RED RIDGE

Annual Report

For the year ended 31 March 2025

Red Ridge Group Limited   ACN 644 257 465   NSX code : RRG

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ACN 644 257 465

Annual Report

For The Year Ended 31 March 2025

NSX Code: RRG

Corporate Data

Directors	Michael Pixley	(*Non-executive Chairman)*
	Vikram J. Rana	(*CEO and Executive director)*
	Mark Ng	*(Executive director)*
	Gregory Starr	*(Non-executive director)*

Company secretary Louisa Ho

Registered office
C/- Tearum Advisors Pty Ltd
Level 12, 141 Walker Street
North Sydney
Sydney NSW 2060

Principal place of business
Suite 904, Floor 9,
Peninsula Square,
18 Sung On Street
Hung Hom, Kowloon
Hong Kong

Legal and NSX nominated adviser
Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

Independent auditor
Moore Australia Audit (WA)
Level 15 Exchange Tower
2 The Esplanade
Perth WA 6000

Share registry
Automic Pty Ltd
Level 5, 126 Phillip Street
Sydney NSW 2000

Securities exchange
National Securities Exchange (NSX)
1 Bligh Street
Sydney NSW 2000

NSX code **RRG**

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Chairman’s Letter

Dear fellow Shareholders,

On behalf of the board of directors (the “Board”) of Red Ridge Group Limited (RRG or the Company), I welcome you as a shareholder of RRG.

The financial year ended 31 March 2025 (“**FY25**”) is a year of change for the Company. Shareholders approved the change of name to Red Ridge Group Limited during the annual general meeting held on 26 July 2024, and a change of the core business of the Company at an extraordinary general meeting held on 8 November 2024. The new business includes providing sourcing, design and distribution of toys and arts & craft related products, to US wholesale customers and brokers, online and offline suppliers of department stores and network chains, and the product source is derived from China and India. As announced on 22 May 2024, the Group disposed of the entire equity interest in Smart Auto Holding (HK) Limited (“**SAH**”), a loss-making subsidiary with negative net assets, to an independent third party for a consideration of A$1.00 on 17 May 2024.

During FY25, the Group’s profit attributable to equity owners was A$4.84m comprising profits of A$0.90m from continuing operations and A$3.94m from discontinued operations.

On behalf of RRG, I would like to express my heartfelt appreciation to our shareholders for their support in the past year. RRG will strive to streamline its operations wherever possible and continue to create greater value for our shareholders.

Thank you for your support.

Sincerely

Michael Pixley
Non-Executive Chairman

Directors' Report

Directors submit their report on the consolidated entity (referred to hereafter as the "**Group**") consisting of Red Ridge Group Limited (the "**Company**" or "**RRG**") and the entities it controlled at the end of, or during the year ended 31 March 2025 ("**FY25**").

Directors

The names and details of the Company's directors in office during FY25 and until the date of this report are as follows.

Where applicable, all current and former directorships held in listed public companies over the past three years have been detailed below.

Directors were in office for this entire period unless otherwise stated.

Michael Pixley - ***Non-executive chairman***

Appointed on 28 October 2020, Mr Pixley has 37 years merchant banking experience in Australia and Asian regions across a broad range of industries. Mr Pixley is a non-executive director of Refresh Group Ltd. (ASX: RGP), and Credit Intelligence Limited (ASX: CI1). Mr. Pixley was a non-executive director of Advanced Share Registry Ltd. (ASX: ASW).

Mr Pixley has a Bachelor of Business Management from Curtin University, Perth, Western Australia.

Vikram J. Rana – ***Chief Executive Officer (CEO) and Executive director***

Appointed on 26 July 2024, Mr. Rana specializes in e-commerce and international trade, serving customers in the United States and European countries. He has extensive market experience and materials sourcing networks in China and India. Mr. Rana is the controlling shareholder of the Company.

As the current CEO of the Group, coupled with his industry knowledge and expertise, Mr. Rana is responsible for formulating the corporate strategy, business development, financial management, cost management and compliance functions of the Group.

Mr. Rana has a Bachelor's Degree in Electrical Engineering from Florida Institute of Technology and a Graduate of Merrut University.

Mark Ng - ***Executive director***

Appointed on 28 October 2020, Mr. Ng is a member of CPA (Aust.) and Hong Kong Institute of Certified Public Accountants. He is currently an executive director of Credit Intelligence Limited (ASX: CI1) and Sanvo Fine Chemicals Group Limited, a company listed on the main board of the Hong Kong Stock Exchange (HKex: 301).

Mr. Ng has over 20 years of experience in corporate governance, financial reporting, auditing, investor relationships, fundraising, internal control and risk assessment, M&A, tax, and listing rules compliance. He has been involved in a number of initial public offerings and mergers and acquisitions activities on major stock exchanges.

Mr. Ng was trained at international CPA firms BDO and Grant Thornton and has held various managerial positions in listed companies, including executive director, independent non-executive director, company secretary, CFO, and corporate adviser.

Greg Starr – Non-executive director and Company Secretary

Appointed on 28 October 2020, Mr. Starr, is a CPA and an experienced public company non-executive and executive director and Company Secretary. He has been involved in many IPOs, M&A and acquisitions and debt and company restructures over the past 26 years.

In the past three years Mr. Starr has held executive and non-executive board positions on ASX listed companies, Diatreme Resources Limited (ASX: DRX), Investor Centre Limited (ASX: ICU), Candy Club Limited (ASX: CLB), Credit Intelligence Limited (ASX:CI1), Eastern Metals Limited (ASX:EMS), Kallium Lakes Limited (ASX:KLL), Openn Negotiation Limited (ASX:OPN) and Admiralty Resources Limited (ASX: ADY).

Mr. Starr brings significant corporate governance and investor relations experience in ASX, TSX and NSX listed companies to the Company's board.

Interests in the shares of the Company and related bodies corporate

As at the date of this report, the interests of the directors in the shares of the Company were:

	Ordinary Shares
Michael Pixley	-
Vikram J. Rana	618,421,417
Mark Ng	-
Greg Starr	-

On 26 April 2024, 10,000,000 ordinary shares and 31,666,667 ordinary shares were issued to Mark Ng (Executive Director and KMP) at A$0.012 each as shares in lieu of remuneration and payment for interest fee loans. Mr. Ng has subsequently disposed of 41,666,667 ordinary shares on 28 June 2024, following which Mr. Ng holds NIL ordinary shares in the Company.

On 18 June 2024, the Company issued 659,721,417 ordinary shares pursuant to non-renounceable pro-rata entitlement offer to eligible shareholders on the basis of one (1) new share for every one (1) existing share held on the record date at an issue price of A$0.01 per new share, together with two (2) free fully paid bonus shares for every one (1) new share subscribed for and issued.

Principal Activities and Business Overview for FY25

As announced on 22 May 2024, the Group disposed of the entire equity interest in Smart Auto Holding (HK) Limited ("**SAH**") to an independent third party for a consideration of A$1.00 on 17 May 2024. The operations associated with the bus rental and management and bus trading segments are therefore classified and presented in the consolidated statement of profit or loss and other comprehensive income as discontinued operations in FY25.

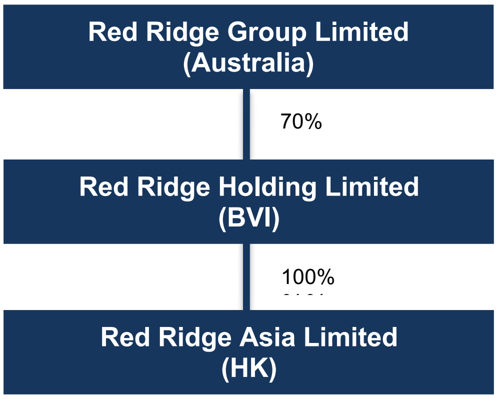
During an Extraordinary General Meeting of Shareholders held on 8 November 2024, Shareholders had approved the significant change to the Company's principal business activities. The new business will include providing sourcing, design and distribution of toys and arts & craft related products, to US wholesale customers and brokers, online and offline suppliers of department stores and network chains, and the product source is derived from China and India.

The contracts are anticipated to be for US wholesale customers and brokers, online and offline suppliers of department stores and network chains, and the product source will be derived from China and India.

