

FORM: Half yearly final report

Name of issuer

SODA Brands Limited

ACN or ARBN

91 081 149 635

Half yearly
(tick)

✓

Preliminary
final (tick)

Half year/financial year ended
('Current period')

31 January 2010

For announcement to the market

Extracts from this statement for announcement to the market (see note 1).

| | | | | \$A,000 |
|--|------|----------------|-------------------------------|---------|
| Revenue (item 1.1) | up | 100.01% | to | 3,108 |
| Loss for the period (item 1.9) | down | 89.97% | to | (540) |
| Loss for the period attributable to members of the parent (item 1.11) | down | 89.97% | to | (540) |
| Dividends | | | | |
| Franking rate applicable: | | Current period | Previous corresponding period | |
| Final dividend (preliminary final report only) (item 10.13-10.14) | | | | |
| Amount per security | | Not applicable | Not applicable | |
| Franked amount per security | | | | |
| Interim dividend (Half yearly report only) (item 10.11 – 10.12) | | | | |
| Amount per security | | Nil | Nil | |
| Franked amount per security | | | | |
| Short details of any bonus or cash issue or other item(s) of importance not previously released to the market: | | | | |
| Nil | | | | |

Consolidated income statement *(The figures are not equity accounted)**(see note 3)**(as per paragraphs 81-85 and 88-94 of AASB 101: Presentation of Financial Statements)*

| | Current period - \$A'000 | Previous corresponding period - \$A'000 |
|--|-----------------------------|---|
| 1.1 Revenues <i>(item 7.1)</i> | 3,108 | 1,549 |
| 1.2 Expenses, excluding finance costs <i>(item 7.2)</i> | (3,562) | (6,933) |
| 1.3 Finance costs | (86) | 0 |
| 1.4 Share of net profits (losses) of associates and joint ventures <i>(item 15.7)</i> | 0 | 0 |
| 1.5 Profit (loss) before income tax | (540) | (5,384) |
| 1.6 Income tax expense <i>(see note 4)</i> | 0 | 0 |
| 1.7 Profit (loss) from continuing operations | (540) | (5,384) |
| 1.8 Profit (loss) from discontinued operations <i>(item 13.3)</i> | 0 | 0 |
| 1.9 Profit (loss) for the period | (540) | (5,384) |
| 1.10 Profit (loss) attributable to minority interests | | |
| 1.11 Profit (loss) attributable to members of the parent | | |
| 1.12 Basic earnings per security <i>(item 9.1)</i> | (0.57) | (12.39) |
| 1.13 Diluted earnings per security <i>(item 9.1)</i> | (0.50) | (9.71) |
| 1.14 Dividends per security <i>(item 9.1)</i> | NIL | NIL |

Comparison of half-year profits*(Preliminary final statement only)*

| | Current period - \$A'000 | Previous corresponding period - \$A'000 |
|---|-----------------------------|---|
| 2.1 Consolidated profit (loss) after tax attributable to members reported for the 1st half year <i>(item 1.11 in the half yearly statement)</i> | Not applicable | Not applicable |
| 2.2 Consolidated profit (loss) after tax attributable to members for the 2nd half year | Not applicable | Not applicable |

Consolidated balance sheet

(See note 5)

(as per paragraphs 68-69 of AASB 101: Financial Statement Presentation)

