

Risk Management Policy

1. Objective

The objective of Desane Group Holdings Limited's risk management policy is to establish an effective risk management framework to ensure that all material risks are timely identified and appropriate controls are established to avoid or mitigate the impact of risk to the Company.

2. Functions

The board is responsible for the review of Desane's risk management framework with management, at least annually, to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks Desane faces.

The role of reviewing the risk management framework and reporting on the internal control systems in operation have been delegated by the Board to the Audit & Risk Committee.

The Managing Director and the Chief Financial Officer are responsible for preparing Desane's risk profile and establishing appropriate systems and controls to minimise risk.

The Managing Director and the Chief Financial Officer will report on the risk profile and the effectiveness of these systems and controls to the Audit & Risk Committee at least annually.

The external auditors will be requested to report any internal control issues that are identified in the course of the review of Desane's half-year results and the audit of the full year results.

The Managing Director and the Chief Financial Officer will confirm annually in writing to the board that:

- The integrity of the financial statements is based on a sound system of risk management including internal compliance and control systems including policies adopted by the board; and
 - Desane's risk management including internal compliance and control systems is operating efficiently and effectively in all material respects.
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