

# FORM: Half yearly final report

Name of issuer

Soda Brands Limited

ACN or ARBN

081 149 635

Half yearly  
(tick)



Preliminary  
final (tick)

Half year ended ('Current period')

31 January 2008

## For announcement to the market

				\$A,000
Revenue (item 1.1)	up	11.01%	to	1,296
Loss for the period (item 1.9)	down	94.54%	to	(22)
Loss for the period attributable to security holders (item 1.11)	down	94.54%	to	(22)
<b>Income Distributions</b>		Current period	Previous corresponding period	
Dividends		NIL	NIL	
Short details of any bonus or cash issue or other item(s) of importance not previously released to the market:				
NIL				

## SODA Brands Limited

### Half-Yearly Report for 6 Months ended 31 January 2008 to NSX

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#### Consolidated income statement *(The figures are not equity accounted)*

	Current period - \$A'000	Previous corresponding period - \$A'000
1.1 Revenues <i>(item 7.1)</i>	1,296	1167
1.2 Expenses, excluding finance costs <i>(item 7.2)</i>	1,311	1,536
1.3 Finance costs	7	42
1.5 <b>(Loss) before income tax</b>	(22)	(411)
1.6 Income tax expense <i>(see note 4)</i>		
1.7 <b>(Loss) from continuing operations</b>	(22)	(411)
1.8 Profit (loss) from discontinued operations <i>(item 13.3)</i>		
1.9 <b>(Loss) attributable to security holders for the period</b>	(22)	(411)
1.10 Basic earnings per security <i>(item 9.1) (cents)</i>	(0.07)	(1.21)
1.11 Diluted earnings per security <i>(item 9.1) (cents)</i>	(0.06)	(1.20)
1.12 Distribution per security <i>(item 9.1)</i>	NIL	NIL

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#### Consolidated balance sheet

Current assets		Current period - \$A'000	Previous corresponding period - \$A'000
3.1	Cash and cash equivalents	615	668
3.2	Trade and other receivables	423	434
3.3	Inventories	823	833
3.4	Other current assets	95	55
3.5	<b>Total current assets</b>	1,956	1,990
Non-current assets			
3.12	Property, plant and equipment (net)	246	275
3.14	Goodwill	3,022	3,022
3.17	<b>Total non-current assets</b>	3,268	3,297
3.18	<b>Total assets</b>	5,224	5,287
Current liabilities			
3.19	Trade and other payables	146	186
3.22	Short term provisions	8	9
3.26	<b>Total current liabilities</b>	154	195
3.32	<b>Total liabilities</b>	154	195
3.33	<b>Net assets</b>	5,070	5,092
Equity			
3.34	Share capital	6,913	6,913
3.35	Other reserves	(10)	(10)
3.36	Retained earnings	(1,833)	(1,811)
3.37	<b>Total equity</b>	5,070	5,092

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#### Consolidated statement of changes in equity

	Current period – A\$'000	Previous corresponding period – A\$'000
4.1 Net income recognised directly in equity	NIL	NIL
4.2 Loss for the period	(22)	(411)
4.3 Total recognised income and expense for the period	(22)	(411)
4.4 Effect of changes in accounting policy (as per AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors):	NIL	NIL

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### Consolidated statement of cash flows

	Current period - \$A'000	Previous corresponding period - \$A'000
<b>Cash flows related to operating activities</b>		
5.1 Receipts from customers	1,318	1,165
5.2 Payments to suppliers and employees	(1,351)	(1,754)
5.3 Interest and other costs of finance paid	(7)	(42)
5.6 <b>Net cash used in operating activities</b>	(20)	(631)
<b>Cash flows related to investing activities</b>		
5.7 Payments for purchases of property, plant and equipment	(33)	(23)
5.9 Payment for purchases of goodwill	0	(3,022)
5.16 <b>Net cash used in investing activities</b>	(33)	(3,045)
<b>Cash flows related to financing activities</b>		
5.17 Proceeds from issues of securities (shares, options, etc.)	0	5,617
5.19 Repayment of borrowings	0	(620)
5.22 <b>Net cash used in financing activities</b>	0	4,997
<b>Net increase (decrease) in cash and cash equivalents</b>	(53)	1,321
5.23 Cash at beginning of period (see <i>Reconciliations of cash</i> )	668	15
5.25 <b>Cash at end of period</b> (see <i>Reconciliation of cash</i> )	615	1,336