| Current assets | | Current period - \$A'000 | Previous corresponding period - \$A'000 |
|---------------------|---|-----------------------------|---|
| 3.1 | Cash and cash equivalents | 372 | 0 |
| 3.2 | Trade and other receivables | 1,730 | 479 |
| 3.3 | Inventories | 1,700 | 1139 |
| 3.4 | Other current assets (provide details if material) | 159 | 20 |
| 3.5 | Total current assets | 3,961 | 1,638 |
| Non-current assets | | | |
| 3.6 | Available for sale investments | 0 | 0 |
| 3.7 | Other financial assets | 0 | 0 |
| 3.8 | Investments in associates | 0 | 0 |
| 3.9 | Deferred tax assets | 0 | 0 |
| 3.10 | Exploration and evaluation expenditure capitalised (see para. 71 of AASB 1022 – new standard not yet finalised) | 0 | 0 |
| 3.11 | Development properties (mining entities) | 0 | 0 |
| 3.12 | Property, plant and equipment (net) | 581 | 91 |
| 3.13 | Investment properties | 0 | 0 |
| 3.14 | Goodwill | 1,550 | - |
| 3.15 | Other intangible assets | 0 | 0 |
| 3.16 | Other (provide details if material) | 0 | 0 |
| 3.17 | Total non-current assets | 2,131 | 91 |
| 3.18 | Total assets | 6,092 | 1,729 |
| Current liabilities | | | |
| 3.19 | Trade and other payables | 2,794 | 1,253 |
| 3.20 | Short term borrowings | 0 | 28 |
| 3.21 | Current tax payable | 0 | 0 |
| 3.22 | Short term provisions | 194 | 94 |
| 3.23 | Current portion of long term borrowings | 0 | 0 |
| 3.24 | Other current liabilities (provide details if material) | 0 | 0 |
| 3.25 | Liabilities directly associated with non-current assets classified as held for sale (para 38 of AASB 5) | 0 | 0 |
| 3.26 | Total current liabilities | 2,988 | 1,375 |
| | | | |

| | Current period - \$A'000 | Previous corresponding period - \$A'000 |
|--|-----------------------------|---|
| Non-current liabilities | | |
| 3.27 Long-term borrowings | 0 | 0 |
| 3.28 Deferred tax liabilities | 0 | 0 |
| 3.29 Long term provisions | 240 | 0 |
| 3.30 Other (provide details if material) | 0 | 0 |
| 3.31 Total non-current liabilities | 240 | 0 |
| 3.32 Total liabilities | 3,228 | 1,375 |
| 3.33 Net assets | 2,864 | 354 |
| Equity | | |
| 3.34 Share capital | 11,748 | 7,879 |
| 3.35 Other reserves | 0 | (10) |
| 3.36 Accumulated Losses | (8,884) | (7,515) |
| Amounts recognised directly in equity relating to non-current assets classified as held for sale | | |
| 3.37 Parent interest | | |
| 3.38 Minority interest | | |
| 3.39 Total equity | 2,864 | 354 |

Consolidated statement of changes in equity

(as per paragraphs 96-97 of AASB 101: Presentation of Financial Statements)

| | Current period – A\$'000 | Previous corresponding period – A\$'000 |
|--|-----------------------------|---|
| Revenues recognised directly in equity: | Nil | Nil |
| Expenses recognised directly in equity: | Nil | Nil |
| 4.1 Net income recognised directly in equity | Nil | Nil |
| 4.2 Loss for the period | (540) | (5,384) |
| 4.3 Total recognised income and expense for the period | (540) | (5,384) |
| Attributable to: | | |
| 4.4 Members of the parent | | |
| 4.5 Minority interest | | |
| Effect of changes in accounting policy (as per AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors): | Nil | Nil |
| 4.6 Members of the parent entity | | |
| 4.7 Minority interest | | |

Consolidated statement of cash flows

(See note 6)

(as per AASB 107: Cash Flow Statements)