Following the disposal of the major undertaking of the original business SAH, and obtaining formal shareholder approval for the significant change to the Company's principal business activities, RRG has successfully completed the re-compliance process with the National Stock Exchange of Australia (NSX) through the lodgement of an information memorandum, marking the final step in satisfying its re-compliance requirements.

Group Structure

As at 31 March 2025, the corporate structure of the Group is as follows:



As announced on 22 May 2024, the Company disposed of the entire equity interest in SAH to an independent third party on 17 May 2024.

Dividends Paid or Recommended

There was no dividend paid or recommended.

Review of Operations

The Group change its core business to that of providing sourcing, design and distribution of toys and arts & craft related products, to US wholesale customers and brokers, online and offline suppliers of department stores and network chains, and the product source is derived from China and India. The Group recorded a profit attributable to equity owners of A$4.8m (comprising A$0.9m from continuing operations and A$3.9m from discontinued operations).

Risk Management

The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that activities are aligned with the risks and opportunities identified by the Board.

The Group has established an Audit and Risk Committee which comprises only non-executive directors.

The Board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board. These include the following:

(a) loss of key relationships, customers and contracts, including with key related party customers;
(b) governmental, regulatory and legislative changes;
(c) increased competition;
(d) contractual disputes;
(e) failure to obtain or renew licenses and regulatory approvals;
(f) COVID-19 and future force majeure events; and
(g) changes in export country tariff rates.

Significant Changes in the State of Affairs

During the year, the following significant changes arose:

Shareholders approved the change of name to Red Ridge Group Limited during the annual general meeting held on 26 July 2024, and a change of the core business of the Company at an extraordinary general meeting held on 8 November 2024. The new business includes providing sourcing, design and distribution of toys and arts & craft related products, to US wholesale customers and brokers, online and offline suppliers of department stores and network chains, and the product source is derived from China and India.

As announced on 22 May 2024, the Group disposed of the entire equity interest in SAH to an independent third party for a consideration of A$1.00 on 17 May 2024.

The Company incorporated a new subsidiary Red Ridge Holding Limited ("**RRH**") in British Virgin Islands for which the Company holds 70% of RRH's issued and paid-up capital. RRH has a wholly-owned subsidiary, Red Ridge Asia Ltd, which is incorporated in Hong Kong.

Significant Events after the Reporting Date

There are no significant events after the financial year end.

Likely Developments and Expected Results of Operations

The Group is committed to making strategic adjustments that align with market changes as global trade dynamics continue to evolve, particularly with regards to the impact of tariffs on goods from around the world. Additionally, the Group is working to enhance its operational capacity to better serve our clients and maintain growth.

Monitoring Tariffs – the Group is actively monitoring the development surrounding tariffs and their potential impact on our supply chain, cost structure, and overall operations. This includes:

- Ongoing Analysis: The Group has a team in place who assess the impact of any changes in tariff rates and trade policies. The task force monitors relevant market and policy shifts regularly.
- Risk Mitigation: In response to potential challenges, we are reviewing alternative sourcing strategies, cost-saving initiatives, and other operational adjustments to minimize the impact of tariffs.
- Proactive Adaptation: The Group remains prepared to respond to any significant tariff-related changes and is considering all available options to adapt efficiently and effectively.

The Group has not been significantly impacted by the ongoing tariff situation, as the impact of the tariffs is primarily absorbed by the customers rather than the Group. The structure of the tariffs means that the cost increase are typically passed on to the end consumers, which mitigates any direct financial strain on the Group. Certain exemptions under the U.S. tariffs enable the Group to continue operations in this sector without the added burden of increased import costs, ensuring that pricing remains competitive and stable for its customer base. For example, children's books fall under an exempt category from the U.S. tariffs, further shielding the business from potential adverse effects.

Operational Expansion – the Group is focused on strategic growth through expansion efforts, aimed at increasing market share and improving operational efficiency. Key expansion initiatives include:

- Geographic Expansion: The Group is increasing its presence in key markets, both domestically and internationally, to diversify revenue streams and enhance accessibility to customers.
- Long-Term Growth Strategy: These efforts are part of the Group's broader vision for substantiable growth, ensuring that we are well-positioned for continued success in a competitive market.

Environmental Regulation and Performance

The Group's current business is not subject to any significant environmental regulation.

Remuneration Report (Audited)

The information provided in this remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

Principles Used to Determine the Nature and Amount of Remuneration

Remuneration Governance and Policy

Taking into account the current size and operations of the Group, the Board has assumed the role of the Remuneration and Nomination Committee. The Corporate Governance Statement provides further information on the role of this committee. The remuneration policy of the Company has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives. The Board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the Group.

The Board's policy for determining the nature and amount of remuneration for Board members and senior executives of the Group is as follows:

The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the Board. The Board reviews executive packages annually and determines policy recommendations by reference to executive performance and comparable information from industry sectors and other listed companies in similar industries.

The Board may exercise discretion in relation to approving incentives, bonuses and equity securities. The policy is designed to attract and retain the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

Executives are also entitled to participate in the employee share arrangements, where applicable.

Where required, the executive directors and executives receive a superannuation guarantee contribution required by the government, which is 11.0% from 1 April 2024 to 30 June 2024 and 11.5% from 1 July 2024 to 31 March 2025 for Australia and 5% or maximum contribution of HKD1,500 per month (circa A$290) for Hong Kong. Executive directors and executives do not receive any other retirement benefits.

All remuneration paid to directors and executives is valued at the cost to the Company and expensed. Equity securities in the form of performance shares are valued using an appropriate binomial, trinomial or option pricing methodology depending on the terms of the equity securities granted, if any.

The Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting. Fees for non-executive directors are not linked to the performance of the Group. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company.

Performance based remuneration

The Group does not have a formal short-term incentive scheme for executives, directors or other key management personnel. However, the Board believes that a portion of the remuneration package for the directors should be linked to some form of financial indicator, such as share price, from time to time, as determined by the Board. In this regard, performance rights provide a performance linked incentive component in the remuneration package, subject to shareholder approval.

There is no share options or performance shares issued to the Board or senior management.

Directors' Report

Company performance, shareholder wealth and directors' and executives' remuneration

The Group aims to align director and executive remuneration to its strategic and business objectives and the creation of shareholder wealth. Key performance indicator includes revenue, net profit, share price and earnings per share as required by the *Corporations Act 2001*. The results below are not necessarily consistent with the measures used in determining the performance-based amounts of remuneration to be awarded to key management personnel (KMP). As a consequence, there may not always be a direct correlation between the statutory key performance measures and the performance-based remuneration awarded.

Use of remuneration consultants

The Group did not retain the services of any remuneration consultants during FY25 and the financial year ended 31 March 2024 ("**FY24**").

Details of Remuneration

Details of the remuneration of the directors of the Company are set out in the following table.

The Board considers KMP of the Group includes those directors of RRG appointed. All amounts included in the remuneration table below are included as expenses within the consolidated statements of profit or loss in the financial statements for FY25.

	Salary & Fees $	Short-Term Cash Bonus $	Non-Monetary $	Long-Term Leave Entitlements $	Post-Employment Super-annuation $	Share-based Payments Performance Shares $	Total $	Percentage Performance Related %
Directors								
Vikram J. Rana [1]								
FY25	**40,968**	**-**	**-**	**-**	**-**	**-**	**40,968**	**-**
FY24	-	-	-	-	-	-	-	-
Mark Ng								
FY25	**60,000**	**-**	**-**	**-**	**-**	**-**	**60,000**	**-**
FY24	60,000	-	-	-	-	-	60,000	-
Michael Pixley								
FY25	**36,000**	**-**	**-**	**-**	**-**	**-**	**36,000**	**-**
FY24	36,000	-	-	-	-	-	36,000	-
Greg Starr								
FY25	**27,371**	**-**	**-**	**-**	**-**	**-**	**27,371**	**-**
FY24	25,000	-	-	-	-	-	25,000	-
Alyce Wong								
FY25	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
FY24	60,000	-	-	-	-	-	60,000	-
Total key management personnel compensation								
FY25	**164,339**	**-**	**-**	**-**	**-**	**-**	**164,339**	**-**
FY24	181,000	-	-	-	-	-	181,000	-

(1) Mr. Rana was appointed as CEO and Executive Director of the Company on 26 July 2024.