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### Reconciliation of cash provided by operating activities to profit or loss

	Current period \$A'000	Previous corresponding period \$A'000
6.1 Loss <i>(item 1.9)</i>	(22)	(411)
Adjustments for:		
6.2 Non-cash flows in loss from ordinary activities		
6.3 Depreciation	61	44
6.4 Increase/(decrease) in trade and term receivables	11	(42)
Increase/(decrease) in prepayments	0	(77)
6.5 Increase/(decrease) in inventories	10	(152)
6.6 Increase/(decrease) in other assets	(39)	35
6.7 (Increase)/decrease in trade payables and accruals	(40)	(103)
6.8 Increase/(decrease) in other liabilities	0	75
6.9 Increase/(decrease) in provisions	1	0
6.10 <b>Net cash from operating activities</b> <i>(item 5.6)</i>	<b>(20)</b>	<b>(631)</b>

# SODA Brands Limited

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### Notes to the financial statements

#### Details of revenues and expenses

	Current period - \$A'000	Previous corresponding period - \$A'000
Revenue		
7.1 Sale of goods	1,276	1,167
Cost of sales	(576)	(639)
Gross profits	700	528
Sales, marketing and branding	(106)	(316)
Employee benefits	(370)	(379)
Listing & compliance expenses	(41)	(8)
Other expenses	(157)	(150)
Profit / (loss) before interest & depreciation expenses	26	(325)
Interest income	20	0
Financing costs	(7)	(42)
Depreciation	(61)	(44)
Loss before tax	(22)	(411)

#### Ratios

	Current period	Previous corresponding period
<b>Profit before tax / revenue</b>		
8.1 Consolidated profit (loss) before tax ( <i>item 1.5</i> ) as a percentage of revenue ( <i>item 1.1</i> )	(1.73%)	(35.2%)
<b>Profit after tax / equity interests</b>		
8.2 Consolidated profit (loss) after tax attributable to security holders ( <i>item 1.11</i> ) as a percentage of equity (similarly attributable) at the end of the period ( <i>item</i> <i>3.37</i> )	(0.44%)	(7.4%)

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#### Earnings per Security

9.1 Provide details of basic and fully diluted EPS in accordance with paragraph 70 and Aus 70.1 of AASB 133: Earnings per Share below:

Earnings per security (EPS)		Cents per share	Cents per share
9.1	Calculation of basic, and fully diluted, EPS in accordance with AASB 133: Earnings per Share		
	(a) Basic EPS	(0.07)	(1.21)
	(b) Diluted EPS	(0.06)	(1.20)
	EPS calculations have been based on weighted average shares outstanding, adjusted for the share options grant to directors.		

#### Income distributions

10.1 Date the income distribution is payable

Not applicable

10.2 Record date to determine entitlements to the income distribution (i.e. on the basis of registrable transfers received up to 5.00 pm if paper based, or by 'End of Day' if a proper ASTC/CHESS transfer)

Not applicable

10.3 The *distribution plans* shown below are in operation.

Not applicable

The last date(s) for receipt of election notices to the *distribution plans*

NIL

10.4 Any other disclosures in relation to *distributions*

NIL

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#### Distributions paid or provided for on all *securities*

(as per paragraph Aus126.4 AASB 101: Presentation of Financial Statements)

