

DESANE

GROUP HOLDINGS LIMITED

ABN 61 003 184 932



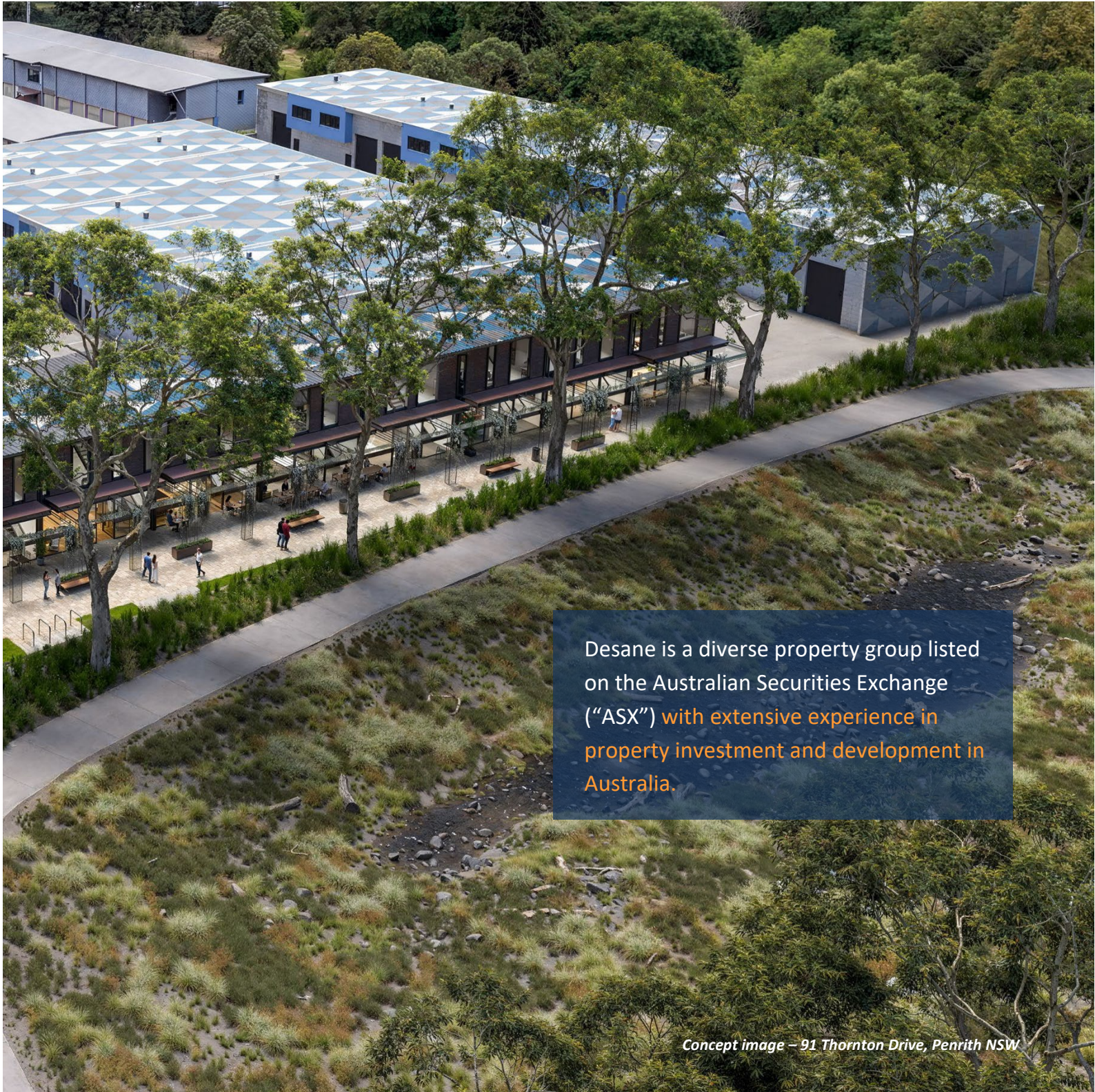
INTERIM REPORT

**FOR THE HALF YEAR ENDED
31 DECEMBER 2025**



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Desane is a diverse property group listed on the Australian Securities Exchange (“ASX”) with extensive experience in property investment and development in Australia.