Except for Mr. Rana and Ms. Wong, all of the directors' remuneration is effective from the date of listing (8 June 2021). For each of the directors, the annual remuneration for the financial year following the Company being admitted to the official list is set out in the table below:

Note: Inclusive of statutory superannuation (as applicable) but exclusive of any short-term and long-term incentive plans.

Director	Annual Remuneration
Michael Pixley	A$36,000
Vikram J. Rana	A$60,000
Mark Ng	A$60,000
Gregory Starr	A$27,371

Service Agreements

The details of service agreements of the KMP of the Group are as follows:

Vikram J. Rana - CEO and Executive director

- Term of agreement – employment commencing from the 26 July 2024 until employment is terminated.
- The agreement may be terminated by the Company/individual giving six months' notice in writing, or applicable shorter periods upon breach of contract by either party. There are no benefits payable on termination other than entitlements accrued to the date of termination.

Mark Ng, Executive director

- Term of agreement – employment commencing from the date of admittance to the official list of NSX for 3 years or until employment is terminated.
- The agreement may be terminated by the Company/individual giving one/three months' notice in writing, or applicable shorter periods upon breach of contract by either party. There are no benefits payable on termination other than entitlements accrued to the date of termination.

The non-executive directors have entered into engagement letters containing terms and conditions which are considered standard for the appointments and are in line with common industry practice.

Share-Based Compensation

Performance Shares/Rights

Performance Shares/Rights may be issued to directors and executives as part of their remuneration. The Group does not have a formal policy in relation to the key management personnel limiting their exposure to risk in relation to the securities, but the Board actively discourages KMP from obtaining mortgages in securities held in the Company.

The Company did not issue any performance shares/rights to directors and/or executives.

Ordinary Share Holdings

The number of ordinary shares in the Company held during the financial year by each director of the Company is set out below. There were no ordinary shares granted during the reporting period as compensation.

FY25/24	**Balance at start of the year or date of appointment**	**Received during the year on the vesting of performance rights/exercise of options**	**Other changes during the year**	**Balance at end of the year(*)**
Directors				
Vikram J. Rana	618,421,417	-	-	618,421,417
Mark Ng	-	-	-	-
Michael Pixley	-	-	-	-
Greg Starr	-	-	-	-
Alyce Wong (1)	18,000,000	-	(18,000,000)	-

(1) Ms. Wong resigned as a director of the Company on 26 June 2024.
*At year end there are no nominally held shares.

Loans from KMP and their Related Parties

The balance of loan from Vikram J. Rana (a director and KMP) as at 31 March 2025 was A$351,551 (31 March 2024: A$Nil). The loan is unsecured, interest free and repayable on demand.

The balance of loan from Mark Ng (a director and KMP) as at 31 March 2025 was A$Nil (31 March 2024: A$588,038). The loan is unsecured, interest free and repayable on demand. Following the extraordinary general meeting of the Company on 26 April 2024, 10,000,000 ordinary shares and 31,666,667 ordinary shares were issued to Mark Ng as shares in lieu of remuneration and payment for interest free loans of A$500,000.

Other Transactions with KMP

There were no other transactions with Key Management Personnel during FY25 and the previous corresponding period.

End of Audited Remuneration Report

Directors' Meetings

During the year and up to the date of this report, the Company held 5 meetings of directors. The attendance of directors at meetings of the Board was:

	Directors Meetings		Committee Meetings Audit and Risk	
	A	**B**	**A**	**B**
Vikram J. Rana [1]	4	4	N/A	N/A
Mark Ng	4	5	N/A	N/A
Michael Pixley	5	5	1	1
Greg Starr	5	5	1	1
Alyce Wong [1]	1	1	N/A	N/A

(1) Mr. Rana was appointed as a director of the Company on 26 July 2024 and Ms. Wong resigned as a director of the Company on 26 June 2024.

A – Number of meetings attended.
B – Number of meetings held during the time the director held office during the year and up to the date of this report.

Shares Under Option

There are no unissued ordinary shares of the Company under option at the date of this report.

Indemnification of Officers

No indemnities have been given for the auditors of the Company or the Group.

Proceedings on Behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

Non-Audit Services

The following non-audit services were provided by the Group's auditor, Moore Australia Audit (WA) ("Moore Australia") or associated entities. The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor;

- None of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

Moore Australia or associated entities and component auditors have received, or are due to receive, the following amounts for the provision of non-audit services to the Group:

	FY25 A$	FY24 A$
– Interim review		
Moore Australia	**10,500**	10,500
Moore Hong Kong	**-**	25,316
– Taxation services		
Moore Australia	**9,200**	7,711
Moore Hong Kong	**-**	974
	19,700	44,501

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 13.

Signed in accordance with a resolution of the directors.

Vikram J. Rana
CEO and Executive director

20 May 2025

Moore Australia Audit (WA)

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Auditor's Independence Declaration

Under Section 307C of the Corporations Act 2001

To the directors of Red Ridge Group Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2025, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit, and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

Wen-Shien Chai
Partner – Audit and Assurance
Moore Australia Audit (WA)
Perth
20th day of May 2025

Moore Australia Audit (WA)
Chartered Accountants

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2025

	Notes	2025 A$	2024 A$
Continuing operations			
Revenue	**3**	**5,770,097**	-
Cost of goods sold		**(3,587,983)**	-
Gross profit		**2,182,114**	-
Other income and gains	4	**4,052**	-
Administrative and operating expenses		**(616,330)**	(331,207)
Selling and distribution expenses		**(115,401)**	-
Written off of amount due from a director		**-**	(1,527,845)
Profit/(loss) before income tax from continuing operations	5	**1,454,435**	(1,859,052)
Income tax expense	6	**-**	-
Profit/(Loss) for the year from continuing operations		**1,454,435**	(1,859,052)
Discontinued operations			
Profit/(Loss) for the year from discontinued operations	21	**3,941,678**	(5,631,928)
Profit/(Loss) for the year		**5,396,113**	(7,490,980)
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss when specific conditions are met:			
Exchange differences on translating foreign operations, net of tax		**362,327**	(199,939)
Total other comprehensive income/(loss) for the year, net of tax		**362,327**	(199,939)
Total comprehensive income/(loss) for the year		**5,758,440**	(7,690,919)
Profit/(Loss) for the year attributable to:			
- Members of the parent entity		**4,835,912**	(7,490,980)
- Non-controlling interests		**560,201**	-
		5,396,113	(7,490,980)
Profit/(Loss) for the year attributable to members of the parent entity:			
- Profit/(loss) from continuing operations		**894,234**	(1,859,052)
- Profit/(loss) from discontinued operations		**3,941,678**	(5,631,928)
		4,835,912	(7,490,980)
Total comprehensive income/(loss) for the year attributable to:			
- Members of the parent entity		**5,198,239**	(7,690,919)
- Non-controlling interests		**560,201**	-
		5,758,440	(7,690,919)
Earnings/(Loss) per share			
Basic and diluted (cents)	15		
From continuing and discontinued operations		**0.66**	(4.2)
From continuing operations		**0.12**	(1.0)
From discontinued operations		**0.54**	(3.2)

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Financial Position

As at 31 March 2025

	Notes	2025 A$	2024 A$
CURRENT ASSETS			
Cash and cash equivalents	7	**3,364,176**	18,595
Trade receivables	8	**4,139,478**	-
Other receivables		**3,118**	-
Assets held for sales	21	**-**	4,987,052
TOTAL ASSETS		**7,506,772**	5,005,647
CURRENT LIABILITIES			
Trade payables	9	**3,355,035**	-
Accruals and other payables	9	**277,057**	128,424
Amount due to a director	10	**351,551**	588,038
Liabilities directly associated with assets held for sale	21	**-**	9,215,063
TOTAL LIABILITIES		**3,983,643**	9,931,525
NET ASSETS/(LIABILITIES)		**3,523,129**	(4,925,878)
EQUITY/(DEFICIENCY)			
Issued capital	11	**9,550,841**	6,860,318
Reserves	12	**75,993**	(2,118,192)
Accumulated losses		**(6,663,950)**	(9,668,004)
		2,962,884	(4,925,878)
Non-controlling interests		**560,245**	-
TOTAL EQUITY/(DEFICIENCY)		**3,523,129**	(4,925,878)

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the year ended 31 March 2025