| | Current period - \$A'000 | Previous corresponding period - \$A'000 |
|---|-----------------------------|---|
| Cash flows related to operating activities | | |
| 5.1 Receipts from customers | 3,557 | 1,857 |
| 5.2 Payments to suppliers and employees | (4,211) | (2,456) |
| 5.3 Interest and other costs of finance paid | 0 | 0 |
| 5.4 Income taxes paid | 0 | 0 |
| 5.5 Other (provide details if material) | (86) | 0 |
| 5.6 Net cash used in operating activities | (740) | (599) |
| Cash flows related to investing activities | | |
| 5.7 Payments for purchases of property, plant and equipment | (591) | 0 |
| 5.8 Proceeds from sale of property, plant and equipment | 0 | 0 |
| 5.9 Payment for purchases of equity investments | 0 | (50) |
| 5.10 Proceeds from sale of equity investments | 0 | 0 |
| 5.11 Loans to other entities | 0 | 0 |
| 5.12 Loans repaid by other entities | 0 | 0 |
| 5.13 Interest and other items of similar nature received | 0 | 1 |
| 5.14 Dividends received | 0 | 0 |
| 5.15 Other (provide details if material) | (1,550) | 0 |
| 5.16 Net cash used in investing activities | (2,141) | (49) |
| Cash flows related to financing activities | | |
| 5.17 Proceeds from issues of securities (shares, options, etc.) | 3,863 | 500 |
| 5.18 Proceeds from borrowings | 0 | 0 |
| 5.19 Repayment of borrowings | (630) | 0 |
| 5.20 Dividends paid | 0 | 0 |
| 5.21 Other (provide details if material) | 0 | 0 |
| 5.22 Net cash used in financing activities | 3,233 | 500 |
| Net increase (decrease) in cash and cash equivalents | 352 | (148) |
| 5.23 Cash at beginning of period (see Reconciliations of cash) | 20 | 120 |
| 5.24 Exchange rate adjustments to item 5.23 | 0 | 0 |
| 5.25 Cash at end of period (see Reconciliation of cash) | 372 | (28) |

Reconciliation of cash provided by operating activities to profit or loss

(as per paragraph Aus20.1 of AASB 107: Cash Flow Statements)

| | Current period \$A'000 | Previous corresponding period \$A'000 |
|--|---------------------------|---|
| 6.1 (Loss) <i>(item 1.9)</i> | (540) | (5,384) |
| Adjustments for: | | |
| 6.2 Loss on disposal of fixed assets | 0 | 56 |
| 6.3 Depreciation | 68 | 46 |
| 6.4 Impairment of goodwill | 0 | 3,809 |
| 6.5 (Increase)/decrease in inventory | (1,058) | 581 |
| 6.6 (Increase)/decrease in current receivable | (1,444) | (117) |
| 6.7 (Increase)/decrease in other assets | (97) | 347 |
| 6.8 Increase/(decrease) in trade payable and accruals | 1,911 | (7) |
| 6.9 Increase/(decrease) in provisions | 420 | 70 |
| 6.10 Net cash from operating activities <i>(item 5.6)</i> | (740) | (599) |

Notes to the financial statements

Details of revenues and expenses

(see note 16)

(Where items of income and expense are material, disclose nature and amount below in accordance with paragraphs 86-87 of AASB 101: Presentation of Financial Statements)

| | Current period - \$A'000 | Previous corresponding period - \$A'000 |
|---------------------------------------|-----------------------------|---|
| 7.1 Revenue | | |
| Sale of goods | 3,087 | 1,548 |
| Other revenue | 21 | 1 |
| Total Revenue | 3,108 | 1,549 |
| 7.2 Expenses | | |
| Cost of sales | (1,900) | (1,591) |
| Employee benefits | (799) | (646) |
| Advertising and promotion | (394) | (190) |
| Listing and compliance expenses | (44) | (74) |
| Impairment of goodwill | 0 | (3,809) |
| Depreciation and amortisation expense | (69) | (46) |
| Other expenses | (356) | (577) |
| Expenses, excluding finance costs | (3,562) | (6,933) |
| Finance costs | (86) | 0 |
| Total Expenses | (3,648) | (6,933) |
| (Loss) before tax | (540) | (5,384) |

Ratios

| | Current period | Previous corresponding period |
|---|-----------------|-------------------------------------|
| Profit before tax / revenue | | |
| 8.1 Consolidated profit (loss) before tax (item 1.5) as a percentage of revenue (item 1.1) | (17.37%) | (347.58%) |

| Profit after tax / equity Interests | | | |
|-------------------------------------|--|----------|------------|
| 8.2 | Consolidated profit (loss) after tax attributable to members (item 1.11) as a percentage of equity (similarly attributable) at the end of the period (item 3.37) | (18.85%) | (1520.90%) |

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:

| Earning per security (EPS) | Cent per share | Cent per share |
|---|----------------|----------------|
| Calculation of basic, and fully diluted, EPS in accordance with AASB 133: Earning per share | | |
| (a) Basic EPS | (0.57) | (12.39) |
| (b) Diluted EPS | (0.50) | (9.71) |

EPS calculation have been based on weighted average shares outstanding, adjusted for shares options granted to directors and other entities and associates.