Concept image – 91 Thornton Drive, Penrith NSW

Australian requirements for interim financial reports

This Interim financial report does not include all the notes of the type normally included in an annual report. Accordingly, this report should be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by Desane Group Holdings Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

*Desane Group Holdings Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is at Suite 4, 26-32 Pirrama Road, Pyrmont NSW 2009. Its shares are listed on the Australian Stock Exchange, ASX code **DGH**.*

Directors' Report

The Directors of Desane Group Holdings Limited (“Desane” and “the Group”) present their interim report, together with the condensed financial report of the Company and its controlled entities for the half year ended 31 December 2025.

Directors

The names of directors in office at any time during or since the end of the half year are:

- John Sheehan AM
- Rick Montrone
- Peter Krejci
- Jack Sciara

The Directors have been in office since the start of the financial year to the date of this report, unless otherwise stated.

Joint Company Secretaries

The following persons held the position of joint company secretary during the reporting period:

- Jack Sciara
- Kylie Ichsan

Principal Activities

There were no significant changes in the principal activities of the Group during the six-month period ending 31 December 2025, which were:

- Property investment; and
- Property development.



The Desane team, from left – John Sheehan, Kylie Ichsan, Rick Montrone, Jack Sciara, Sandra Skerl, Kenji Nakamura and Peter Krejci.

Financial, Capital Management and Operational Highlights

The Group recorded a consolidated statutory net profit after tax of **\$0.2m** for the half year ended 31 December 2025. Statutory net profit after tax has been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards, which comply with International Financial Reporting Standards.

	31 Dec 2025 \$'000	31 Dec 2024 \$'000
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The profit of the consolidated group, after providing for income tax, amounted to	178	832
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A summary of consolidated financial results by operational segments is set out below:

	Total Revenue		Segment Result	
	31 Dec 2025 \$'000	31 Dec 2024 \$'000	31 Dec 2025 \$'000	31 Dec 2024 \$'000
Loss on sale of investment property – net	(287)	-	(287)	-
Gain on disposal of non-current asset	21	-	21	-
Property investment – rental	1,033	1,223	361	676
Property management	17	16	17	16
Property services	10	-	10	-
Property investment – net revaluations	1,434	1,976	1,434	1,976
Interest income	126	166	126	166
	2,354	3,381	1,682	2,834
Unallocated expenses			(1,423)	(1,641)
Operating profit/(loss)			259	1,193
Income tax (expense)/benefit attributable to operating profit			(580)	-
Deferred tax attributable to operating profit/(loss)			499	(361)
Operating profit/(loss) after income tax attributable to members of Desane Group Holdings Limited			178	832

Key Financial Highlights

- Total assets remain steady at \$103.9m for the six months
- EBIT \$0.8m
- NTA per share remains steady at \$1.69 per share

Key Capital Management Highlights

- Overall gearing remains low at 33.5%
- Liquid cash reserves of \$9.5m
- Refinance of property debt on favourable terms with National Australia Bank
- Special partially franked dividend of 2c per share paid in December 2025

Key Operational Highlights

- Improved leasing profile and operational earnings heading into FY26 and FY27
- Successful completion of the sale of 13 Sirius Road, LANE COVE

Directors' Report - continued

Outlook

Despite broader challenges in the property investment market arising from persistent inflationary pressures and volatile interest rates, Desane has delivered a positive result for the first half of FY26.

There is a market expectation that demand for quality and well-located industrial sites should remain positive which is expected improve Desane's operational earnings.

The key factor determining Desane's development pipeline in the short to medium term will be the continued high cost of construction which is affecting feasibilities right across the property sector. Management will maintain a disciplined and proactive approach to all its projects over the second half of FY26.

Dividends Paid or Recognised

A special dividend of 2.0 cents per share, partially franked at 82%, was paid on 17 December 2025.

The Board has resolved to not recommend the payment of an interim dividend for the half year ended 31 December 2025.

Likely Developments

The Group continues to pursue its strategy of focusing on its core operations, utilising a strengthened balance sheet to provide support to grow and develop these operations.

Significant Changes in State of Affairs

There was no significant change in the state of affairs of the Group.