	Issued Capital A$	Retained Earnings/ (Accumulated Losses) A$	Merger Reserve A$	Translation Reserve A$	Total A$	Non-controlling Interest A$	Total Equity /(Deficiency) A$
Balance at 1.4.2023	6,860,318	(2,177,024)	(1,831,858)	(86,395)	2,765,041	-	2,765,041
Comprehensive income:							
Loss for the year	-	(7,490,980)	-	-	(7,490,980)	-	(7,490,980)
Other comprehensive loss for the year	-	-	-	(199,939)	(199,939)	-	(199,939)
Total comprehensive loss for the year	-	(7,490,980)	-	(199,939)	(7,690,919)	-	(7,690,919)
Transactions with owners, in their capacity as owners, and other transfers							
Total transactions with owners and other transfers	-	-	-	-	-	-	-
Balance at 31.3.2024	6,860,318	(9,668,004)	(1,831,858)	(286,334)	(4,925,878)	-	(4,925,878)
Balance at 1.4.2024	6,860,318	(9,668,004)	(1,831,858)	(286,334)	(4,925,878)	-	(4,925,878)
Comprehensive income:							
Profit for the year	-	4,835,912	-	-	4,835,912	560,201	5,396,113
Other comprehensive income for the year	-	-	-	362,327	362,327	-	362,327
Total comprehensive income for the year	-	4,835,912	-	362,327	5,198,239	560,201	5,758,440
Transactions with owners, in their capacity as owners, and other transfers							
Total transactions with owners and other transfers							
Issue of shares at A$0.12 each to a director in lieu of remuneration and payment for interest free loans	500,000	-	-	-	500,000	-	500,000
Issue of shares at A$0.01 each together with two free bonus shares for every 1 share subscribed	2,190,523	-	-	-	2,190,523	-	2,190,523
Disposal/ acquisition of subsidiaries	-	(1,831,858)	1,831,858	-	-	44	44
Balance at 31.3.2025	**9,550,841**	**(6,663,950)**	**-**	**75,993**	**2,962,884**	**560,245**	**3,523,129**

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 March 2025

	Notes	2025 A$	2024 A$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from/(used in) operations		**815,552**	(988,756)
Income tax paid		-	(26,440)
Net cash generated from/(used in) operating activities	13	**815,552**	(1,015,196)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of intangible assets		-	1,015,689
Proceeds from disposal of plant and equipment		-	504,920
Net cash generated from investing activities		-	1,520,609
CASH FLOWS FROM FINANCING ACTIVITIES			
Issue of new shares		**2,190,523**	-
Proceeds from loans from directors		**263,513**	247,645
Lease liabilities and other borrowings		-	(576,441)
Net cash generated from/(used in) financing activities		**2,454,036**	(328,796)
Net increase in cash and cash equivalents		**3,269,588**	176,617
Cash and cash equivalents at the beginning of the year		**18,595**	34,855
Effect of foreign currency translation		**75,993**	(192,877)
Cash and cash equivalents at the end of the year		**3,364,176**	18,595

The accompanying notes form part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

1 Material accounting policy information

These financial statements and notes represent those of Red Ridge Group Limited (the "**Company**") and its controlled entities (the "**Group**").

The separate financial statements of the parent entity have not been presented within this financial report as permitted by the *Corporations Act 2001*.

The financial statements were authorised for issue on 20 May 2025 by the directors of the Company.

(a) Basis of preparation

On 17 May 2024, the Group disposed of the entire equity interest in SAH to an independent third party for a consideration of A$1.00. The operations associated with the bus rental and management and bus trading segments are therefore classified and presented in the consolidated statement of profit or loss and other comprehensive income as discontinued operations in FY25.

During an Extraordinary General Meeting of Shareholders held on 8 November 2024, Shareholders had approved the significant change to the Company's principal business activities. The new business will include providing sourcing, design and distribution of toys and arts & craft related products, to US wholesale customers and brokers, online and offline suppliers of department stores and network chains, and the product source is derived from China and India.

Reporting entity

These general purpose consolidated financial statements have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and in compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

Except for cash flow information, the financial statements have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

1 Material accounting policy information (continued)

(b) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Company as at 31 March 2025 and the results of its controlled entities for the year then ended. The Company and its controlled entities together are referred to in these financial statements as the consolidated entity.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Group companies

The financial results and position of foreign operations, whose functional currency is different from the Group's presentation currency, are translated as follows:
- assets and liabilities are translated at exchange rates prevailing at the end of the reporting period;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations with functional currencies other than the presentation currency of the Group are recognised in other comprehensive income and included in the translation reserve in the equity.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

As announced on 22 May 2024, the Group disposed of the entire equity interest in SAH to an independent third party for a consideration of A$1.00 on 17 May 2024. On 27 August 2024, the Company announced that it has incorporated a 70% owned subsidiary, Red Ridge Holding Limited ("**RRH**") in British Virgin Islands. RRH has a wholly owned subsidiary. Red Ridge Asia Limited ("**RRA**") incorporated in Hong Kong.

Both the consolidated entity for the year ended 31 March 2025 and comparative figures for the previous year ended 31 March 2024 are the Company and its subsidiaries.

Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

1 Material accounting policy information (continued)

(b) Principles of consolidation (continued)

Group companies (continued)

- The consolidated statement of profit or loss and comprehensive income and consolidated statement of cash flow:
  - for the period between 1 April 2024 to 31 March 2025 comprises 12 months of the Company;
  - for the period between 4 July 2024 (date of incorporation) to 31 March 2025 of RRH;
  - for the period between 13 August 2024 (date of incorporation) to 31 March 2025 of RRA; and
  - for the comparative period between 1 April 2023 to 31 March 2024 comprises 12 months of the Company, SAH and GTB.

- The consolidated statement of financial position:
  - as at 31 March 2025 comprises the Company, RRH and RRA as at that date; and
  - as at 31 March 2024 comprises the Company, SAH and GTB as at that date.

- The consolidated statement of changes in equity:
  - for the year ended 31 March 2025, comprises
    (a) the Company, SAH and GTB's balance at 1 April 2024;
    (b) the Company results for the period and transactions with equity holders for 12 months;
    (c) RRH results for the period from 4 July 2024 to 31 March 2025 and transactions with equity holders during the period; and
    (d) RRA results for the period from 13 August 2024 to 31 March 2025 and transactions with equity holders during the period.
    It also comprises the equity value of the Company, RRH and RRA as at 31 March 2025. The share capital at period end represents those of the Company only; and
  - for the year ended 31 March 2024, comprises the Company, SAH and GTB's balance at 1 April 2023, its results for the period and transactions with equity holders for 12 months. It also comprises the equity value of the Company, SAH and GTB at 31 March 2024. The share capital at period end represents those of the Company only.

(c) Foreign currency translation

Functional and presentation currency

The functional currency of the Group is United States Dollars (US$), which is the currency of the primary economic environment in which the Group operates, while presentation currency of the Group is Australian dollars (A$).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the end of the reporting period. Foreign exchange gains and losses resulting from settling foreign currency transactions, as well as from restating foreign currency denominated monetary assets and liabilities, are recognised in profit or loss, except when they are deferred in other comprehensive income as qualifying cash flow hedges or where they relate to differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

1 Material accounting policy information (continued)

(d) Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer, net of expected goods returns, discounts and sales related taxes. Revenue is recognised when performance obligation is satisfied.

Depending on the terms of the contract and the laws that apply to the contract, control of the goods may be transferred over time or at a point in time. Control of the goods is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customers;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the goods transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or service.

Acting as the principal to distribute children's books and stationery, promotional, printing and other related products

The Group sources the children's books and stationery, promotional, printing and other related products when received the purchase orders from its customers. The Group periodically arranges quality inspection to the suppliers and send pre-production samples for approval prior to the shipment. After the products are produced by the suppliers, the Group arranges the shipment from the suppliers to the customers directly. Customers obtain control of the products when the goods are delivered to and have been accepted by the customers, being the products are shipped on board according to the contract with the customers and the business practice. Thus, revenue recognised upon when the goods are placed on board.

The Group does not provide any sales-related warranties. There is no right of return by customers under the Company's standard contract terms.

(e) Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating and recognising interest income and interest expense in profit or loss over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but not considering the expected credit losses.

