

ASX and Media release

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DESANE ANNOUNCES REDUCTION OF DEBT OF 32 PER CENT

Desane Properties Pty Ltd, a controlled entity of Desane Group Holdings Limited (ASX: DGH), wishes to announce that as a result of the sale and settlement of the industrial property 7-9 Orion Road, Lane Cove for **\$18.2 million**, the Group has reduced its bank borrowings from \$16.6 million to \$11.1 million, being a reduction in borrowings of \$5.5 million or **32%**.

The surplus **\$12.5 million** funds from the sale of the Lane Cove property, together with its existing **\$12 million of cash reserves**, will be deployed into the Group's capital management strategy, as it continues to identify well located properties in the Sydney metropolitan area.

The Managing Director of Desane, Phil Montrone, said "The Company is in a strong financial position to take advantage of property investment and development opportunities which may become available".

FOR FURTHER INFORMATION, PLEASE CONTACT:

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ABOUT DESANE:

Desane Group Holdings Limited is a property investment and development business based in Sydney, with expertise in property acquisitions, investment, management, leasing, sales and development of industrial, commercial and residential properties. Desane has a disciplined "add value" property acquisition approach, which will deliver maximum shareholder value in the medium to long term.