Events Subsequent to Balance Date

There were no significant events subsequent to Balance Date for the Group.

Environmental Regulation

The consolidated group complies with all relevant legislation and regulations in respect to environmental matters. No matters have arisen during the year in connection with Desane's obligations pursuant to Commonwealth and State environmental regulations.

Occupational Health and Safety Regulations

The consolidated group complies with all relevant legislation and regulations in respect to occupational health and safety matters.

Rounding of Amounts

The Company is of a kind referred to in Class Order 2016/191, issued by the Australian Securities and Investments Commission, relating to “rounding off”. Amounts in this report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor’s Declaration

The lead auditor’s declaration under Section 307C of the Corporations Act 2001 is set out on page 8 for the half year ended 31 December 2025.

Signed in accordance with a resolution of the Board of Directors, at Sydney this 26th day of February 2026.



John Sheehan AM
Non-executive Chairman



Rick Montrone
Managing Director



Auditor's Independence Declaration

G. C. C. Business & Assurance Pty Ltd

ABN 61 105 044 862

GPO Box 4566 Sydney NSW 2001
Telephone: (02) 9231 6166
Facsimile: (02) 9231 6155
Email: gmga@gccbusiness.com.au

Suite 807, 109 Pitt Street, Sydney

AUDITOR'S INDEPENDENCE DECLARATION

DESANE GROUP HOLDINGS LIMITED AND CONTROLLED ENTITIES

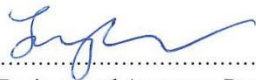
ABN 61 003 184 932

Auditor's Independence Declaration

As lead auditor for the review of the Desane Group Holdings Limited for the half-year ended 31 December 2025, I declare that to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of the Desane Group Holdings Limited and the entities it controlled during the period.



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GCC Business and Assurance Pty Limited
Jing Shu
Director
(Authorised Audit Company No. 307963)
Sydney
Dated: 2 February 2026

Liability limited by a scheme approved under Professional Standards Legislation

FINANCIAL REPORT



Condensed Consolidated Statement of Profit or Loss and Comprehensive Income

DESANE GROUP HOLDINGS LIMITED ABN 61 184 932 and Controlled Entities

For the six months ended 31 December 2025

	Note	Consolidated Group	
		31 Dec 2025 \$'000	31 Dec 2024 \$'000
Revenue from property investment – rental		1,033	1,223
Revenue from property services		10	-
Revenue from property management		17	16
Loss on sale of investment property – net	1	(287)	-
Gain on disposal of non-current asset		21	-
Interest income		126	166
Employee benefits expense		(598)	(962)
Depreciation and amortisation expense		(20)	(20)
Gain on revaluation of investment properties		1,434	1,976
Finance costs		(541)	(354)
Other expenses from ordinary activities		(936)	(852)
Profit before income tax		259	1,193
Income tax (expense)/benefit – current		(580)	-
Deferred Income tax (expense)/benefit		499	(361)
Profit from continuing operations		178	832
Other comprehensive income		-	-
Net profit (after income tax) for the six months ended 31 December 2025		178	832
Comprehensive Income			
Profit attributable to minority equity interest		-	-
Profit attributable to members of the parent entity		178	832
Earnings per Share			
Basic earnings per share (cents per share)		0.43	2.03
Diluted earnings per share (cents per share)		0.43	2.03
Continuing Operations			
Basic earnings per share (cents per share)		0.43	2.03
Diluted earnings per share (cents per share)		0.43	2.03

- 1 Sale of Investment Property
Consideration on the sale of the investment property (13 Sirius Road, Lane Cove) was \$8.7 million.

The accompanying notes form part of these financial statements.

