

Desert Control Reports No Material Impact from U.S. Trade Tariffs

Sandnes, Norway, 9 April 2025 — Desert Control (DSRT), an agri-tech company providing solutions for soil and water conservation, listed on Euronext Growth Oslo, reports that the recently announced U.S. trade tariffs on goods from Norway do not currently have any material impact on the company's operations, value chain, or financial outlook.

Following recent policy announcements by the U.S. administration—to implement a 16% import tariff on Norwegian goods effective April 9, 2025—Desert Control has conducted an internal review to assess both the direct implications of this measure and the broader potential impact of recent U.S. trade actions. Based on current information and the company's operational structure, Desert Control does not foresee any material effect on its U.S. operations, delivery capabilities, or supply chain at this time.

Desert Control operates in the United States through its wholly owned subsidiary, Desert Control Americas Inc., and serves the U.S. market through a fully domestic value chain. This includes sourcing raw materials, local project execution, and in-market manufacturing of Desert Control's proprietary mobile production systems for soil treatment.

"Our U.S. operations are structurally embedded within the American market. Inputs for client deliveries are sourced locally, and manufacturing for the U.S. is done in the U.S.," said Marty Weems, Managing Director at Desert Control Americas Inc.

Key Mitigating Factors

- **Localized U.S. Operations:** Desert Control's projects in the U.S. are executed entirely through its American subsidiary. The complete value chain—from production to delivery—is embedded within the United States, minimizing exposure to international trade restrictions.
- **Local Sourcing for U.S. Client Deliveries:** Desert Control's soil treatment programs for U.S. clients use domestic raw materials and inputs. The company does not currently export materials or inputs from Norway that would fall under the new tariffs' scope.
- **Limited Exposure to Affected Trade Categories:** The announced tariff measures primarily apply to physical goods. Services such as digital support, consulting, and technology deployment remain outside the scope of current trade actions.
- **U.S.-Based Manufacturing of Production Units:** Mobile production systems for the U.S. market are built locally and are, therefore, not directly subject to import tariffs. While the units are manufactured in the United States, certain components may have international origins or be affected by broader market pricing dynamics. These inputs represent a minor share of total unit manufacturing costs, and any such effects are not expected to have a material financial impact.

"Our operating model is resilient and built for agility," said Ole Kristian Sivertsen, CEO of Desert Control. "We're well-positioned to respond to evolving market conditions while safeguarding operational continuity, cost stability, and client outcomes."

Desert Control continues to monitor trade and policy developments closely. Should the scope of current measures evolve or extend to additional areas, the company is positioned to adapt in a manner that supports uninterrupted service, operational resilience, and compliance with relevant regulations.

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

About Desert Control:

Desert Control develops innovative solutions to enhance soil health, conserve water, and promote ecosystem resilience. The company's mission is to combat desertification, soil degradation, and water scarcity. Our patented Liquid Natural Clay (LNC) transforms sandy, fast-draining soils to retain water and nutrients, improving soil health, crop yields, and ecosystem vitality while conserving water. Desert Control provides customized solutions to strengthen sustainability, profitability, and prosperity for agriculture, forests, and green landscapes. In collaboration with partners and clients, we aim to preserve natural resources, restore biodiversity, enhance food security, and ensure a climate-resilient future.

For more information, visit <https://www.desertcontrol.com>