [NOK 0.0M]
- Net proceeds from capital injection NOK 0.0 [NOK 190M]
- Total cash balance 31.03.22 (bank deposits and funds) NOK 153.3M [NOK 25.2M]
- Equity 31.03.22 NOK 170.6M (equity ratio 92.5%) [NOK 28.0 (63.2%)]

SHARE PRICE AS OF 24 MAY 2022: NOK 30.95

ISSUE PRICE AS OF 14 APRIL 2021: NOK 11.69

Company Update Q1 2022

Desert Control has developed Liquid Natural Clay (LNC) to restore soil and reduce water usage for agriculture, forests, and green landscapes. The innovation has been undergoing external validation, feasibility studies, and pilot projects in the United Arab Emirates (UAE) from 2019 throughout 2021. The company is now entering the commercialization stage in the UAE while preparing to accelerate validation initiatives, pilots, and business activities in the United States.

The priorities for 2022 are to commercialize in the UAE, validate in the U.S., and build the team to ensure a robust and effective organization to drive the continued transition from start-up to scale-up. The company made solid progress on all priorities in Q1.

1. BUILDING COMMERCIALIZATION READINESS IN THE UNITED ARAB EMIRATES

Desert Control Middle East continued hiring the remaining positions to ensure full staffing for the LNC production clusters added in December 2021. The UAE team grew from 35 to 46 people during Q1 2022. The operations team went through rigorous training coordinated under the newly formed Desert Control Academy, combining theoretical sessions and exams with workshops and practical field training and assessments. The team made significant progress on standardizing and improving operational processes to ensure efficiency within project planning, mobilization, and production of LNC to drive optimized cluster utilization as commercialization commences and demand increases.

OBTAINING THE LICENSE TO SELL

Desert Control decided to change its go-to-market strategy for the UAE in the second half of 2021. The business plan updated for the IPO in Q1-21 targeted a direct sales model with Desert Control delivering end-to-end turnkey projects for LNC treatment of soil and land areas directly to clients. On 15 December 2021, the shift to an indirect sales model for the UAE was executed by entering into a partnership with Abu Dhabi based nature conservation and agriculture giant Mawarid Holding Investment.

The indirect sales model for the UAE allows Desert Control to focus on its core business, developing and producing LNC and accelerating global expansion. Sales and distribution of LNC will run through a dedicated sales and distribution company with exclusive rights to serve the UAE market. The sales and distribution company, Mawarid Desert Control LLC, was awarded its business license on 29 March 2022. Mawarid Desert Control LLC is a limited liability company incorporated in Abu Dhabi under 51/49 shareholding of Mawarid Holding Investment LLC and Desert Control AS.

Desert Control Middle East LLC in Abu Dhabi will operate Desert Control's mobile fleet of clusters to produce and deliver LNC to Mawarid Desert Control LLC on commercial terms.

Mawarid Desert Control will operate as an independent company and establishes its own workforce to autonomously sell and deliver LNC projects to clients in the UAE. The company will utilize the field workforce and resources of Mawarid and its subsidiaries while building its dedicated team for the successful execution of projects.

The holy month of Ramadan commenced on 1 April 2022, directly after the award of the Mawarid Desert Control business license, slowing down activities in the UAE until 9 May. General Manager and an interim Operations Manager are appointed for Mawarid Desert Control and will onboard in early May. The following steps include hiring the Head of Business Development and Sales, recruiting the sales team and operational staff, and finalizing administrative matters. Mawarid Desert Control anticipates operational readiness activities to start from the second half of May, with commercial activity commencing from the end of Q2.

Pilot projects and commercial opportunities previously developed by Desert Control will transfer to Mawarid Desert Control once the company is in operation.

The company anticipates the prolonged impacts of Covid-19 and change of go-to-market strategy for the UAE to adjust the business plan with commercial activities in the UAE commencing from the end of Q2. The company anticipates the long-term benefits of an indirect sales model in the UAE to offset the short-term impact.

Achieved further positive results from pilots

During Q1, the company continued achieving positive results from pilots. Water savings for date palms reached 50% showing significant economic and cultural value potential for millions of date palms and palm trees in the UAE.

The pilot project for a central public park in Abu Dhabi exceeded 40% water savings for LNC treated lawn areas compared to identical control areas.

About Mawarid:

- More than 11,000 employees from 23 countries
- 438 forests and protected areas spread over 200,000 hectares in Abu Dhabi
- 80 private farms 30 organic farms
- More than 13 million forest trees and over 630,000 palm trees
- More than 1,000,000 m2 of green areas
- More than 3000 pieces of machinery and equipment
- 160,000 km of irrigation pipelines
- More than 5000 wells
- 8 large nurseries for local plants with a capacity of more than 10 million seedlings per year
- 3 nurseries with more than 15 million seedlings annually

Some of our pilot references and water saving achievements in the UAE

CROPS/VEGETATION	WATER SAVINGS	SEGMENT	LOCATION
Carrots, Cauliflower, Green Pepper and Lady Fingers	40%	Agriculture	Private farm in Al Ain, Abu Dhabi
Pearl Millet, Zucchini and Watermelon	40%	Agriculture	ICBA* in Dubai (Independent validation)
Cucumber, Basil, and Beetroot	50%	Agriculture	Research farm in Al Ain, Abu Dhabi
Sweet Corn	35%	Agriculture	Private farm in Dubai
Date Palms	50%	Agriculture	Private farm in Al Ain, Abu Dhabi
Salvadora, Ghaf, and Ziziphus (native forest trees)	40%	Forest/trees	Forest in Al Ain, Abu Dhabi
Palm Trees	50%	Landscaping	Luxury residential resort in Dubai
Paspalum Grass	45%	Landscaping	Investment and real-estate firm in Dubai
Paspalum Grass	40%	Landscaping	Luxury residential resort in Dubai
Lawn Area	35%	Landscaping	VIP area in Abu Dhabi
Bermuda Grass	47%	Landscaping	ICBA* in Dubai (Independent validation)
Turf Grass / Lawn Area	40%	Landscaping	Public park in Abu Dhabi

*ICBA - International Centre for Biosaline Agriculture

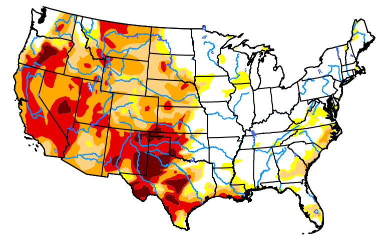
Pilots have mainly utilized soil moisture based irrigation and compare water consumption required to maintain equal soil moisture at levels required to maintain plant growth for an LNC treated area versus a comparable control area. Water savings achieved represent the stable state over time after irrigation levels are adjusted to the LNC impact.