Condensed Consolidated Statement of Financial Position

DESANE GROUP HOLDINGS LIMITED ABN 61 184 932 and Controlled Entities

For the six months ended 31 December 2025

	Consolidated Group	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
Current Assets		
Cash and cash equivalents	7,430	4,634
Cash term deposit	2,000	-
Trade and other receivables	55	224
Other current assets	349	523
Other financial assets	1,866	891
Total Current Assets	11,700	6,272
Non-current Assets		
Trade and other receivables	216	-
Investment properties	89,558	91,556
Inventory – development property	-	4,485
Property, plant and equipment	2,457	2,221
Other assets	2	270
Total Non-current Assets	92,233	98,532
Total Assets	103,933	104,804
Current Liabilities		
Trade and other payables	283	725
Provisions	546	26
Total Current Liabilities	829	751
Non-current Liabilities		
Trade and other payables	-	20
Borrowings	12,996	12,800
Deferred tax liability	21,007	21,506
Provisions	46	31
Total Non-current Liabilities	34,049	34,357
Total Liabilities	34,878	35,108
Net Assets	69,055	69,696
Equity		
Issued capital	21,213	21,213
Retained earnings	47,842	48,483
Total Equity	69,055	69,696

The accompanying notes form part of these financial statements.

Condensed Consolidated Statement of Changes in Equity

DESANE GROUP HOLDINGS LIMITED ABN 61 184 932 and Controlled Entities

For the six months ended 31 December 2025

	Issued Capital \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 July 2025	21,213	48,483	69,696
Shares issued during the year	-	-	-
Profit attributable to members of parent entity	-	178	178
Dividends paid or recognised for the year	-	(819)	(819)
Balance at 31 December 2025	21,213	47,842	69,055
Balance at 1 July 2024	21,213	45,168	66,381
Shares issued during the year	-	-	-
Profit attributable to members of parent entity	-	832	832
Dividends provided for	-	-	-
Balance at 31 December 2024	21,213	46,000	67,213



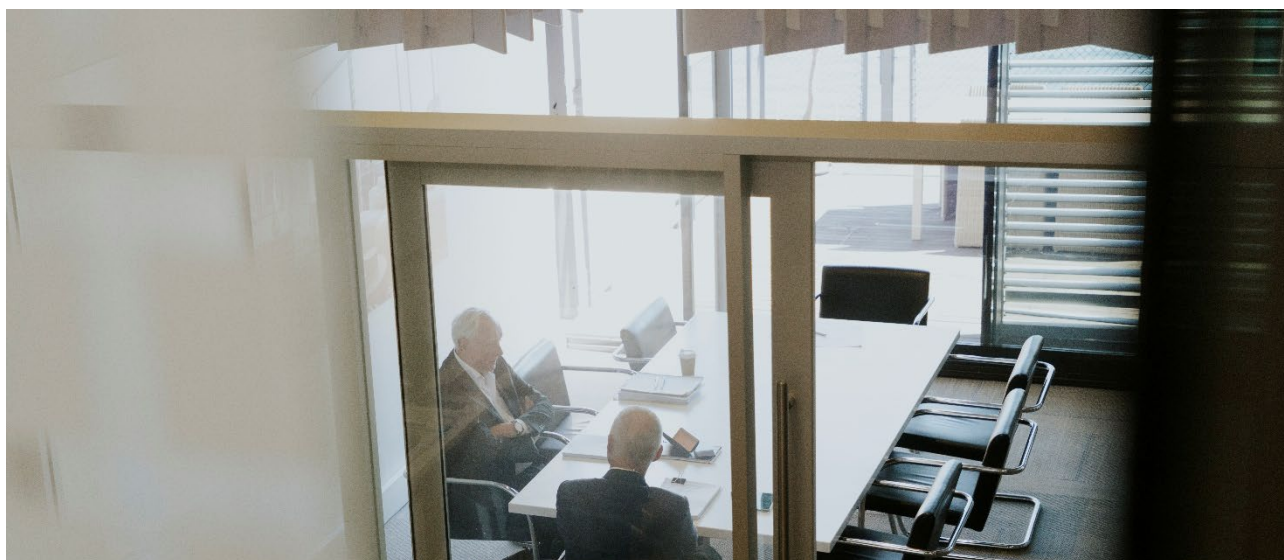
Concept image – 159 Allen Street, Leichhardt NSW