Dividends

- 10.1 Date the dividend is payable

Not applicable.

- 10.2 Record date to determine entitlements to the dividend (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 If it is a final dividend, has it been declared?

Not applicable.

(Preliminary final report only)

- 10.4 The dividend or distribution plans shown below are in operation.

Not applicable.

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

NIL

- 10.5 Any other disclosures in relation to dividends or distributions

NIL

Dividends 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 |
|---|-----------------------------|---|--------------------------------|
| Dividends paid or provided for during the reporting period | | | |
| 10.6 Current year interim | Nil | Nil | Not applicable. |
| 10.7 Franked dividends | Nil | Nil | |
| 10.8 Previous year final | Nil | Nil | Not applicable. |
| 10.9 Franked dividends | Nil | Nil | |
| Dividends proposed and not recognised as a liability | | | |
| 10.10 Franked dividends | Nil | Nil | Not applicable. |

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

| | Current year | Previous year | Franking rate applicable |
|---|--------------|---------------|--------------------------------|
| Dividends paid or provided for during the reporting period | | | |
| 10.11 Current year interim | Nil | Nil | Not applicable. |
| 10.12 Franked dividends – cents per share | Nil | Nil | |
| 10.13 Previous year final | Nil | Nil | Not applicable. |
| 10.14 Franked dividends – cents per share | Nil | Nil | |
| Dividends proposed and not recognised as a liability | | | |
| 10.15 Franked dividends – cents per share | Nil | Nil | Not applicable. |

Exploration and evaluation expenditure capitalised

To be completed only by issuers with mining interests if amounts are material. Include all expenditure incurred regardless of whether written off directly against profit

| | Current period \$A'000 | Previous corresponding period \$A'000 |
|---|---------------------------|---|
| 11.1 Opening balance | Not applicable. | Not applicable. |
| 11.2 Expenditure incurred during current period | Not applicable. | Not applicable. |
| 11.3 Expenditure written off during current period | Not applicable. | Not applicable. |
| 11.4 Acquisitions, disposals, revaluation increments, etc. | Not applicable. | Not applicable. |
| 11.5 Expenditure transferred to Development Properties | Not applicable. | Not applicable. |
| 11.6 Closing balance as shown in the consolidated balance sheet (item 3.10) | Not applicable. | Not applicable. |

Development properties

(To be completed only by issuers with mining interests if amounts are material)

| | Current period \$A'000 | Previous corresponding period \$A'000 |
|---|---------------------------|---|
| 12.1 Opening balance | Not applicable. | Not applicable. |
| 12.2 Expenditure incurred during current period | Not applicable. | Not applicable. |
| 12.3 Expenditure transferred from exploration and evaluation | Not applicable. | Not applicable. |
| 12.4 Expenditure written off during current period | Not applicable. | Not applicable. |
| 12.5 Acquisitions, disposals, revaluation increments, etc. | Not applicable. | Not applicable. |
| 12.6 Expenditure transferred to mine properties | Not applicable. | Not applicable. |
| 12.7 Closing balance as shown in the consolidated balance sheet (item 3.11) | Not applicable. | Not applicable. |

Discontinued Operations

(see note 18)

(as per paragraph 33 of AASB 5: Non-current Assets Held for Sale and Discontinued Operations)

| | Current period – A\$'000 | Previous corresponding period – A\$'000 |
|---|-----------------------------|---|
| 13.1 Revenue | Not applicable. | Not applicable. |
| 13.2 Expense | Not applicable. | Not applicable. |
| 13.3 Profit (loss) from discontinued operations before income tax | Not applicable. | Not applicable. |
| 13.4 Income tax expense <i>(as per para 81 (h) of AASB 112)</i> | Not applicable. | Not applicable. |
| 13.5 Gain (loss) on sale/disposal of discontinued operations | Not applicable. | Not applicable. |
| 13.6 Income tax expense <i>(as per paragraph 81(h) of AASB 112)</i> | Not applicable. | Not applicable. |