Field initiatives to increase LNC application capacity and capabilities

Operational bottlenecks to be solved shifted from LNC production to effective application of LNC for large areas after completing two additional production clusters in December 2021. Development of new application methods, testing of various equipment, and multiple field initiatives to increase LNC application capacity and capabilities were executed during Q1-22.

(video: https://youtu.be/q3vellaEK5Y)

Mawarid Desert Control will take over the responsibility for distributing, deploying, and applying LNC in the field for the UAE. Desert Control will continue driving initiatives to align application capabilities with production capacity but will not focus on developing specialized LNC application equipment in-house. The focus will be to utilize existing agricultural and landscaping solutions and foster partnerships with equipment manufacturers across the relevant sectors. Desert Control will dedicate its resources to core business activities such as developing formulation (recipes turned into algorithms), methodologies, and protocols for optimal context-based application of LNC independently of the physical equipment.



2. Expanding validation and pilot initiatives to the United States

The United States is a pivotal part of Desert Control's strategy and a stepping-stone for the company's global expansion. More than 40% of the continental United States is at risk of desertification. Since farming began in the Midwest, more than 50 billion tons of topsoil are estimated to have eroded. Increasing droughts and water scarcity further add to the challenges farmers and landowners currently face in the U.S.
In Q4 2021, Desert Control Americas

Inc was established and immediately started hiring activities to build the foundation for entering the U.S. market. The company will focus on the Sun Belt stretching from California through Arizona, Nevada, New Mexico, and Texas.

Hired CEO for Desert Control Americas Inc.

Michael Davidson joined as CEO of Desert Control Americas Inc. on 6 January 2022 to spearhead the company's mission in the U.S. Michael has 30 years of experience within the agriculture sector in the U.S. with a track record that includes senior leadership positions for start-up companies as well as growing established organizations in the agricultural industry with a focus on irrigation solutions and water management. He also built a consultancy firm specializing in Climate-Smart Agriculture and has served as an advisor to organizations such as the International Finance Corporation (IFC) of the World Bank, the Sustainable Trade Initiative, the Inter-American Development Bank, and a host of NGOs.

Davidson's educational background includes a B.A. in Political Science, a Master of Arts in International Studies and Public Administration focused on Water Resource Management from California State University, and a Ph.D. in Public Policy focused on Climate-Smart Agriculture from Claremont Graduate University California.

By the end of Q1, the U.S. team had grown to six full-time intelligent and passionate people (FTIPPs).

Developed a new prototype LNC production unit for pilot projects in the U.S.

A compact trailer-based LNC production unit was finalized in early March to serve validation studies and pilots in the United States. This is the first LNC unit assembled in the U.S., and it immediately went into production for the project with the University of Arizona in Yuma.

First deployment of LNC on American soil

On 10 March 2022, the first deployment of LNC on American soil was conducted for a field study in collaboration with the University of Arizona. The study focuses on LNC's ability to increase water holding capacity for sandy soils and considers the transferability of LNC results achieved in the UAE. The 1-acre plot for the validation study

is transformed from a barren desert state to cultivated land, and the crops are healthy and growing.

(video: https://youtu.be/PZ3heTEMtIE)

The first crops in the project are bell peppers and watermelons. Harvest of bell peppers is expected to start at the end of May, and watermelons at the end of June. The study is part of a multi-year program with the University of Arizona. Reports and publications will be shared as they become available during the advance of the program. The Yuma County Cooperative Extension hosts guided field visits for farmers and growers on request.

3. Building the team and driving the transition from start-up to scale-up

In Q1 2022, Desert Control grew from 51 to 65 full-time intelligent and passionate team members (FTIPPs). End of Q1, we have 17 nationalities with an inspiring composition of experience, expertise, education, ages, and diverse cultural backgrounds that enrich our team. Excluding the field workforce, 33% of the employees are female. The team has 13 people in Norway, 46 in the UAE, and 6 in the U.S.

People onboarded in Q1 were primarily in operations, completing teams for LNC production and delivery of projects. Moving forward, the focus shifts from operational readiness to commercialization. Hiring activities during Q1 for people joining in Q2 focused on attracting business development and leadership talent to drive the commercial transition.

Attracted new talent to accelerate commercialization and go-to-market activities

Desert Control hires a strong business development team to accelerate commercialization and go-to-market activities.

Sven Ledaal joins Desert Control on 1 April 2022 as Business Developer to accelerate partnerships and solutions for effective large-scale application and distribution of LNC. Sven has extensive experience from the agriculture equipment industry, having served for 12 years as CEO of the agriculture equipment manufacturer Moi and EuroPro (a Gazelle awarded growth company). Sven has also worked for Felleskjøpet (a leading Norwegian agriculture sales and distribution company).

Jan Vader joins Desert Control on 1 April 2022 to strengthen the leadership and development of Desert Control's business in the United Arab Emirates. Jan is a seasoned executive with solid experience from global companies and start-up businesses. He has previously served as CEO for Well Conveyor and C6 Technologies and held Vice President positions with Archer. His early career developed over 18 years with Schlumberger in various international assignments. Jan has lived and worked all over the world and brings valuable global experience to the team.