Interest income which are derived from the Group's ordinary course of business are presented as other income.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

1 Material accounting policy information (continued)

Financial assets

Classification and measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at the date of initial application/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in OCI on initial recognition/as at date of initial application of AASB 9 if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which AASB 3 Business Combinations applies.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term;
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not a financial guarantee contract of designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Amortised cost and interest income

Financial assets are recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting periods following the determination that the asset is no longer credit impaired.

Accounting policy of impairment of financial assets measured at amortised cost is stated in note 1(g).

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

1 Material accounting policy information (continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset; or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at amortised costs. All financial liabilities are recognised initially at fair value and net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, deposits received, accruals and other payables, amount due to a director, tax payables and lease liabilities are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in "Finance costs" in profit or loss.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

1 Material accounting policy information (continued)

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Financial assets

Classification and measurement of financial assets

The Group classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. The Group determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise trade receivables, deposits paid and other receivables and cash and cash equivalents in the statement of financial position.

Regular way purchases and sales of financial assets are recognised on the trade-date, that is, the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Loans and receivables are subsequently carried at amortised cost using the effective interest method. Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

1 Material accounting policy information (continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of the consideration that the Group could be required to repay.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

Financial liabilities

The accounting policy of classification and measurement of financial liabilities has no change under the application of AASB 139 and AASB 9. Please refer to above accounting policy in regarding to financial liabilities.

(f) Segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors of the Company for their decisions about resources allocation to the group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the chief operating decision makers ("CODM") are determined following the Group's major operations. The measurement policies the group uses for reporting segment results under AASB 8 Operating Segments are the same as those used in its financial statements prepared under AASB.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

1 Material accounting policy information (continued)

(g) Impairment of financial assets

The Group recognises a loss allowance for expected credit loss ("**ECL**") on financial assets which are subject to impairment under AASB 9 (including trade receivables, deposits paid and other receivables and cash bank balance). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date.

Assessments are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables without significant financing component. The ECL on these assets are assessed individually for debtors with significant balances and collectively using a provision matrix with appropriate groupings.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; or
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

1 Material accounting policy information (continued)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise. The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over one year past due, whichever occurs sooner.

Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

1 Material accounting policy information (continued)

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped based on:

Nature of financial instruments (i.e. the Group's trade receivables, deposits paid and other receivables and cash and cash equivalents are each assessed as a separate group);

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

1 Material accounting policy information (continued)

Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment. The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in profit or loss. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to "impairment loss allowance on trade receivables" in statement of comprehensive income.

(h) Income tax

Income tax represents the sum of current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

1 Material accounting policy information (continued)

(h) Income tax (continued)

Deferred tax liabilities are recognised for all taxable temporary differences, except:-

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(i) Discontinued operations

Discontinued operations refer to the group’s business or product line that have been divested, shut down or disposed whose activities are reported separately from continuing operations. The sum of the post-tax profit or loss of the discounting operation is presented as a single amount on the consolidated statement of profit or loss.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

1 Material accounting policy information (continued)

(j) Assets held for sale

Assets associated with the group's business or product line that have been divested, shut down or disposed are classified as held for sale. Assets held for sale and the liabilities directly associated with the assets held for sale are presented separately in the consolidated statement of financial position.

2 Critical accounting estimates and judgements

In the application of the Group's accounting policies, which are described in note 1, the Board of directors of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(a) Estimated provision of ECL for trade receivables

The Group has considered all the possible default events over the expected life of the trade receivables and assessed individually for debtors with significant balances and/or collectively using a provision matrix through grouping of various debtors that have similar loss patterns, after considering internal credit ratings of trade debtors, ageing, repayment history and/or past due status of respective trade receivables. Estimated loss rates are based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is reasonable and supportable available without undue costs or effort.

In addition, trade receivables that are credit impaired are assessed for ECL individually. The loss allowance amount of the credit impaired trade receivables is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows with the consideration of expected future credit losses.

The provision of ECL is sensitive to changes in estimates. The information about the Group's assessment of ECL and the details of the Group's trade receivables are disclosed in notes 1(g) and 8, respectively.

Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

2 Critical accounting estimates and judgements (continued)

(b) Principal versus agent consideration

The Group engages in providing sourcing, design and distribution of toys and arts & craft related products, to US wholesale customers and brokers, online and offline suppliers of department stores and network chains, and the product source is derived from China and India. The Group assesses whether or not the Group is acting as a principal or an agent on these types of activities, the Group made an assessment based on indicators of (a) who is primarily responsible for providing the goods or services; (b) who has inventory risk; and (c) who has latitude to establish prices. Based on a comprehensive assessment of all the facts and circumstances, judgement is made on an individual contract basis to determine whether revenue can be recognised during the period and whether revenue should be recognised on a gross or net basis.

The Group concluded that the Group acts as the principal for such transactions as it controls the specified good before it is transferred to the customer after taking into consideration indicators including the Group is primarily responsible for fulfilling the promise to provide the goods and the Group has discretion in establishing the price for goods. When the Company satisfies the performance obligation, the Group recognises trading revenue in the gross amount of consideration to which the Group expects to be entitled as specified in the contracts.

	2025	2024
	A$	A$

3 Revenue

Distribution of goods (point-in-time)	**5,770,097**	-
By geographical markets, based on the principal place of business of the customers		
The United States	**4,750,060**	-
Australia	**966,507**	-
Canada	**53,530**	-
	5,770,097	

4 Other income and gains

Bank interest income	**20**	-
Handling fee income	**4,032**	-
	4,052	-

5 Profit/(Loss) before income tax

Auditor's remuneration	**51,765**	64,843
Cost of inventories recognised as an expense	**3,587,983**	-*
Depreciation of plant and equipment (included in cost of services rendered)	**-**	-*
Depreciation of right-of-use assets (included in administrative and operating expenses)	**-**	-*
Expenses relating to short-term leases	**-**	-*
Impairment loss on inventories (included in cost of services rendered)	**-**	-*
Written off of amount due from a director	**-**	1,527,845

*Included in the line items of loss for the year from discontinuing operations.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

6 Income tax expense

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operated.

Pursuant to the rules and regulations of the British Virgin Islands (BVI), the Group is not subject to any income tax under the jurisdiction. Hong Kong Profits Tax is calculated at 8.25% of the first HK$ 2 million (Circa A$395,000) estimated assessable profits and 16.5% above HK$ 2 million estimated assessable profits derived from Hong Kong.

No provision for Hong Kong Profits Tax has been made as the Group had no assessable profits arising in Hong Kong during the period from 13 August 2024 (date of incorporation of Red Ridge Asia Limited) to 31 March 2025.

The prima facie tax expense on profit from ordinary activities before income tax from continuing operations is reconciled to the income tax as follows:

	2025	2024
	A$	A$
Tax at 30%	**436,330**	(557,716)
Differential in corporate tax rate	**(252,947)**	-
Tax effect on non-taxable income	**(952,734)**	-
Tax effect on non-deductible expenses	**769,351**	557,716
	-	-

7 Cash and cash equivalents

Cash and cash equivalents represent cash at banks and on hand. Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with authorised banks with no recent default history.

8 Trade receivables

Trade receivables	**4,139,478**	-
Less: allowance for credit losses	**-**	-
	4,139,478	-

The ageing analysis of these receivables, net of ECL allowance, based on past due date, is as follows:

Not past due	**4,139,478**	-
1 – 90 days past due	**-**	-
91 – 180 days past due	**-**	-
181 – 365 days past due	**-**	-
More than 365 days past due	**-**	-
	4,139,478	-

The Group applies the simplified approach to provide for ECLs prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables. The Group has assessed the allowance for ECLs on trade receivables on a collective basis, based on ageing, past due status and repayment history of these balances by using the provision matrix derived from a rolling rates model.

The credit terms granted by the Group to its trade customers is normally ranged from 60 to 120 days. Details of impairment assessment of trade receivables are set out in note 1(g) to the consolidated financial statements.

Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

9 Trade payables, accruals and other payables

Credit periods granted by the suppliers to the Group are generally 60 to 90 days. Accruals and other payables comprise accrued administrative and operating expenses during the years.

10 Amount due to a director

The amount due represents fund advances to the Group and accrued remuneration of a director. It is unsecured, interest-free, and repayable on demand.