Movements in Equity

(as per paragraph 97 of AASB 101: Financial Statement Presentation)

| | | Number issued '000 | Number listed '000 | Paid-up value (cents) | Current period – A\$'000 | Previous corresponding period – A\$'000 |
|-------|--|--------------------------|--------------------------|-----------------------------|--------------------------------|--|
| 14.1 | Preference securities <i>(description)</i> | Not applicable. | Not applicable. | Not applicable. | Not applicable. | Not applicable. |
| 14.2 | Balance at start of period | Not applicable. | Not applicable. | Not applicable. | Not applicable. | Not applicable. |
| 14.3 | a) Increases through issues | Not applicable. | Not applicable. | Not applicable. | Not applicable. | Not applicable. |
| 14.4 | a) Decreases through returns of capital, buybacks etc. | Not applicable. | Not applicable. | Not applicable. | Not applicable. | Not applicable. |
| 14.5 | Balance at end of period | Not applicable. | Not applicable. | Not applicable. | Not applicable. | Not applicable. |
| 14.6 | Ordinary securities Ordinary Shares | | | | | |
| 14.7 | Balance at start of period | 46,156 | 46,156 | 17.08 | 7,885 | 6,913 |
| 14.8 | a) Increases through issues | 193,704 | 193,704 | 1.99 | 3,863 | 966 |
| 14.9 | b) Decreases through returns of capital, buybacks etc. | | | | 0 | 0 |
| 14.10 | Balance at end of period | 239,860 | 239,860 | 4.90 | 11,748 | 7,879 |
| 14.11 | Convertible Debt Securities <i>(description & conversion factor)</i> | Not applicable. | Not applicable. | Not applicable. | Not applicable. | Not applicable. |
| 14.12 | Balance at start of period | Not applicable. | Not applicable. | Not applicable. | Not applicable. | Not applicable. |
| 14.13 | a) Increases through issues | Not applicable. | Not applicable. | Not applicable. | Not applicable. | Not applicable. |

| | | Number issued '000 | Number listed '000 | Paid-up value (cents) | Current period – A\$'000 | Previous corresponding period – A\$'000 |
|-------|--|--------------------------|--------------------------|-----------------------------|--------------------------------|--|
| 14.14 | b) Decreases through maturity, converted. | Not applicable. | Not applicable. | Not applicable. | Not applicable. | Not applicable. |
| 14.15 | Balance at end of period | Not applicable. | Not applicable. | Not applicable. | Not applicable. | Not applicable. |
| 14.16 | Options <i>((Ordinary shares for every option issued)</i> | | | | | |
| 14.17 | Balance at start of period | 14,832 | 0 | 0 | 0 | 0 |
| 14.18 | Issued during period | 0 | 0 | 0 | 0 | 0 |
| 14.19 | Exercised during period | 0 | 0 | 0 | 0 | 0 |
| 14.20 | Expired during period | 2,000 | 0 | 0 | 0 | 0 |
| 14.21 | Balance at end of period | 12,832 | 0 | 0 | 0 | 0 |
| 14.22 | Debentures <i>(description))</i> | Not applicable. | Not applicable. | Not applicable. | Not applicable. | Not applicable. |
| 14.23 | Balance at start of period | Not applicable. | Not applicable. | Not applicable. | Not applicable. | Not applicable. |
| 14.24 | a) Increases through issues | Not applicable. | Not applicable. | Not applicable. | Not applicable. | Not applicable. |
| 14.25 | b) Decreases through maturity, converted | Not applicable. | Not applicable. | Not applicable. | Not applicable. | Not applicable. |
| 14.26 | Balance at end of period | Not applicable. | Not applicable. | Not applicable. | Not applicable. | Not applicable. |
| 14.27 | Unsecured Notes <i>(description)</i> | Not applicable. | Not applicable. | Not applicable. | Not applicable. | Not applicable. |
| 14.28 | Balance at start of period | Not applicable. | Not applicable. | Not applicable. | Not applicable. | Not applicable. |
| 14.29 | a) Increases through issues | Not applicable. | Not applicable. | Not applicable. | Not applicable. | Not applicable. |