		Current period - \$A'000	Previous corresponding period - \$A'000	Franking rate applicable
Distributions paid or provided for during the reporting period				
10.5	Current year interim	NIL	NIL	
10.6	Previous year final	NIL	NIL	

#### Distributions per *security*

(as per paragraph Aus126.4 of AASB 101: Presentation of Financial Statements)

		Current year	Previous year	Franking rate applicable
Distributions paid or provided for during the reporting period				
10.7	Current year interim	NIL	NIL	
10.8	Previous year final	NIL	NIL	

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### Movements in Equity

	Number issued	Number listed	Paid-up value (cents)	Current period – A\$'000	Previous corresponding period – A\$'000
<b>14.6 Ordinary securities</b>					
<i>Ordinary shares</i>					
14.7 Balance at start of period	34,000	34,000	20.33	6,913	6,913
14.8 a) Increases through issues					
14.9 b) Decreases through returns of capital, buybacks etc.					
14.10 Balance at end of period	34,000	34,000	20.33	6,913	6,913
<b>14.16 Options</b>					
<i>Directors' Options)</i>					
14.17 Balance at start of period	1,750	0	0	0	0
14.18 Issued during period					
14.19 Exercised during period					
14.20 Expired during period					
14.21 Balance at end of period	1,750	0	0	0	0
<b>14.32 Total Securities</b>	<b>35,750</b>	<b>34,000</b>	<b>19.0</b>	<b>6,913</b>	<b>6,913</b>

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		Current period – A\$'000	Previous corresponding period – A\$'000
<b>Reserves</b>			
14.33	Balance at start of period	(10)	(10)
14.34	Transfers to/from reserves		
14.35	Total for the period		
14.36	Balance at end of period	(10)	(10)
14.37	<b>Total reserves</b>	(10)	(10)
<b>Retained earnings</b>			
14.38	<b>Balance at start of period</b>	(1,811)	(1,400)
14.42	Total for the period	(22)	(411)
14.43	Dividends		
14.44	<b>Balance at end of period</b>	(1,833)	(1,811)

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### Reports for industry and geographical segments

Information on the industry and geographical segments of the entity must be reported for the current period in accordance with AASB 114: Segment Reporting. Because of the different structures employed by entities, a pro forma is not provided. Segment information should be completed separately and attached to this statement. However, the following is the presentation adopted in the Appendices to AASB 114 and indicates which amount should agree with items included elsewhere in this statement.

		Current period - \$A'000	Previous corresponding period - \$A'000
<b>Segments</b>			
Revenue:			
19.1	External sales	1,276	1,167
19.2	Inter-segment sales		
19.3	<b>Total</b> (consolidated total equal to item 1.1)	1,276	1,167
19.4	Segment result	700	528
19.5	Unallocated expenses	(735)	(897)
19.6	<b>Operating loss</b> (equal to item 1.5)	<b>(35)</b>	<b>(369)</b>
19.7	Interest expense	(7)	(42)
19.8	Interest income	20	0
19.11	<b>Net profit</b> (consolidated total equal to item 1.9)	<b>(22)</b>	<b>(411)</b>
<b>Other information</b>			
19.12	Segment assets	5,224	5,880
19.15	<b>Total assets</b> (equal to item 3.18)	5,224	5,880
19.16	Segment liabilities	146	350
19.17	Unallocated liabilities	8	0
19.18	<b>Total liabilities</b> (equal to item 3.32)	<b>154</b>	<b>350</b>
19.19	Capital expenditure	33	23
19.20	Depreciation	61	44
19.21	Other non-cash expenses	NIL	NIL

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#### NTA Backing

20.1	Current period	Previous corresponding period
Net tangible asset backing per ordinary security (cents)	15	15

#### Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.

21.1

NIL

#### International Financial Reporting Standards

Under paragraph 39 of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards, an entity's first Australian-equivalents-to-IFRS's financial report shall include reconciliations of its equity and profit or loss under previous GAAP to its equity and profit or loss under Australian equivalents to IFRS's. See IG63 in the appendix to AASB 1 for guidance.