Condensed Consolidated Statement of Cash Flows

DESANE GROUP HOLDINGS LIMITED ABN 61 184 932 and Controlled Entities

For the six months ended 31 December 2025

	Consolidated Group	
	31 Dec 2025 Inflows (Outflows) \$'000	31 Dec 2024 Inflows (Outflows) \$'000
Cash flows from operating activities		
Receipts from customers	1,229	1,327
Payments to suppliers and employees	(2,082)	(2,112)
Payment of company tax	-	-
Interest received	126	166
Finance costs	(541)	(354)
Net cash provided by (used in) operating activities	(1,268)	(973)
Cash flows from investing activities		
Purchase of property, plant and equipment	(255)	(2)
Proceeds from the sale of property, plant and equipment	-	38
Proceeds from sale of property investments	8,707	-
Purchase of development properties	-	(23)
Purchase of financial assets	(3,000)	-
Proceeds from sale of financial assets	25	1,706
Capital costs of investment properties	(790)	(442)
Net cash provided by (used in) investing activities	4,687	1,277
Cash flows from financing activities		
Dividends paid by parent entity	(819)	-
Proceeds from borrowings	12,996	-
Repayment of borrowings	(12,800)	(3,600)
Net cash provided by (used in) financing activities	(623)	(3,600)
Net increase/(decrease) in cash held	2,796	(3,296)
Cash at beginning of the half year	4,634	3,458
Cash at end of the half year	7,430	162



Notes to the Condensed Consolidated Financial Statements

DESANE GROUP HOLDINGS LIMITED ABN 61 184 932 and Controlled Entities

For the six months ended 31 December 2025

1. Summary of Material Accounting Policies

Basis of Preparation of Half-year Financial Report

The half-year financial report is a general-purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134: *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34: *Interim Financial Reporting*.

These half-year financial statements do not include notes of the type normally included in the annual financial reports and statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial statements. Accordingly, these half-year financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2025 and any public announcements made by Desane Group Holdings Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The condensed consolidated financial statements have been prepared on the basis of historical costs, except for the revaluation of certain financial instruments to fair value. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted. Comparative figures are shown for 31 December 2024 or 30 June 2025 (where applicable) in the statement of financial position. There has been no restatement of figures in prior periods.

The accounting policies, which are consistent with Australian Accounting Standards and with International Reporting Financial Statements, have been adopted in the preparation of the half-year financial report and are consistent with those adopted and disclosed in the Company's 2025 annual financial report for the financial year ended 30 June 2025, except for the impact of the adoption of any new and revised accounting policy. The Group has considered all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period.

No new Standards and amendments to Standards that are mandatory for the first time for the financial year beginning 1 July 2025 affected any of the amounts recognised in the current year or any prior year and are not likely to affect future periods.

Investment Properties

Investment properties, comprising freehold office and industrial complexes, are held to generate long-term rental yields. All tenant leases are on an arm's length basis. The fair value model is applied to all investment property and each property is reviewed at each reporting date. The fair value is determined as the price at which the property could be exchanged between knowledgeable, willing parties in an arm's length transaction. Each property is independently valued every three years by registered valuers who have recognised and appropriate professional qualifications, and recent experience in the location and category of investment property being valued. Changes to fair value are recorded in the statement of profit and loss as revenue from non-operating activities.

Investment properties under construction are measured at the lower of fair value and net realisable value. Cost includes cost of acquisition, development and interest on financing during development. Interest and other holding charges after practical completion are expensed as incurred.

Investment properties are maintained at a high standard and as permitted by accounting standards, the properties are not depreciated.

Rental revenue from the leasing of investment properties is recognised in the statement of profit and loss in the periods in which it is receivable, as this represents the pattern of service rendered through the provision of the properties. All tenant leases are on an arm's length basis.

Inventories

Development Property

Land held for development and sale is measured at the lower of cost and net realisable value. Net realisable value is determined on the basis of sales in the ordinary course of business. Costs include the cost of acquisition, development, borrowing costs and holding costs until the completion of development. Gains and losses are recognised in the statement of profit and loss on the signing of an unconditional contract of sale if significant risks and rewards and effective control over the property is passed to the purchaser at this point.

Inventory is classified as current when development is expected to be sold in the next twelve months, otherwise it will be classified as non-current.

If applicable, the carrying value will include revaluations applied to the asset during the period the property was classified as an investment property.

Property, Plant and Equipment

Property

Freehold land and buildings are carried at their fair value (being the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less accumulated impairment losses and accumulated depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity; all other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and Equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment are measured on a cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of plant and equipment is depreciated on a straight-line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use.