Johann Mastin joins Desert Control on 1 July 2022 as Business Developer for Innovation and LNC concepts. Johan will play a key role in structuring and accelerating the process from ideas to revenue-generating products and services, along with strengthening intellectual property and patent portfolios. Johann joins from Validé, where he served as Business Development Manager at the Technology Transfer Office. Johann holds a master's degree in Material Science and a Ph.D. in Material Science and Engineering from NTNU.

Gunnar Crawford joins Desert Control on 15 August to take responsibility for digital strategy and business development to shape the digital service offerings that will drive ancillary recurring revenues. He will further focus on building digital partnerships and communities globally. Gunnar has since 2017 been Head of Stavanger Smart City, innovating across public-private boundaries and co-creating the smart city of the future. His educational background is in IT and administration, and his professional experience is mainly in technology, ICT, telecom, energy, and innovation.

Driving the transition from start-up to scale-up

The difference between a start-up and a scale-up is to have figured it out. Start-ups are still experimenting and pursuing the discovery of their sweet spot. Scale-ups have perfected their sweet spot and attained clarity to focus entirely on scaling up what they are already doing. Discovering and perfecting that sweet spot usually takes about a year of real commercial experience for most start-ups, and it requires solid and proactive leadership.

Scaling a start-up requires a constant sense of urgency, immediate action on observations and feedback, attention to detail, fearless creativity, and a relentless dedication to core values. Executive leaders must be accessible, on the front lines, curious, and open to feedback. Leaders must role-model the entrepreneurial attitude expected from team members and ensure that everyone is committed to the company's unique culture.

Strengthening the executive leadership team

Desert Control attracts several experienced and inspirational leaders who will join during Q2 and Q3 to accelerate the transition from start-up to scale-up.

Nancy Nusrally Carda joins Desert Control on 2 June 2022 as Head of Group Marketing and Communications. Nancy brings extensive experience on a global level in strategic marketing and communications. She joins from Expo 2020 Dubai, where she, since 2015, served in Marketing and Communications, driving exposure of the Expo Live Programme and The Good Place by Expo Live as Pavilion Director. Nancy holds a master's degree in Economics and Business Administration from the University of Descartes Paris 5.

Bernt Arne Breistein joins Desert Control on 1 July 2022 as Chief Strategy Officer and brings extensive international experience in designing, operationalizing, and implementing strategies to drive profitable growth for organizations. Breistein joins from Sub Sea Services AS, where he has served as CEO since 2011. His previous experience includes EY and Subsea7, where he held senior regional and corporate executive roles within supply chain management, organizational leadership, and internationalization. He has a master's degree in management and strategy.

Charlie Granfelt joins Desert Control on 1 July 2022 as Chief Commercial Officer. Charlie joins from Skretting, the world-leading aquafeed producer, where he has held senior commercial leadership positions in Norway and France for over 12 years. Charlie started his career in Electrolux in Hong Kong at the end of the 1980s and has worked in global industrial companies such as Norske Skog/Alloc and Kverneland Group. Charlie is a Swedish national who moved to Norway in 1994 after graduating from the London School of Economics.

Ordin Husa joins Desert Control on 1 July 2022 as Chief Operations Officer. Ordin has extensive experience streamlining worldwide operations, designing and implementing effective processes, procedures, and strategies. He joins from RESMAN AS, an industry leader in wireless reservoir surveillance, serving as Chief Operating Officer. Ordin has previously held executive leadership positions in Siemens Subsea, Roxar Software Solutions, Roxar Flow Measurement, and Heli-One.

Marianne Vika Bøe joins Desert Control on 1 August 2022 as Chief Financial Officer, succeeding Erling Rasmussen, who served as CFO since March 2020. Marianne joins from a Senior Manager position with KPMG and brings significant experience from international corporations and emerging growth companies. Her primary expertise is from international publicly listed companies and spans the areas of finance, accounting, audit, people development, and leadership.

The level and caliber of talent attracted to join our mission is truly inspiring, says Ole Kristian Sivertsen, President and Group CEO. Our focus is now to commercialize in the UAE, validate in the U.S., and build the team to ensure a robust and effective organization to drive the continued transition from start-up to scale-up. Our strategy is to build the foundation to scale our innovation exponentially to the world. We are making progress in all areas and strengthening our foundation further with the new appointments to our leadership team.

Outlook

The priorities for 2022 remain focused on commercialization in the UAE, validation in the U.S., and building the team and foundation to drive the transition from start-up to scale-up.

Focus and objectives ahead include:

1.Commercialize in the United Arab Emirates

- Support the final stage to get Mawarid Desert Control operational and ensure readiness to commence commercial activity from the end of Q2
- Align the Desert Control Middle East operations with Mawarid Desert Control and transfer pilot projects and commercial opportunities to Mawarid Desert Control
- Start building the order book targeting initial signed contracts by the end of Q2

2.Validate in the United States

The revised go-to-market strategy with an indirect sales model in the UAE allows Desert Control to shift more resources to its global expansion. New LNC production units shipped from the UAE in mid-May with expected arrival in July to accelerate efforts in the U.S.