22.1

Not applicable

Under paragraph 4.2 of AASB 1047: Disclosing the Impacts of Adopting Australian Equivalents to International Financial Reporting Standards, an entity must disclose any known or reliably estimable information about the impacts on the financial report had it been prepared using the Australian equivalents to IFRSs or if the aforementioned impacts are not known or reliably estimable, a statement to that effect.

22.2

Not applicable

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#### Comments by directors

*Comments on the following matters are required by the Exchange or, in relation to the half yearly statement, by AASB 134: Interim Financial Reporting. The comments do not take the place of the directors' report and statement (as required by the Corporations Act) but may be incorporated into the directors' report and statement. For both half yearly and preliminary final statements, if there are no comments in a section, state NIL. If there is insufficient space in comment, attach notes to this statement.*

#### Basis of accounts preparation

*If this statement is a half yearly statement, it is a general purpose financial report prepared in accordance with the listing rules and AASB 134: Interim Financial Reporting. It should be read in conjunction with the last annual report and any announcements to the market made by the issuer during the period. This report does not include all notes of the type normally included in an annual financial report [Delete if inapplicable.]*

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible). In a half yearly report, provide explanatory comments about any seasonal or irregular factors affecting operations (as per paragraphs 16(b), 16(b) and Aus 16.1 of AASB 134: Interim Financial Reporting)

None

Any other factors which have affected the results in the period, or which are likely to affect results in the future, including those where the effect could not be quantified.

None

Franking credits available and prospects for paying fully or partly franked dividends for at least the next year

No dividends have been declared for the next financial year

Changes in accounting policies, estimation methods and measurement bases since the last annual report are disclosed as follows.

*(Disclose changes in the half yearly statement in accordance with paragraph 16(a) of AASB 134: Interim Financial Reporting. Disclose changes in the preliminary final statement in accordance with paragraphs 28-29 of 108: Accounting Policies, Changes in Accounting Estimates and Errors.)*

None

An issuer shall explain how the transition from previous GAAP to Australian equivalents to IFRS<sup>1</sup> affected its reported financial position, financial performance and cash flows. (as per paragraph 38 of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards)

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Not applicable, transition occurred in previous financial period.

Revisions in estimates of amounts reported in previous periods. For half yearly reports the nature and amount of revisions in estimates of amounts reported in previous annual reports if those revisions have a material effect in this half year *(as per paragraph 16(d) of AASB 134: Interim Financial Reporting)*

NIL

Changes in contingent liabilities or assets. For half yearly reports, changes in contingent liabilities and contingent assets since the last annual report *(as per paragraph 16(f) of AASB 134: Interim Financial Reporting)*

NIL

The nature and amount of items affecting assets, liabilities, equity, profit or loss, or cash flows that are unusual because of their nature, size or incidence *(as per paragraph 16(c) of AASB 134: Interim Financial Reporting)*

NIL

Effect of changes in the composition of the entity during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinued operations *(as per paragraph 16(i) of AASB 134: Interim Financial Reporting)*

Not applicable

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#### Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the *Corporations Act* or other standards acceptable to the Exchange (see note 13).
2. This statement, and the financial statements under the *Corporations Act* (if separate), use the same accounting policies.
3. This statement does/does not\* (*delete one*) give a true and fair view of the matters disclosed (see note 2).
4. This statement is based on financial statements to which one of the following applies:

The financial statements have been audited.	✓	The financial statements have been subject to review by a registered auditor (or overseas equivalent).
The financial statements are in the process of being audited or subject to review.		The financial statements have <i>not</i> yet been audited or reviewed.
5. The accounts have been reviewed and the audit report is attached, there are no audit qualifications.
6. The *issuer* has a formally constituted audit committee.

Sign here:

  
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Managing Director  
Nicholas Ghattas

Date: 4 March 2008