Notes to the Condensed Consolidated Financial Statements

DESANE GROUP HOLDINGS LIMITED ABN 61 184 932 and Controlled Entities

For the six months ended 31 December 2025

1. Summary of Material Accounting Policies (continued)

The depreciation rates used for each class of depreciable assets are:

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
Motor vehicles	15%
Plant and equipment	2.5% - 33%
Office and computer equipment	10% - 33%

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at each reporting date.

An asset's carrying value is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the consolidated statement of profit and loss and other comprehensive income.

Financial Instruments

The Group has adopted AASB 9: Financial Instruments.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the entity commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", at which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

The Group has interests in the following financial assets:

(i) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Group's intention to hold these investments to maturity. Interest income is recognised in profit or loss when received. On maturity, the financial asset is derecognised and re-classified as cash at bank.

Borrowings

Borrowings consist of first mortgage finance secured over the investment properties. Covenants imposed by mortgagor require total debt not to exceed 50% of the property value and the net rental is required to exceed interest expense by at least 1.25 times.

These covenants have been met at all times during the period.

Critical Accounting Estimates and Judgements

The preparation of the financial reports requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial reports. Management bases its judgements and estimates on historical experience and other various factors it believes to be reasonable under the circumstances, but which are inherently uncertain and unpredictable, the results of which form the basis of the carrying value of assets and liabilities. The resulting accounting estimates may differ from actual results under different assumptions and conditions.

Key estimates and assumptions that have a risk of causing adjustment with the next financial year to the carrying amounts of assets and liabilities recognised in these financial reports are:

(i) Impairment – property valuations

Critical judgements are made by the group in respect of fair values of investment properties. The fair value of these investments are reviewed regularly by management with reference to external independent property valuations and market conditions existing at reporting date, using generally accepted market practices.

Then critical assumptions underlying management's estimates of fair values are those relating to the passing rent, market rent, occupancy, capitalisation rate, terminal yield and discount rate. If there is any change in these assumptions or economic conditions, the fair value of the property investments may differ.

(ii) Impairment – general

The group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

New and Amended Policies Adopted by the Group

The Group has adopted the following standards:

- *AASB 2020-: Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current*

This amendment amends AASB 101 to clarify whether a liability should be presented as current or non-current.

- *AASB 2022-6-: Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants*

AASB 2022-6 amends AASB 101 to improve the information an entity provides in its financial statements about liabilities arising from loan arrangements for which the entity's right to defer settlement of those liabilities for at least 12 months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement. It also amends an example in Practice Statement 2 regarding assessing whether information about covenants is material for disclosure.

Notes to the Condensed Consolidated Financial Statements

DESANE GROUP HOLDINGS LIMITED ABN 61 184 932 and Controlled Entities

For the six months ended 31 December 2025

2. Dividend Paid

	Consolidated Group			
	31 Dec 2025		31 Dec 2024	
	Cents per Share	\$'000	Cents per Share	\$'000
Dividends paid or declared for payment	2.0	819	-	-

3. Operating Segments

Segment Information

Identification of Reportable Segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar to the operations and or services provided by the segment.

Types of Operations and Services by Segment

Revenue is derived by the industry segments from the following activities:

(i) **Property Investment**

Rental income from prime real estate investments.

(ii) **Property Development**

Development projects (residential, commercial or industrial).

(iii) **Property Services**

Property and related services.

Accounting Policies Adopted

Unless stated otherwise, all amounts reported to the Board of Directors, with respect to operating segments, are determined in accordance with accounting policies consistent to those adopted in the annual financial statements of the Group.

Segment Assets

Where an asset is used across multiple segments, the asset is allocated to that segment that receives majority economic value from that asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Segment Liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

Unallocated Items

The following items of revenue, expenses, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- Net gains on disposal of available for sale investments;
- Impairment of assets and other nonrecurring items of revenue or expenses;
- Income tax expense;
- Deferred tax assets and liabilities;
- Current tax liabilities;
- Other financial liabilities;
- Retirement benefit obligations; and
- Administration expenses.

Geographical Segments

The consolidated group operates in two geographical segments, being New South Wales and Queensland, Australia.

Inter-Segment Transactions

Inter-segment pricing is based on what would be realised in the event the sale was made to an external party at arm's length basis.