11 Issued capital

On 26 April 2024, 10,000,000 ordinary shares and 31,666,667 ordinary shares were issued to Mark Ng (Executive Director and KMP) at A$0.012 each as shares in lieu of remuneration and payment for interest fee loans.

On 18 June 2024, the Company issued 659,721,417 ordinary shares pursuant to non-renounceable pro-rata entitlement offer to eligible shareholders on the basis of one (1) new share for every one (1) existing share held on the record date at an issue price of A$0.01 per new share, together with two (2) free fully paid bonus shares for every one (1) new share subscribed for and issued

The current period reflects the movements in the Company, as the legal parent's capital structure.

Ordinary - issued and paid up share capital	**2025 No.**	2024 No.	**2025 A$**	2024 A$
At the beginning of the reporting year	**178,240,472**	178,240,472	**6,860,318**	**6,860,318**
Issuance of shares at A$0.012 each in lieu of remuneration and payment for interest-free loans	**41,666,667**	-	**500,000**	**-**
Issuance of shares at A$0.01 each on the basis of one new share for one existing share held and two free bonus shares for every new share subscribed	**659,721,417**	-	**2,190,523**	-
At the end of the reporting period	**879,628,556**	178,240,472	**9,550,841**	6,860,318

Each ordinary shareholder maintains, when present in person or by proxy or by attorney at any general meeting of the Company, the right to cast one vote for each ordinary share held.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

At the date of this report, there were no options and/or convertibles on issue by the Company.

Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

12 Reserves

Details of the movements on the Group's reserves are set out in the consolidated statement of changes in equity.

Translation reserve represents exchange differences arising on translation of the foreign controlled subsidiaries with functional currency reported other than A$.

13 Cash flow information

Reconciliation of cash flow from operations with operating profit from ordinary activities after income tax:

	2025 A$	2024 A$
Profit/(Loss) from continuing operations after income tax	**1,454,435**	(1,859,052)
Profit/(Loss) from discontinued operations after income tax	**3,941,678**	(5,631,928)
Profit/(Loss) after tax	**5,396,113**	(7,490,980)
Non-cash flows in profit from ordinary activities:		
Allowance for ECL	**-**	492,146
Depreciation of plant and equipment	**-**	398,914
Depreciation on right-of-use assets	**-**	271,839
Gain on disposal of plant and equipment	**-**	713,622
Gain on disposal of subsidiaries	**(3,941,678)**	-
Impairment on inventories	**-**	325,414
Impairment on intangible assets	**-**	1,256,086
Finance costs	**-**	89,326
Effect of foreign currency translation	**-**	4,262
Movements in working capital		
Trade receivables	**(4,139,478)**	371,724
Deposits paid, prepayment and other receivables	**(3,073)**	268,327
Inventories	**-**	1,565,398
Trade payables	**3,355,035**	(1,102,326)
Contract liabilities	**-**	552,483
Deposits received, accruals and other payables	**148,633**	1,269,872
Tax payables	**-**	(1,303)
Cash flow generated from/(used in) operations	**815,552**	(1,015,196)

Major non-cash transactions

On 26 April 2024, the Company issued 10,000,000 ordinary shares and 31,666,667 ordinary shares were issued to Mark Ng (Executive Director and KMP) at A$0.012 each as shares in lieu of remuneration and payment for interest free loans in the capital of the Company.

Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

14 Interests in other entities

The legal corporate structure of the Group is set out below.

Name of Entity	Country of Incorporation	Principal Place of Business	Ownership Interest 2025 %	Ownership Interest 2024 %
Red Ridge Group Limited	Australia	Australia	N/A	N/A
Red Ridge Holding Limited	British Virgin Islands	Hong Kong	70	-
Red Ridge Asia Limited	Hong Kong	Hong Kong	70	-
Smart Auto Holding (HK) Limited	British Virgin Islands	Hong Kong	-	100*
Grand Tour Bus Services Limited	Hong Kong	Hong Kong	-	100*

Percentage of voting power is in proportion to ownership

*Disposed on 17 May 2024 (note 21)

15 Earnings/(Loss) per share

	2025 A$	2024 A$
Basic and diluted earnings/(loss) per share (cents)		
Continuing and discontinued operations	**0.66**	(4.2)
Continuing operations	**0.12**	(1.0)
Discontinued operations	**0.54**	(3.2)
Weighted average number of shares	**735,793,112**	178,240,472

The calculation of basic earnings/(loss) per share is based on the profit/(loss) for the year from continuing operations of A$894,234 (FY24: Loss of A$1,859,052), profit for the year from discontinued operations of A$3,941,678 (FY24: Loss of A$5,631,928) and profit for the year attributable to the owners of the Company of A$4,835,912 (FY24: Loss of A$7,490,980) and the weighted average of 735,793,112 (FY24: 178,240,472) shares in issue during the year. Diluted earnings/(loss) per share were same as the basic earnings/(loss) per share as no dilutive potential ordinary shares were in existence during FY25 and FY24.

16 Segment information

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the Group's CODM for their decisions about resources allocation to the Group's business components and for their review of these components' performance. The Group only operates in a single operating segment for each financial year, which is the coach rental and trading for the financial year ended 31 March 2024 and, following the change in principal activities, sourcing, design and distribution of toys and arts & craft related products for the financial year ended 31 March 2025. All the revenue is received from external customers.

For the year ended 31 March 2025, revenue from one customer (approximately 10 distributors behind the one customer) which had contributed more than 10% each to the Group's revenue amounted to approximately A$5.77m.

For the year ended 31 March 2025 and 2024, the Group's external customers, operations and the management team are domiciled and located in i) the United States, Australia and Canada (Note 3) and ii) Hong Kong respectively. Segment revenue by geographical region is based on the location of the customers. For the year ended 31 March 2025 and 2024, the assets and liabilities of the Group are based in Hong Kong which are used to support its external customers.

Consequently, no separate analysis of reportable segment revenue, assets and liabilities by operation is presented.

Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

17 Related party transactions

The Group has the following transactions with its related parties in the normal course of its business, entered into on an arms-length basis, and mutually agreed between both parties:

	2025 A$	2024 A$
a) Recurring transactions with related parties	**-**	140,214

For FY24, management fee represented day-to-day human resources outsource services provided to the Group, including accounting, administration and operation related areas.

For FY25, the office premises used by the Group located in Hong Kong was provided by an executive director, who is also the ultimate controlling party of the Group, without any charges.

Amount due to a director during FY25 and FY24 is set out in note 10.

	2025	2024
b) Non-recurring transactions with related parties		
Acquisition of coaches and passenger services licenses	-	131,450
Trade settlement received by Alyce Wong on behalf of the Group	-	1,527,845
Sale of passenger services licenses	-	204,479

Alyce Wong, former CEO and executive director of the Company and a director of GTB is the beneficial owner and/or controlling shareholder and/or a director of the related companies. SAH and GTB had been disposed on 17 May 2024.

Key management personnel remuneration

	2025	2024
Director's remuneration		
Vikram J. Rana	**40,968**	-
Mark Ng	**60,000**	60,000
Michael Pixley	**36,000**	36,000
Greg Starr	**27,371**	25,000
Alyce Wong	**-**	60,000

During the year, A$6,000 (FY24: A$36,000) was paid/payable to a non-executive director, Greg Starr, for company secretary service provided.

Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

18 Parent information

The following information relates to the legal parent, Red Ridge Group Limited (the "**Company**") only. It has been extracted from the books and records of the legal parent entity set out below and has been prepared in accordance with Australian Accounting Standards.

	2025	2024
	A$	A$
Statement of Financial Position		
ASSETS		
Current assets	**1,705,740**	6,222,071
Non-current assets	**104**	-
TOTAL ASSETS	**1,705,844**	6,222,071
LIABILITIES		
Current liabilities	**126,090**	716,462
TOTAL LIABILITIES	**126,090**	716,462
EQUITY		
Issued capital	**10,047,642**	7,357,119
Accumulated losses	**(8,467,888)**	(1,851,510)
TOTAL EQUITY	**1,579,754**	5,505,609
Statement of Profit or Loss and Other Comprehensive Income		
Loss and total comprehensive for the year	**(6,616,378)**	(209,953)

19 Auditor's remuneration

The following information relates to the remuneration of the auditor for both the Company and the legal subsidiaries of the Company.