| | | Number issued '000 | Number listed '000 | Paid-up value (cents) | Current period – A\$'000 | Previous corresponding period – A\$'000 |
|-------|---|--------------------------|--------------------------|-----------------------------|--------------------------------|--|
| 14.30 | b) Decreases through maturity, converted | Not applicable. | Not applicable. | Not applicable. | Not applicable. | Not applicable. |
| 14.31 | Balance at end of period | Not applicable. | Not applicable. | Not applicable. | Not applicable. | Not applicable. |
| 14.32 | Total Securities | 252,692 | 239,860 | 4.65 | 11,748 | 7,879 |

| | | Current period – A\$'000 | Previous corresponding period – A\$'000 |
|--------------------------|---------------------------------|-----------------------------|---|
| Reserves | | | |
| 14.33 | Balance at start of period | 0 | (10) |
| 14.34 | Transfers to/from reserves | 0 | 0 |
| 14.35 | Total for the period | 0 | (10) |
| 14.36 | Balance at end of period | 0 | (10) |
| 14.37 | Total reserves | 0 | (10) |
| Retained earnings | | | |
| 14.38 | Balance at start of period | (8,343) | (2,131) |
| 14.39 | Changes in accounting policy | 0 | 0 |
| 14.40 | Restated balance | 0 | 0 |
| 14.41 | Profit for the balance | (540) | (5,384) |
| 14.42 | Total for the period | (8,883) | (7,515) |
| 14.43 | Dividends | 0 | 0 |
| 14.44 | Balance at end of period | (8,883) | (7,515) |

Details of aggregate share of profits (losses) of associates and joint venture entities

(equity method)

(as per paragraph Aus 37.1 of AASB 128: Investments in Associates and paragraph Aus 57.3 of AASB 131: Interests in Joint Ventures)

Name of associate or joint venture entity

Not applicable.

Reporting entities percentage holding

Not applicable.

| | | Current period - \$A'000 | Previous corresponding period - \$A'000 |
|------|--|-----------------------------|---|
| 15.1 | Profit (loss) before income tax | Not applicable. | Not applicable. |
| 15.2 | Income tax | Not applicable. | Not applicable. |
| 15.3 | Profit (loss) after tax | Not applicable. | Not applicable. |
| 15.4 | Impairment losses | Not applicable. | Not applicable. |
| 15.5 | Reversals of impairment losses | Not applicable. | Not applicable. |
| 15.6 | Share of non-capital expenditure contracted for (excluding the supply of inventories) | Not applicable. | Not applicable. |
| 15.7 | Share of net profit (loss) of associates and joint venture entities | Not applicable. | Not applicable. |

Control gained over entities having material effect

(See note 8)

16.1 Name of issuer (or group)

Innoxia Group Pty Ltd

16.2 Consolidated profit (loss) after tax of the issuer (or group) since
the date in the current period on which control was acquired

\$A'000

39

16.3 Date from which profit (loss) in item 16.2 has been calculated

31 October 2009

16.4 Profit (loss) after tax of the issuer (or group) for the whole of the
previous corresponding period

Not applicable.