Notes to the Condensed Consolidated Financial Statements

DESANE GROUP HOLDINGS LIMITED ABN 61 184 932 and Controlled Entities

For the six months ended 31 December 2025

3. Operating Segments (continued)

i) Segment Performance – 31 December 2025

	Property Investment \$'000	Property Services \$'000	Property, Plant & Equipment \$'000	Other \$'000	Consolidated Group \$'000
Six Months to 31 December 2025					
Revenue					
External sales	74	27	21	126	248
Total revenue	74	27	21	126	248
Segment result	1,508	27	21	126	1,682
Unallocated expenses					(882)
Finance costs					(541)
Profit/(loss) before income tax					259
Income tax – current					(580)
Deferred income tax					499
Profit/(loss) after income tax					178
Other is comprised of:					
				Revenue \$'000	Profit \$'000
Interest received				126	126

ii) Segment Assets – 31 December 2025

	Property Investment \$'000	Property Development \$'000	Property Services \$'000	Property, Plant & Equipment \$'000	Other \$'000	Consolidated Group \$'000
July 2025 opening balance	91,556	4,485	-	2,221	6,542	104,804
Unallocated Assets						-
Deferred tax assets						-
Segment Asset Increases/(Decreases) for the Period						
Acquisitions	-	-	-	256	-	256
Reclassification of property asset	4,485	(4,485)	-	-	-	-
Disposed of property asset	(8,707)	-	-	-	-	(8,707)
Revaluations/(Devaluations)	1,434	-	-	-	-	1,434
Capital expenditures	249	-	-	-	-	249
Development expenditure	541	-	-	-	-	541
Accumulated depreciation movement	-	-	-	(20)	-	(20)
Net movement in other segments	-	-	-	-	5,376	5,376
	89,558	-	-	2,5478	11,918	103,933
Unallocated Assets						-
Deferred Tax Assets						-
Total Group Assets						103,933

iii) Segment Liabilities – 31 December 2025

	Property Investment \$'000	Property Development \$'000	Property Services \$'000	Property, Plant & Equipment \$'000	Other \$'000	Consolidated Group \$'000
July 2025 opening balance	12,800	-	-	-	20,876	33,676
Unallocated Liabilities						
Deferred tax liabilities	-	-	-	-	-	-
Segment Liabilities Increases/(Decreases) for the Period						
Repayment of borrowings	(12,800)	-	-	-	-	(12,800)
New borrowings	12,996	-	-	-	-	12,996
Net movements in other segments	-	-	-	-	1,505	1,505
	12,996	-	-	-	22,381	35,377
Unallocated Liabilities						-
Deferred Tax Liabilities						(499)
Total Group Liabilities						34,878

iv) Segment Performance – 31 December 2024

	Property Investment \$'000	Property Services \$'000	Property, Plant & Equipment \$'000	Other \$'000	Consolidated Group \$'000
Six Months to 31 December 2024					
Revenue					
External sales	1,223	16	-	166	1,405
Total revenue	1,223	16	-	166	1,405
Segment result	2,652	16	-	166	2,834
Unallocated expenses					(1,287)
Finance costs					(354)
Profit/(loss) before income tax					1,193
Deferred income tax expense					(361)
Profit/(loss) after income tax					832
Other is comprised of:					
				Revenue \$'000	Profit \$'000
Interest received				166	166

Notes to the Condensed Consolidated Financial Statements

DESANE GROUP HOLDINGS LIMITED ABN 61 184 932 and Controlled Entities

For the six months ended 31 December 2025

4. Equity Issued

Issue of ordinary shares during the half year ended 31 December 2025.

	Consolidated Group		Consolidated Group	
	31 Dec 2025	30 Jun 2025	31 Dec 2025	30 Jun 2025
	No	No	\$'000	\$'000
Ordinary Shares Fully Paid				
As at 1 July 2025	40,909,990	40,909,990	21,213	21,213
Shares Issued During the Year	-	-	-	-
Closing ordinary shares fully paid	40,909,990	40,909,990	21,213	21,213

5. Related Party Transaction

The Managing Director and all executives are permanent employees of Desane Group Holdings Limited.