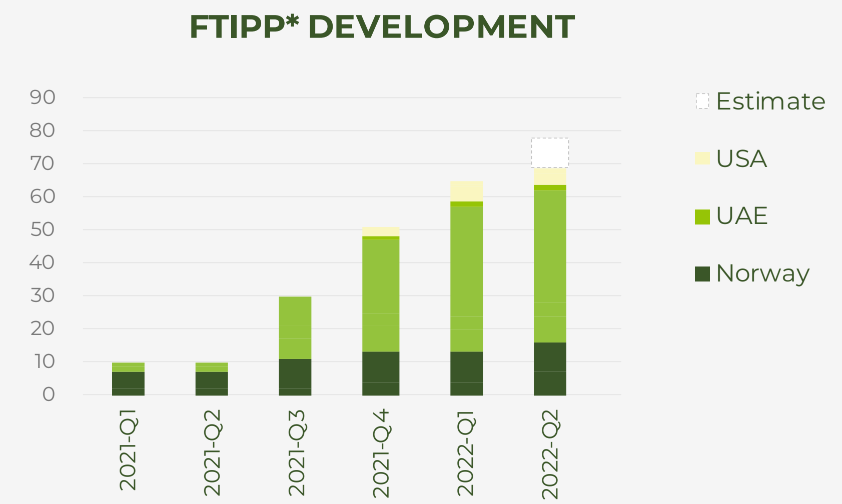
- Build the team: Hire operators and a field engineer to fully staff two new LNC production units (half cluster) expected to come into operation in the U.S. in July
- Establish the operational headquarter for the U.S. in Arizona, strategically positioned to serve the initial target market in the desert sunbelt from California to Texas
- Continue the validation study with the University of Arizona, launch further validation initiatives and pilots, and prepare to accelerate U.S. activities in H2

Strategic priorities

- Commercialize in the UAE
- Validate in the U.S.
- Build the team and ensure an effective organization to transition from start-up to scale-up

3.Build the team and drive the transition from start-up to scale-up

- Onboard new members of the Executive Leadership and Business Development Team. Kickstart accelerated learning and drive strategic alignment to build an agile and scalable organization focused on transitioning to a commercial scale-up
- Continue optimizing the UAE organization, align capacity with demand and deliveries through Mawarid Desert Control, and ensure readiness to scale on demand
- Accelerate ramp-up of the U.S. operations to prepare for commercial pilots in H2
- Focus technology development and R&D efforts on the scale-up strategy;
  - Finalize the next LNC production cluster and deploy capacity to U.S. and UAE
  - Launch automation initiative to further improve unit economics and utilization
  - Deploy scalable LNC field application solutions and industry partner strategy



*Full Time Intelligent Passionate People

About

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.

LNC enables sand and degraded soil to retain water and nutrients, thus increasing crop yields and ecosystem resilience while preserving water resources by up to 50%.

Agriculture and food production already consume more than 70% of all available freshwater. Desertification and soil degradation further increases water consumption in a negative spiral. Our growing global population will require more food in the next 40 years than was produced over the last 500 years, putting even more pressure on vital resources such as water. This is the problem Desert Control is determined to solve. According to the United Nations, twelve million hectares of fertile land perish to desertification, representing an annual $490 billion loss to the global economy.

Desert Control's vision is making earth green again.

https://www.desertcontrol.com

Inquiries

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Cautionary Note

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.

Q1 2022 Report

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

DESERT CONTROL

Statement by the Management and Board of Directors

The Board of Directors and the CEO have considered and approved the Q1 2022 Report and Interim Financial Results for Desert Control AS (“Company”) and Desert Control Group (“Group”) for the first fiscal quarter ending on 31 March 2022. The interim consolidated financial statements are unaudited and have been prepared in accordance with IFRS as well as additional information requirements as per the Norwegian Accounting Act.

We confirm to the best of our knowledge that:

- The Q1 2022 interim financial statements for the Company and the Group have been prepared in accordance with applicable accounting standards
- The information in the financial statements gives a true and fair view of the Company’s and the Group’s assets, liabilities, financial position, and results as of 31 March 2022
- The report for the Company and the Group gives a true and fair view of the Company’s and the Group’s development, performance, and financial position and includes a description of the principal risks and uncertainty factors facing the Company and the Group
- The Q1 2022 Report has been prepared in accordance with the Norwegian Accounting Act § 3-3d and the Norwegian Security Trading Act § 5-5a

Sandnes, 24.5.2022

Knut Nesse
Chair

Brage Wårheim Johansen
Board Member

Arnfinn Matre
Board Member

Geir Hjellvik
Board Member

Marit Røed Ødegaard
Board Member

Kristian P. Olesen
Board Member

Ole Kristian Sivertsen
Chief Executive Officer

Financial Statement Desert Control AS

Consolidated statement of comprehensive income

(Amounts in NOK thousand)	Notes	Q1 2022	Q1 2021	Full 2021
Revenue from sales	2.1	595	-	3 127
Other income		-	-	-
Total income		**595**	**-**	**3 127**
Cost of goods sold (COGS)		908	118	563
Gross margin		**-313**	**-118**	**2 564**
Salary and employee benefit expenses	2.3	16 341	4 550	14 993
Other operating expenses	2.4	6 160	4 561	18 662
Depreciation and amortisation	3.1,3.2	1 075	188	1 544
Impairment	3.1,3.2	-	-	658
Operating profit or loss		**-23 889**	**-9 418**	**-33 293**
Finance income		427	191	1 730
Finance costs		236	37	179
Profit or loss before tax		**-23 699**	**-9 264**	**-31 743**
Income tax expense		-	-	-
Profit or loss for the year		**-23 699**	**-9 264**	**-31 743**
Allocation of profit or loss:				
Profit/loss attributable to the parent		-23 699	-9 264	-31 743
Other comprehensive income:				
Items that subsequently may be reclassified to profit or loss:				
Exchange differences on translation of foreign operations		1	-	-72
Total items that may be reclassified to profit or loss		1	-	-72
Total other comprehensive income for the year		**1**	**-**	**-72**
Total comprehensive income for the year		**-23 697**	**-9 264**	**-31 815**
Allocation of total comprehensive income				
Total comprehensive income attributable to owners of the parent		-23 697	-9 264	-31 815
Earnings per share ("EPS"):				
Basic EPS - profit or loss attributable to equity holders of the parent	4.8	-0.58	-0.40	-0.88
Diluted EPS - profit or loss attributable to equity holders of the parent	4.8	-0.58	-0.40	-0.88