Auditors of the Group - Moore and its network firm

Audit of financial statements		
Group	**22,000**	22,000
Controlled entities	**29,765**	42,843
Total audit services	**51,765**	64,843
Non-audit services		
Interim review	**10,500**	35,816
Taxation services	**9,200**	8,685
Total non-audit services	**19,700**	44,501
Total services provided by Moore and its network firm	**71,465**	109,344

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

20 Financial risk management

(a) Financial instruments by categories

	2025 A$	2024 A$
Financial assets		
Receivables measured at amortised cost:		
- Trade receivables	**4,139,478**	-
- Other receivables	**3,118**	-
- Cash and cash equivalents	**3,364,176**	18,595
	7,506,772	18,595
Financial liabilities		
Financial liabilities measured at amortised cost:		
- Trade payables	**3,355,035**	-
- Accruals and other payables	**277,057**	128,424
- Amount due to a director	**351,551**	588,038
	3,983,643	716,462

(b) Financial risk management and policies

The Group has exposure to the credit risk and liquidity risk arising from financial instruments. The policies on how to mitigate these risks are set out below. The management monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

The Group’s credit risk is primarily attributable to trade receivables, deposits and other receivables. To minimise risk, the management has a credit policy in place and the exposures to these credit risks are monitored on regular and ongoing basis. Credit evaluations of its debtors’ financial position and condition are performed on each major debtor on a timely manner. These evaluations focus on the debtor’s past history of making payments when due and current ability to pay and take into account information specific to the debtor as well as pertaining to the economic environment in which the debtor operates. Debtors with overdue balances, which will be reviewed on a case-by-case basis, are normally requested to settle all outstanding balances before any further credit is granted.

The Group’s exposure to credit risk is influenced mainly by the individual characteristics of each debtor. The default risk of the industry in which debtors operate also has an influence on credit risk.

The credit risk on balances of cash and cash equivalents is low as these balances are placed with authorised financial institutions with no recent default history.

The Group’s policy is to regularly monitor current and expected liquidity requirements. The Group relies on its liquid funds provided by the controlling shareholder as well as funds received from its external customers.

Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

20 Financial risk management (continued)

(b) Financial risk management and policies (continued)

Credit risk (continued)

The following table reflects an undiscounted contractual maturity analysis for financial assets and financial liabilities.

	Within 1 Year		1 to 5 Year		Over 5 Year		Total	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024
	A$	A$	**A$**	A$	**A$**	A$	**A$**	A$
Financial liabilities due for payment								
Trade payables, accruals and other payables	**3,632,092**	128,424	**-**	-	**-**	-	**3,632,092**	128,424
Amount due to a director	**351,551**	588,038	**-**	-	**-**	-	**351,551**	588,038
Total expected outflows	**3,983,643**	716,462	**-**	-	**-**	-	**3,983,643**	716,462
Financial assets – cash flows realisable								
Trade receivables	**4,139,478**	-	**-**	-	**-**	**-**	**4,139,478**	-
Other receivables	**3,118**	-	**-**	-	**-**	**-**	**3,118**	-
Cash and cash equivalents	**3,364,176**	18,595	**-**	-	**-**	**-**	**3,364,176**	18,595
Total anticipated inflows	**7,506,772**	18,595	**-**	-	**-**	**-**	**7,506,772**	18,595
Net inflow/(outflow) on financial instruments	**3,523,129**	(697,867)	**-**	-	**-**	-	**3,523,129**	(697,867)

Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

20 Financial risk management (continued)

(b) Financial risk management and policies (continued)

Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

The Group has exposures arising from transactions that are denominated in US$. The Group holds cash and bank balances denominated in US$ for working capital purposes. Consequently, the Group is exposed to movements in foreign currency exchange rates. The Group does not use any financial derivatives such as foreign currency forward contracts, foreign currency options or swaps for hedging purposes.

All the financial assets and liabilities of the Group's operations as disclosed in note 20(a) are denominated in US$.

Sensitivity analysis

The following table illustrates sensitivities to the Group's exposures to changes in the exchange rate. The table indicates the impact of how profit and equity values reported at the end of the reporting period would have been affected by changes in the exchange rate that management considers to be reasonably possible.

These sensitivities assume that the movement in a particular variable is independent of other variables.

	Consolidated Group	
	Profit/(Loss) after Tax	**Equity**
Year ended 31 March 2025	**$**	**$**
+/–5% in $A/$US	**+/- 269,806**	**+/- 176,156**
Year ended 31 March 2024		
+/–5% in $A/$HK	+/- 374,549	+/- 246,294

(c) Capital management

The Group's objectives when managing capital are to ensure that entities in the Group will be able to continue as a going concern while maximising the return to the owners through the optimisation of the debt and equity balance. The management reviews the capital structure by considering the cost of capital and the risks associated with each class of capital. In view of this, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt as it sees fit and appropriate.

The Group monitors capital on the basis of the net gearing ratio. This ratio is calculated as net debts divided by total capital. Net debts are calculated as total borrowings less cash and cash equivalents. Total capital is calculated as "equity" as shown in the consolidated statements of financial position plus net debt, if any.

(d) Fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair value as at 31 March 2025 and 2024.

Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

21 Discontinued operations

As announced on 22 May 2024, the Company disposed its entire equity interest in SAH to an independent third party for AUD1.00 on 17 May 2024 after its wholly owned subsidiary GTB has been served with a court order in March 2024 to compensate the plaintiff in a civil legal proceeding against the subsidiary. As a result, All of the assets and liabilities associated with SAH and GTB are classified as assets held for sale and liabilities directly associated with assets held for sale, and its related business is classified as discontinuing operations.

The combined results of the discontinued operations included in the consolidated statement of comprehensive income for the year ended 31 March 2025 and 31 March 2024 are set out below.

	2025 **A$**	2024 A$
Loss for the year from discontinued operations	**-**	(5,631,928)
Gain on disposal of foreign operations	**3,941,678**	-
Income tax	**-**	-
Gain on disposal of group subsidiaries	**3,941,678**	(5,631,928)
Total consideration received	**1**	
Net liabilities disposed of	**4,228,011**	
Cumulative exchange differences reclassified from equity on loss of control of subsidiaries	**(286,334)**	
Gain on disposal of group of subsidiaries	**3,941,678**	

Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

21 Discontinued operations (continued)

Assets held for sale and liabilities directly associated with assets held for sale as at 31 March 2024

	A$
Assets	
Property, plant and equipment	115,194
Rights of use assets	33,790
Trade receivables	648,123
Deposits, prepayment and other receivables	2,645,106
Inventories	1,538,492
Cash and cash equivalents	6,347
Total assets held for sale	**4,987,052**
Liabilities	
Trade payables	3,276,343
Deposits, accruals and other payables	2,251,966
Other borrowings	1,768,606
Tax payables	153,580
Contract liabilities	638,002
Lease liabilities	1,126,566
Total liabilities directly associated with assets held for sale	**9,215,063**
Net negative assets held for sale	**(4,228,011)**

End of the notes

Consolidated Entity Disclosure Statement
As at 31 March 2025

Name of Entity	Entity Type	Country of Incorporation	% of share capital held	Australian Tax residency status	Foreign Countries tax residency
Red Ridge Group Limited	Body Corporate	Australia	N/A	Australian	N/A
Red Ridge Holding Limited	Body Corporate	British Virgin Islands	70	Foreign	British Virgin Islands
Red Ridge Asia Limited	Body Corporate	Hong Kong	70	Foreign	Hong Kong

Directors' Declaration

In the directors' opinion:

(a) the financial statements comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity, consolidated statement of cash flows and accompanying notes set out on pages 14 to 44 are in accordance with the *Corporations Act 2001*, including:

- (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- (ii) giving a true and fair view of the consolidated entity's financial position as at 31 March 2025 and of its performance for the financial year ended on that date; and
- (iii) the information detailed in the consolidated entity disclosure statement is true and correct.

(b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable;

(c) the remuneration disclosures included in the Directors' Report (as part of the audited Remuneration Report), for the year ended 31 March 2025, comply with Section 300A of the *Corporations Act 2001*; and

(d) a statement that the attached financial statements are in compliance with International Financial Reporting Standards has been included in the notes to the financial statements.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the directors.