Loss of control of entities having material effect
(See note 8)

| | | |
|------|--|-----------------|
| 17.1 | Name of issuer (or group) | Not applicable. |
| | | \$A'000 |
| 17.2 | Consolidated profit (loss) after tax of the entity (or group) for the current period to the date of loss of control | Not applicable. |
| 17.3 | Date from which the profit (loss) in item 17.2 has been calculated | Not applicable. |
| 17.4 | Consolidated profit (loss) after tax of the entity (or group) while controlled during the whole of the previous corresponding period | Not applicable. |
| 17.5 | Contribution to consolidated profit (loss) from sale of interest leading to loss of control | Not applicable. |

Material interests in entities which are not controlled entities

The economic entity has an interest (that is material to it) in the following entities.

| | | Percentage of ownership interest (ordinary securities, units etc) held at end of period or date of disposal | | Contribution to profit (loss) (item 1.9) | |
|------|---|---|-------------------------------------|---|---|
| 18.1 | Equity accounted associated entities | Current period | Previous corresponding period | Current period \$A'000 | Previous corresponding period \$A'000 |
| | Not applicable | | | Equity accounted | |
| | | | | | |
| 18.2 | Total | | | | |
| 18.3 | Other material interests | | | Non equity accounted (i.e. part of item 1.9) | |
| | Not applicable | | | | |
| 18.4 | Total | | | | |

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 personation 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 |
|--|-----------------------------|---|
| Segments | | |
| Revenue: | | |
| 19.1 External sales | 3,108 | 1,548 |
| 19.2 Inter-segment sales | 0 | 0 |
| 19.3 Total (consolidated total equal to item 1.1) | 3,108 | 1,548 |
| 19.4 Segment result | 0 | (43) |
| 19.5 Unallocated expenses | (540) | (5,342) |
| 19.6 Operating profit (equal to item 1.5) | (541) | (5,385) |
| 19.7 Interest expense | 0 | 0 |
| 19.8 Interest income | 1 | 1 |
| 19.9 Share of profits of associates | 0 | 0 |
| 19.10 Income tax expense | 0 | 0 |
| 19.11 Net profit (consolidated total equal to item 1.9) | (540) | (5,384) |
| Other information | | |
| 19.12 Segment assets | 6,092 | 1,729 |
| 19.13 Investments in equity method associates | 0 | 0 |
| 19.14 Unallocated assets | 0 | 0 |
| 19.15 Total assets (equal to item 3.18) | 6,092 | 1,729 |
| 19.16 Segment liabilities | 2,794 | 1,281 |
| 19.17 Unallocated liabilities | 434 | 94 |
| 19.18 Total liabilities (equal to item 3.32) | 3,228 | 1,375 |
| 19.19 Capital expenditure | 591 | 0 |
| 19.20 Depreciation | 69 | 46 |
| 19.21 Other non-cash expenses | 0 | 1,522 |

NTA Backing

(see note 7)

| 20.1 | Current period | Previous corresponding period |
|--|----------------|-------------------------------|
| Net tangible asset backing per ordinary security | 0.55 | 0.77 |

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

None noted.

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.

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 noted.

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 noted.

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

No dividends have been declared.

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 noted.

An issuer shall explain how the transition from previous GAAP to Australian equivalents to IFRS¹ 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)

Not applicable.

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)

None noted.

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(j) of AASB 134: Interim Financial Reporting)

None noted.

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)

Obsolete inventory write-off in the half-year amounting to \$765,103.

Goodwill of \$1,549,502 was recognised as a result of the acquisition of Innoxia Group Pty Ltd by SODA Brands Limited.

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(l) of AASB 134: Interim Financial Reporting)

SODA Brands Limited acquired the entire issued share capital of Innoxia Group Pty Ltd on 31 October 2009.

NTA Backing

(see note 7)

| 20.1 | Current period | Previous corresponding period |
|--|----------------|-------------------------------|
| Net tangible asset backing per ordinary security (cents) | 0.55 | 0.77 |

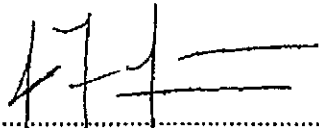
Compliance statement

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).

Identify other standards used

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 *not* yet been audited or reviewed.
5. If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications are attached/~~will follow immediately they are available~~* (*delete one*). (*Half yearly statement only - the audit report must be attached to this statement if the statement is to satisfy the requirements of the Corporations Act.*)
6. The *issuer* has a formally constituted audit committee.

Sign here:


(Director)

Date:

16/4/2010

Print name: Andrew Fairfull