Consolidated statement of financial position

(Amounts in NOK thousand)	Notes	31.03.2022	31.03.2021	31.12.2021
ASSETS				
Non-current assets				
Goodwill		6 504	6 345	6 504
Property, plant and equipment	3.1	14 132	1 475	10 525
Right-of-use assets	3.2	1 672	1 262	2 006
Deferred tax assets		-	-	-
Total non-current assets		**22 308**	**9 082**	**19 036**
Current assets				
Accounts receivable		103	-	544
Other receivables		8 670	9 839	5 597
Other current financial assets		65 371	-	77 347
Cash and cash equivalents	4.5	87 886	25 187	101 924
Total current assets		**162 110**	**35 027**	**185 412**
TOTAL ASSETS		**184 418**	**44 109**	**204 447**
EQUITY AND LIABILITIES				
Equity				
Share capital		123	71	122
Share premium		230 849	42 603	230 849
Currency translation differences		-71	-217	-107
Retained earnings		-60 289	-14 490	-36 592
Total equity	-	**170 612**	**27 967**	**194 272**
Non-current liabilities				
Non-current lease liabilities	3.2	175	353	1 423
Total non-current liabilities		**175**	**353**	**1 423**
Current liabilities				
Current lease liabilities	3.2	1 060	690	528
Trade and other payables		3 551	2 756	2 523
Public duties payable		6 163	-282	1 023
Other current liabilities		1 911	12 626	1 497
Contract liabilities		945	-	3 181
Total current liabilities		**13 631**	**15 790**	**8 751**
Total liabilities		**13 806**	**16 142**	**10 175**
TOTAL EQUITY AND LIABILITIES		**184 418**	**44 109**	**204 447**

Sandnes, 24.5.2022

Knut Nesse
Chair

Brage Wårheim Johansen
Board Member

Arnfinn Matre
Board Member

Geir Hjellvik
Board Member

Marit Røed Ødegaard
Board Member

Kristian P. Olesen
Board Member

Ole Kristian Sivertsen
Chief Executive Officer

Consolidated statement of cash flows

Cash flows from operating activities (NOK thousand)	Notes	Q1 2022	Q1 2021	Full 2021
Profit or loss before tax		**-23 699**	**-9 264**	**-31 743**
Adjustments to reconcile profit before tax to net cash flows:				
Net financial income/expense		-191	-154	-1 550
Depreciation and amortisation	3.1	1 075	188	1 544
Impairment	3.2	-	-	658
Share-based payment expense		90	289	811
Working capital adjustments:				
Changes in accounts receivable and other receivables		-2 631	-7 837	-4 139
Changes in trade payables, duties and social security payables		6 168	2 608	2 292
Changes in other current liabilities and contract liabilities		-1 821	9 831	2 579
Net cash flows from operating activities		**-21 007**	**-4 339**	**-29 547**
Cash flows from investing activities (NOK)				
Purchase of property, plant and equipment	3.1	-4 317	90	-10 632
Purchase of financial instruments		11 976	-	-77 009
Proceeds from sale of property, plant and equipment	3.1	-	-	300
Interest received		427	191	462
Net cash flow from investing activities		**8 086**	**281**	**-86 879**
Cash flow from financing activities (NOK)				
Proceeds from issuance of equity	4.4	1		200 000
Transaction costs on issue of shares	4.4			-10 093
Lease payments	3.2	-727	-355	-1 098
Interest paid		-236	-37	462
Net cash flows from financing activities		**-961**	**-392**	**189 271**
Net increase/(decrease) in cash and cash equivalents		**-13 883**	**-4 451**	**72 845**
Cash and cash equivalents at beginning of the year/period	4.5	101 924	28 935	28 935
Net foreign exchange difference		-155	703	144
Cash and cash equivalents, end of period		**87 886**	**25 187**	**101 923**

Consolidated statement of changes in equity

(Amounts in NOK thousand)	Share capital	Share premium	Cumulative translation differences	Retained earnings	Total equity
Balance at 1 January 2020	**68**	**43 537**	**-**	**-301**	**43 304**
Profit (loss) for the year		-4 209		-7 020	-11 229
Other comprehensive income			-35		-35
Issue of share capital (Note 4.5)	1	1 719			1 720
Transaction costs		-52			-52
Share based payments (Note 4.8)				1 608	1 608
Balance at 31 December 2020	**70**	**40 994**	**-35**	**-5 713**	**35 316**
Profit (loss) for the year				-31 743	-31 743
Other comprehensive income			-72	53	-19
Issue of share capital (Note 4.5)	53	199 948			200 000
Transaction costs		-10 093			-10 093
Share based payments (Note 4.8)				811	811
Balance at 31 December 2021	**122**	**230 849**	**-107**	**-36 592**	**194 272**
Profit (loss) for the year				-23 697	-23 697
Other comprehensive income				-54	-54
Issue of share capital (Note 4.5)	1	-			1
Transaction costs					-
Share based payments (Note 4.8)				90	90
Balance at 31 March 2022	**123**	**230 849**	**-107**	**-60 253**	**170 612**

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" or "Desert Control") for the first quarter period ended 31 March 2022 were authorised for issue by a Board meeting held on 24 May 2022.

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.

LNC enables sand and degraded soil to retain water and nutrients, thus increasing crop yields and ecosystem resilience while preserving water resources by up to 50%.

Agriculture and food production already consume more than 70% of all available freshwater. Desertification and soil degradation drive a negative spiral of increasing water consumption and decreasing yields for global food production. Feeding our planet's growing population will require more food in the next 40 years than was produced over the last 500 years, putting even more pressure on vital resources such as water. This is the problem Desert Control is determined to solve. According to the United Nations, thirty million acres of fertile land (equal to Pennsylvania) perish to desertification annually, representing an annual loss of $490 billion to the global economy. Desert Control's vision is to make our planet earth green again.

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 International Financial Reporting Standards ("IFRS") 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.

1.3 SIGNIFICANT ACCOUNTING POLICIES

Desert Control AS has selected a presentation in which the description of accounting policies as well as estimates, assumptions and judgemental considerations are disclosed in the notes to which the policies relate. Other accounting policies are presented below:

Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Capitalisation of internal development costs

Development expenditures on an individual project, which represents new applications/technology, are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Other costs are classified as research and are expensed as incurred.

Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone, such as regulatory approval.

1.4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements in accordance with IFRS and applying the chosen accounting policies requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

The accounting policies applied by management which includes a significant degree of estimates and assumptions or judgements that may have the most significant effect on the amounts recognised in the financial statements, are summarised below:

Estimates and assumptions:

- Share based payments
- Measurement of deferred tax assets

The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

A detailed description of the significant estimates and assumptions are included in the individual note where applicable.

Accounting judgements:

- Determining whether deferred tax assets should be recognised

A detailed description of the significant accounting judgements are included in the individual note where applicable.

2.1 REVENUE FROM CONTRACTS WITH CUSTOMER

ACCOUNTING POLICIES

Revenue

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principle in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

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

By area of operation: (Amounts in NOK thousand)	**Q1 2022**	**Q1 2021**	**Full 2021**
Liquid NaturalClay (LNC)	595	-	3 127
Total	**595**	**-**	**3 127**

By geographic market:	**Q1 2022**	**Q1 2021**	**Full 2021**
Norway	331	-	223
USA	-	-	-
UAE	264	-	2 903
Total	**595**	**-**	**3 127**

2.3 SALARY AND EMPLOYEE BENEFIT EXPENSES

Employee benefit expenses (NOK thousand)	**Q1 2022**	**Q1 2021**	**Full 2021**
Salaries	7 493	2 271	14 644
Government grant	-1 157	-	-2 367
Social security costs	2 189	422	1 481
Pension costs	270	73	275
Other employee expenses	7 546	1 783	960
Total employee benefit expenses	**16 341**	**4 550**	**14 993**
Average number of full time employees (FTEs)	60.5	9.5	18.4

2.4 OPERATING EXPENSES

ACCOUNTING POLICIES

Other operating expenses are recognised when they occur and represent a broad range of operating expenses incurred by the Group in its day-to-day activities. Other operating expenses consist of expenses that are not classified on the lines for cost of materials, employee benefit expenses, depreciation and amortisation.

Other operating expenses (NOK thousand)	**Q1 2022**	**Q1 2021**	**Full 2021**
Audit and accounting fees	64	25	526
Consulting fees	723	176	336
Legal expenses	221	130	1 149
Travel expenses	1 022	14	1 832
Lease expenses	484	54	41
Research expenses	1 595	3 923	14 387
Government grant	-747	-	-6 496
Other operating expenses	2 799	240	6 887
Total other operating expenses	**6 160**	**4 561**	**18 662**

Audit fee:

The amounts above are excluding VAT.

3.1 PROPERTY, PLANT AND EQUIPMENT

ACCOUNTING POLICIES

Property, plant and equipment ("PP&E") is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant parts of PP&E are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. The residual values, useful lives and methods of depreciation of PP&E are reviewed at each financial year end and adjusted prospectively, if appropriate.

The Group assesses, at each reporting date, whether there is an indication that property, plant and equipment may be impaired. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The abbreviation CGU means cash generating unit.

(NOK thousand)	Plant and machinery	Fixtures and fittings	Total
Cost as at 1 January 2021	**1 188**	**206**	**1 394**
Additions	9 779	553	10 332
Cost as at 31 December 2021	**10 967**	**759**	**11 726**
Additions	4 272	45	4 317
Disposals	-	-	-
Currency translation effects	25	-	25
Cost as at 31 March 2022	**15 264**	**804**	**16 068**
Depreciation and impairment as at 1 January 2021	**-**	**-**	**-**
Depreciation for the year	161	143	304
Depreciation and impairment as at 31 December 2021	**1 035**	**166**	**1 201**
Depreciation for the period	734	7	741
Impairment for the period	-	-	-
Disposals	-	-	-
Currency translation effects	-6	-	-6
Depreciation and impairment as at 31 March 2022	**1 763**	**173**	**1 936**
Net book value:			
At 31 December 2021	**9 932**	**593**	**10 525**
At 31 March 2022	**13 501**	**631**	**14 132**
Economic life (years)	5	3	
Depreciation plan	Straight-line method	Straight-line method	

3.2 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

ACCOUNTING POLICIES

At inception of a contract, The Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The agreement creates enforceable rights of payment and obligations
- The identified asset is physically distinct
- The supplier does not have a substantive right to substitute the asset throughout the period of use
- It has the right to obtain substantially all of the economic benefits from use of the asset
- It has the decision-making rights that are most relevant to changing how and for what purpose the asset is used throughout the contract period

Group as a lessee

At the commencement date, the Group recognises a lease liability and corresponding right-of-use asset for all lease agreements in which it is the lessee, except for the following exemptions applied:

- Short-term leases (defined as 12 months or less)
- Low value assets

For these leases, the Group recognises the lease payments as operating expenses in the consolidated statement of comprehensive income.

Measuring the lease liability

The lease liability is initially measured at the present value of the lease payments for the right to use the underlying asset during the lease term that are not paid at the commencement date. The lease term represents the non-cancellable period of the lease, together with periods covered by an option to extend the lease when the Group is reasonably certain to exercise this option, and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The lease payments included in the measurement comprise:

- Fixed lease payments, less any lease incentives received
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect adjustments in lease payments due to an adjustment in an index or rate.

The Group presents its lease liabilities as separate line items in the consolidated statement of financial position.

Measuring the right-of-use asset

The right-of-use asset is initially measured at cost. The cost of the right-of-use asset includes the corresponding amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date and initial direct costs incurred.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and impairment losses, applying the same policies for impairment as for property, plant and equipment (Note 3.1). The right-of-use asset is depreciated from the commencement date to the earlier of the lease term and the remaining useful life of the right-of-use asset. Depreciation is calculated on a straight-line basis.

The Group presents its right-of-use assets as separate line items in the consolidated statement of financial position.