Mansfield Holdings Pty Ltd, which is a company owned by Mr Rick Montrone's father, has a lease, executed at arm's length, for premises at 35 Norton Street, Leichhardt.

Mr Jack Sciara provided professional tax services to the Group for the amount of \$30,200 on an arm's length basis. Mr Jack Sciara's spouse and daughter have been employed by Desane Group Holdings Limited on a part time and casual basis respectively, as administration assistants for the accounting and finance department. Their employment is on an arm's length basis.

Mr Rick Montrone's spouse has been employed by Desane Group Holdings Limited on a part time basis, as assistant for the property department as well as for the design and production of the annual financial report, the AGM presentation and ongoing website and social media maintenance. Her employment is on an arm's length basis.

Trafalgar Contracting Pty Ltd, which is a company owned by Mr Rick Montrone's uncle, has provided maintenance and project management services totalling \$82,772 at properties owned by the Group, on an arm's length basis. Trafalgar Contracting Pty Ltd holds an arm's length lease over the premises at 322 Norton Street, Leichhardt.

Other than the above transactions, no director has entered into a material contract since the end of the previous financial year and there were no material contracts involving directors' interests existing at year-end.

6. Mortgage Debt Facilities

As at 31 December 2025, the Group has an available debt facility with National Australia Bank totalling \$18.8m with \$5.8m unused.

7. Contingent Liabilities

There has been no change in contingent liabilities since the last annual reporting date.

8. Events Subsequent to Reporting Date

There were no significant events subsequent to Balance Date for the Group.


Directors' Declaration

In accordance with a resolution of the directors of Desane Group Holdings Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 9 to 22, are in accordance with the *Corporations Act 2001*, including:
 - a. comply with Accounting Standard AASB 134: *Interim Financial Reporting*; and
 - b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.



John Sheehan AM
Director



Rick Montrone
Director

Sydney
26 February 2026

Independent Auditor's Review Report

G.C.C. Business & Assurance Pty Ltd

ABN 61 105 044 862

GPO Box 4566, Sydney NSW 2001

Telephone: (02) 9231 6166

Facsimile: (02) 9231 6155

Suite 807, 109 Pitt Street, Sydney

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
DESANE GROUP HOLDINGS LIMITED AND CONTROLLED ENTITIES
ABN: 61 003 184 932**

REPORT ON THE HALF-YEAR FINANCIAL REPORT

Conclusion

We have reviewed the accompanying half-year financial report of Desane Group Holdings Limited and controlled entities (the Group), which comprises the condensed consolidated statement of financial position as at 31 December 2025, the condensed consolidated statement of profit and loss and other comprehensive income, the condensed consolidated statement of changes in equity, and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Desane Group Holdings Limited is not in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- ii. complying with AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the half-year financial report

The directors of Desane Group Holdings Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Liability limited by a scheme approved under Professional Standards Legislation

Independent Auditor's Review Report

G. C. C. Business & Assurance Pty Ltd

Auditor's responsibility for the review of the half-year financial report

Our responsibility is to express a conclusion on the financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

GCC Business & Assurance Pty Ltd

GCC BUSINESS & ASSURANCE PTY LTD
(Authorised Audit Company)



Jing Shu
Director

Sydney
26 February 2026



DIRECTORS

Prof. John Sheehan AM – Non-executive Chairman
Rick Montrone – Director/Chief Executive Officer
Peter Krejci – Non-executive Director
Jack Sciarra – Director

CHIEF FINANCIAL OFFICER

Jack Sciarra

JOINT COMPANY SECRETARIES

Jack Sciarra
Kylie Ichsan

REGISTERED OFFICE

Suite 4, Jones Bay Wharf
26-32 Pirrama Road, Pyrmont NSW 2009

POSTAL ADDRESS

PO Box 331, Leichhardt NSW 2040

SHARE REGISTRY

Computershare Investor Services Pty Limited
Level 5, 115 Grenfell Street, Adelaide SA 5000

AUDITOR

GCC Business & Assurance Pty Ltd
Suite 807, 109 Pitt Street, Sydney NSW 2000

STOCK EXCHANGE LISTING

Desane Group Holdings Limited shares are listed on the Australian Securities Exchange. The ASX code is **DGH**.

WEBSITE

www.desane.com.au