Vikram J. Rana
CEO and Executive Director

20 May 2025

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www.moore-australia.com.au

Independent Audit Report

To the members of Red Ridge Group Limited

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the financial report of Red Ridge Group Limited (formerly known as "Smart Auto Australia Limited") (the "Company") and its subsidiaries (the "Group"), which comprises the consolidated statement of financial position as at 31 March 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

i. giving a true and fair view of the Group's financial position as at 31 March 2025 and of its financial performance for the year then ended; and

ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001.*

Basis for Qualified Opinion

On 17 May 2024, the Group disposed its wholly-owned subsidiaries, (Smart Auto Holding (HK) Limited ("SAH") and Grand Tour Bus Services Limited ("GTB")) after considering the implication of the court order made on 14 March 2024 against GTB including the practicability of counterclaim and impact on its operating status.

The disposal resulted to a gain of $3,941,678, however, we refer you to the Basis of Disclaimer of Opinion issued in the 31 March 2024 audit, where due to the legal proceedings brought against GTB and the inability of the GTB's management to provide information during the 31 March 2024 audit, we were unable to obtain sufficient appropriate audit evidence or satisfactory management explanation to ascertain the completeness, right (or obligation) and valuation (recoverability) of GTB's property, plant & equipment, intangible assets, inventories, right-of-use assets, trade and other receivables including deposits paid, trade and other payables including deposits received, contract liabilities, lease liabilities and borrowings. Therefore, we were unable to determine whether any adjustments might be necessary in respect of the balances and transactions above, making up the assets and liabilities associated with the net assets held for sale, and consequently the potential impacts, if any, on the quantum of the gain on disposal recognised during the year.

Notwithstanding the standalone materiality of the items set out above and the possible impact upon other balances within the financial statements, we did not consider the potential impact to be pervasive to the overall financial results and financial position presented in respect of the consolidated entity.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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<table>
<tr><th>Key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td colspan="2">Recognition of Revenue</td></tr>
<tr><td colspan="2">Refer to Note 3 “Revenue”</td></tr>
<tr><td>
The Group’s revenue is derived from sourcing and distribution of children’s books, stationery, promotional, printing and other related products.
The accurate recording of revenue is highly dependent upon the following key factors:

Knowledge of the individual characteristics and status of contracts.
Management’s invoicing process including:

accurate measurement of products provided each month.
invoices prepared in compliance with contract terms such as products delivered, and rates charged.

Compliance with contractual terms and an assessment of when the Group believes it has complied with its performance obligations and thus is entitled to invoice the customer.

We focused on this matter as a key audit matter due to the significance of revenue to the Group combined with the need to comply with a variety of contractual conditions, leading to judgmental risk associated with revenue recognition.
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Our procedures included, amongst others:

Evaluated management’s processes regarding occurrence, valuation and recording of the Group’s contract revenues. We obtained understanding of internal controls in relation to preparation and authorisation of monthly revenue invoices for compliance with the Group’s accounting policies in relation to revenue.
Selected a sample of sales invoices raised during the year and performed the following procedures:

Agreed sales information to contractual terms; and
Agreed to general ledger accounts of sales and accounts receivable to ensure proper posting.

Ensured appropriate disclosure in the financial statements of revenue policies and significant estimates and judgement applied.

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<tr><td colspan="2">Valuation of Receivables</td></tr>
<tr><td colspan="2">Refer to Note 8 “Trade Receivables”</td></tr>
<tr><td>
The Group’s trade receivables as at 31 March 2025 amounted to $4,139,478.
The Group has assessed the allowance for expected credit loss on trade receivables based on a number of factors designed to assess credit risk associated with its debtors.
The assessment of expected credit losses is subject to considerable judgement and sensitive to changes in estimates.
Valuation of receivables is a key audit matter. It is due to the size of the account balances and the judgements required in determining their carrying value that this is a key area of audit focus.
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Our procedures included:

Obtained confirmations for selected trade debtors.
Performed alternative procedures for unconfirmed trade debtors through checking sales invoice, purchase orders, and subsequent collections, as applicable.
Performed analysis of aged trade debtors and discussed with management as to the recoverability of the trade receivables.
Reviewed the reasonableness of the model and assumptions used to determine the allowance for expected credit loss on trade receivables as at 31 March 2025.
Ensured appropriate disclosure in the financial statements of trade receivable policies and significant estimates and judgement applied.

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Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 March 2025 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and will request that it is corrected. If it is not corrected, we will seek to have the matter appropriately brought to the attention of users for whom our report is prepared.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

c) for such internal control as the directors determine is necessary to enable the preparation of:

   i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

   ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

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Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report as included in pages 7 to 10 of the directors' report for the year ended 31 March 2025.

In our opinion, the Remuneration Report of Red Ridge Group Limited, for the year ended 31 March 2025 complies with section 300A of the *Corporations Act 2001.*

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Wen-Shien Chai
Partner – Audit and Assurance
Moore Australia Audit (WA)
Perth
20th day of May 2025

Moore Australia Audit (WA)
Chartered Accountants

Corporate Governance Statement

Red Ridge Group Limited and the Board are committed to achieving and demonstrating the highest standards of corporate governance. Red Ridge Group Limited has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (3rd edition) published by the ASX Corporate Governance Council.

The Corporate Governance Statement was approved by the Board on 20 May 2025 and is current as at 20 May 2025. A description of the Group's current corporate governance practices is set out in the Group's Corporate Governance Statement which can be viewed at https://www.redridgeglobal.com/corporate-governance.

Additional Information

Additional information required by NSX and not shown elsewhere in this report is as follows. The information is current as at 5 May 2025.

(a) Distribution of equity securities

Analysis of numbers of equity security holders by size of holding

TOP SPREAD REPORT - - -

SPREADS OF HOLDINGS	NUMBER OF HOLDERS	NUMBER OF UNITS	% OF TOTAL ISSUED CAPITAL
1 - 1,000	1	1,000	0.00%
1,001 - 5,000	0	0	0.00%
5,001 - 10,000	0	0	0.00%
10,001 - 100,000	61	1,333,000	0.15%
100,001 - 999,999,999,999	27	878,294,556	99.85%
TOTAL	**89**	**879,628,556**	**100%**

The number of shareholders holding less than a marketable Parcel of shares are:

	Minimum Parcel Size	Holders	Units
Minimum $500.00 parcel at $0.018 per unit	27,777	57	1,129,000

(b) Twenty largest shareholders

The name of the twenty largest holders of quoted ordinary shares are:

Top Listing - Grouped

Rank	Name	Units	% of Units
1	VIKRAM JITENDRA RANA	618,421,417	70.30
2	SIU KI MA	43,020,000	4.89
3	MR SUM WING DANIEL TO	41,796,667	4.75
4	SHU YAN TSE	32,020,000	3.64
5	CHUN YUE DAVID YEUNG	32,000,000	3.64
5	RINGO WING KUN HUI	32,000,000	3.64
6	CHING YAN CHAN	18,000,000	2.05
7	JUNJIE YANG	11,035,772	1.26
8	KA HO BEN SIU	7,687,500	0.87
9	WA HUNG YEUNG	5,366,667	0.61
10	MS SUET YU YAN	5,000,000	0.57
11	CHOI KAM TSANG	4,200,000	0.48
12	SUI LAN SIOW	4,000,000	0.45
13	MR VICTOR JA WEI HENG	3,875,000	0.44
14	MR SIU CHUNG HO	3,093,400	0.35
14	PRIMAX CAPITAL PARTNERS PTY LTD	3,093,400	0.35
15	MR LUNG CHIU KUNG	2,666,670	0.30
16	MS OI LAM CHAU	2,460,000	0.28
17	MR LI XU	2,000,000	0.23
18	MR YAU SHING WONG	1,546,700	0.18
18	MR CHEUK MING CHUNG	1,546,700	0.18
19	QINGYONG WANG	1,000,000	0.11
20	MR KAI PONG TAM	832,000	0.09
	Totals: Top 20 holders of RRG ORDINARY FULLY PAID	**876,661,893**	**99.66**
	Total Remaining Holders Balance	**2,966,663**	**0.34**
	Total Holders Balance	**879,628,556**	**100.00**

Note: Nominee holders hold shares on behalf of a number of beneficial holders

Additional Information (continued)

(c) Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

(d) Substantial shareholders

Name	Units	% of Units
VIKRAM JITENDRA RANA	618,421,417	70.30

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Supply Chain Management