The Group's leased assets

The Group leases two warehouse properties.

The Group's right-of-use assets recognised in the consolidated statement of financial position are presented in the table below:

Right-of-use assets (NOK thousand)		
	Warehouse	**Total**
Acquisition cost at 1 January 2021	**-**	**-**
Additions of right-of-use assets	2 998	2 998
Currency translation effects	-	-
Acquisition cost at 31 December 2021	**2 998**	**2 998**
Depreciation and impairment at 1 January 2021	**-**	**-**
Depreciation of right-of-use assets	992	992
Depreciation and impairment at 31 December 2021	**992**	**992**
Depreciation of right-of-use assets	334	334
Currency translation effects	-	-
Depreciation and impairment at 31 March 2022	**1 326**	**1 326**
Carrying amount at 1 January 2021	**-**	**-**
Carrying amount at 31 December 2021	**2 006**	**2 006**
Carrying amount at 31 March 2022	**1 672**	**1 672**
Remaining lease term or remaining useful life	0-3 years	
Depreciation plan	Straight-line method	

Expenses in the period related to practical expedients and variable payments	**2022**	**2021**
Short-term lease expenses		
Low-value assets lease expenses	-	-
Variable lease expenses in the period (not included in the lease liabilities)	-	-
Total lease expenses in the period	**-**	**-**

The lease expenses in the period related to short-term leases, low-value assets and variable lease payments are included in other operating expenses in the consolidated statement of comprehensive income, and the payments are presented in the Group's operating activities in the consolidated statement of cash flows.

The Group's lease liabilities (NOK thousand)

Undiscounted lease liabilities and maturity of cash outflows	**31.03.2022**	**31.12.2021**	**31.12.2020**
Less than one year	1 082	1 453	-
One to two years	177	532	-
Total undiscounted lease liabilities	**1 259**	**1 986**	**-**

Changes in the lease liabilities - 2020	**Total**
Current lease liabilities in the statement of financial position	1 060
Non-current lease liabilities in the statement of financial position	175

Changes in the lease liabilities - 2022	**Total**
At 1 January 2022	**1 952**
New leases recognised during the period	
Cash payments for the lease liability	-727
Interest expense on lease liabilities	11
Currency translation effects	-
Total lease liabilities at 31 March 2022	**1 236**
Current lease liabilities in the statement of financial position	1 060
Non-current lease liabilities in the statement of financial position	175

4.4 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:

(NOK thousand unless otherwise stated)

Share capital in Desert Control AS	Number of shares authorised and fully paid	Par value per share (NOK)	Financial Position
At 1 January 2020	**22 681**	**3,00**	**68 043**
Share issue	497	3,00	1 491
At 31 December 2020	**23 178**	**3,00**	**69 534**
Share split 1:1 000	23 178 000	0,003	69 534
Share issue 22 February 2021	340 000	0,003	1 020
Share issue 9 April 2021	17 108 640	0,003	51 326
Share issue 6 August 2021	98 000	0,003	294
			-
At 31 December 2021	**40 724 640**	**0,003**	**122 174**
Share issue 10 March 2022	375 040	0,003	1 125
At 31 March 2022	**41 099 680**	**0,003**	**123 299**

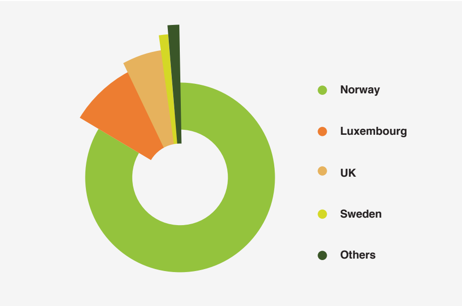
All shares are ordinary and have the same voting rights and rights to dividends.

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

Origin of shareholders

No of shares	%	Origin	# shareholders
34216734	83,25	Norway	3460
3878686	9,44	Luxembourg	5
2134341	5,19	UK	12
327605	0,80	Sweden	13
542313	1,32	Others	45
41099679	100,00	Total	3535

Largest countries



The Group's shareholders:

Shareholders in Desert Control AS at 31.03.2022	Total shares	Ownership/ Voting rights
Olesen Consult HVAC AS	5 900 000	14.3%
J.P. Morgan SE	1 761 720	4.3%
Ole Morten Olesen	1 650 000	4.0%
Nordnet Livsforsikring AS	1 550 672	3.8%
Beyond Centauri AS	1 543 371	3.8%
Lithinon AS	1 423 706	3.5%
Nesse & Co AS	1 360 000	3.3%
Monsunen Forvaltning AS	1 254 715	3.1%
LIN AS	1 215 275	3.0%
DnB NOR Bank ASA	1 198 967	2.9%
Atle Idland	1 135 843	2.8%
Jakob Hatteland Holding AS	1 000 000	2.4%
The Northern Trust Comp, London Br	958 275	2.3%
JPMorgan Chase Bank, N.A. London	943 377	2.3%
Clearstream Banking S.A.	905 648	2.2%
Investore Finans AS	883 147	2.1%
OKS Consulting AS	800 000	1.9%
Sortun Invest AS	627 715	1.5%
Glomar AS	627 715	1.5%
CACEIS Bank	587 768	1.4%
Others	13 771 766	33.5%
Total	**41 099 680**	**100%**

4.5 CASH AND CASH EQUIVALENTS

ACCOUNTING POLICIES

Cash and cash equivalents in the statement of financial position comprise cash at banks and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. 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.

Cash and cash equivalents (Amounts in NOK thousand)	31.03.2022	31.12.2021	31.12.2020
Bank deposits, unrestricted	82 059	101 303	28 696
Bank deposits, restricted	5 827	621	239
Total cash and cash equivalents	**87 886**	**101 924**	**28 935**

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

4.8 EARNINGS PER SHARE

ACCOUNTING POLICIES

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the income and share data used in the EPS calculations:

(NOK)	2022 Q1	2021 Q1	Full 2021
Profit or loss attributable to ordinary equity holders - for basic EPS	-23 698 556	-9 263 900	-31 742 812
Profit or loss attributable to ordinary equity holders adjusted for the effect of dilution	-23 698 556	-9 263 900	-31 742 812
Weighted average number of ordinary shares - for basic EPS	40 812 149	23 317 778	35 976 313
Weighted average number of ordinary shares adjusted for the effect of dilution	40 987 149	23 977 778	36 526 313
Basic EPS - profit or loss attributable to equity holders of the parent	**-0.58**	**-0.40**	**-0.88**
Diluted EPS - profit or loss attributable to equity holders of the parent	**-0.58**	**-0.40**	**-0.88**

Environmental, social, and governance (ESG)

Sustainability and impact on the Sustainable Development Goals (SDGs)

Liquid Natural Clay (LNC) can reduce water consumption for agriculture, forests, and green landscapes by up to 50%. The amount of water required to produce LNC is recovered within 2-3 weeks (offset by irrigation water savings). Improved water efficiency and increased crop yields contribute significantly to a positive impact on the United Nations Sustainable Development Goals (SDGs), including reducing hunger and competition for scarce resources and securing access to clean water. Arid regions using energy-intensive seawater desalination can further significantly reduce CO_2 and greenhouse gas (GHG) emissions.

LNC enables sandy soil and desert land to retain water and nutrients. Reduction of water consumption further allows for reducing fertilizer usage. Reduced leaching of fertilizers and pesticides through the soil can further minimize the risk of chemical run-off reaching through to natural water systems and oceans. Stopping fertilizer and pesticide leaching can further improve life below the water by reducing ocean acidification and eutrophication.

According to the Intergovernmental Panel on Climate Change (IPCC), restoring degraded soil ecosystems can globally offset 5-6 Gt of CO_2 annually. Even degraded soils have degrees of stored carbon. When tilling or mechanically working amendments into the ground, carbon exposed to oxygen may turn into CO_2 and escape into the atmosphere. LNC can be applied directly to the surface of the ground without intervention to the soil. LNC percolates into the ground in a non-intrusive way without exposing any carbon to surface air oxygen, safeguarding the carbon storage of soil ecosystems and fostering increased carbon sequestration.

Non-intrusive soil treatment is further gentle to fragile soil ecosystems, home to 95% of all biological species on earth. Reclaiming and protecting soil is therefore critical to preserving and restoring biodiversity.

Mining clay and the production of LNC requires energy. Logistics and transportation of material, equipment, personnel, and manufacturing also require energy. Desert Control strives to reduce energy consumption in all stages of the process and facilitate the use of renewable energy sources wherever available. These negative impact factors are, by far, surpassed by the sum of positive impacts from stopping and reversing desertification and soil degradation, reducing water consumption, and other environmental benefits.

LNC has no adverse impact on any of the 17 United Nations Sustainable Development Goals (SDGs). Further, LNC has a significant direct positive impact on 9 of the SDGs.

Vision and mission

Why

Making earth green again to foster the prosperity of life

- We aim to reclaim 100 million hectares of degraded land and desert by 2030
- We strive to create sustainable social impact, immense water savings, global food security, and regeneration of ecosystems to sequester carbon and balance our climate
- We aim to establish a social impact initiative throughout the Sub Shahara region by 2025 to reduce poverty and hunger

WATER, FOOD, AND A STABLE CLIMATE IS THE PATHWAY TO PEACE AND PROSPERITY FOR PEOPLE AND PLANET.

How

We combat desertification, land degradation, and water scarcity by;

- Restoring and protecting vital topsoil;
- Reclaiming degraded land – turning sand into soil;
- Regenerating soil biodiversity and natural ecosystems;
- Reducing the consumption of water, fertilizers, and natural resources; for agriculture, forests, and green landscapes

DESERTIFICATION, LOSS OF FERTILE SOIL, AND GROWING WATER SCARCITY THREATEN ALL LIFE ON EARTH, FURTHER ACCELERATED BY CLIMATE CHANGE AND OVEREXPLOITATION OF NATURAL RESOURCES.

What

Desert Control specializes in climate-smart Agri-tech solutions to combat desertification, soil degradation, and water scarcity. Our 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.

LNC enables sand and degraded soil to retain water and nutrients, thus increasing crop yields and ecosystem resilience while preserving water resources by up to 50%.

FROM SAND TO SOIL IN 7 HOURS.

Our strategy

Desert Control's strategy is to build the foundation to bring our innovation to global markets with exponential scalability. The fundamental principles for executing our strategy are:

Think Big:

Everything we do connects to a bigger picture and our vision of making earth green again.

Start Small:

Even the longest journey starts with the first step. Focus is vital, and we do not spread our resources too thin. Our business plan starts with a 2 + 2 strategy focusing on two segments and two countries; agriculture and landscaping in the United Arab Emirates and the United States.

Act Fast:

Everything we do is with a sense of urgency. Once we reach our ambition, we level up quickly. With a good foundation for 2 + 2, we move on to 4 + 4, always accelerating with strong resolve.

Design to scale exponentially:

Everything we do must be scalable. The positive impact of our innovation must grow at an increasingly rapid rate in proportion to time. Climate change is a battle against time. With less than 60 years left before we run out of fertile topsoil, the only way to succeed is by solutions that can scale exponentially.

Keep it simple:

Keeping it simple is vital to achieving exponential scalability. In everything we do, we prepare for the future without "over-engineering" by the principle of simplicity. We constantly consider what happens if we multiply what we do today by thousands. By always preparing for the impact of growth, we design for efficiency at scale.

Our core values

Leadership
Inspirational pro-active execution

Growth-mindset
Curious and solution-oriented

Innovation
Challenge status-quo | create value

Integrity
Keep promises | grow strong relationships

Contribution
Desire to make everything better

Diversity
Inclusive | open-minded | respectful

Making Earth Green Again

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4313 Sandnes, Norway

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