Marani Brands, Inc.
Form 10-Q/A
November 10, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q/A

x Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended September 30, 2008

or

o Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____________ to _____________

Commission file number 333-123176

Marani Brands, Inc.
(Exact Name of Registrant as Specified in its Charter)

Nevada	20-2008579
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

13152 Raymer Street, Suite 1A
North Hollywood, CA 91605
(Address of Principal Executive Offices) (Zip Code)

(818) 503-5200
(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. x Yes o No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer o Accelerated filer o

Non-accelerated filer o Smaller reporting company x

Indicate by check mark whether the registrant is a shell company (as defined in Exchange Act Rule 12b-2 of the Exchange Act). o Yes x No

The issuer had 169,993,752 shares of common stock outstanding as of November 14, 2008.

AMENDMENT TO THIS FORM 10-Q
FOR THE PERIOD ENDED SEPTEMBER 30, 2008

Management of the Company has amended our Form 10-Q after our determination that the following amendments are appropriate for our Form 10-Q for the period ended September 30, 2008, filed November 14, 2008.

• We amended Note 1 (Description of Business) to restate the April 2008 merger transaction between the Company and Margrit Enterprises International, Inc. to apply reverse merger accounting, rather than the purchase method, and to clarify our disclosure of the merger transaction and our pre and post merger business activities.

• We have amended Item 2 (Management's Discussion and Analysis) to disclose the effects of the differences for the change in accounting treatments from the purchase method to reverse merger accounting as a result of a correction of an error, with respect to our disclosure of expenses including stock based compensation, which have been reclassified as a General and Administrative expense.

• We have amended our financial reporting to apply reverse merger accounting, rather than purchase method accounting, to the April 2008 merger transaction.

• We have amended Note 4 to our financial statements to describe the April 2008 merger transaction between the Company and Margrit Enterprises International, Inc. as a reverse merger, rather than as an asset purchase, and to disclose the simultaneous sale of our subsidiary FFB Australia to our former CEO.

• We have amended Note 11 to our financial statements to disclose our change of accounting treatment from transactional costs related to the merger transaction from capitalization to a charge to earnings as a result of a correction of an error.

• We have added Note 14 (Restatement) to our restated financial statements for the year period ending September 30, 2008 to present the adjustments that have been made to our original Form 10-Q for this period, as filed on November 14, 2008 as a result of the reverse merger accounting treatment of the merger transaction.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

The condensed financial statements of Marani Brands, Inc. included herein have been prepared in accordance with the instructions to quarterly reports for a smaller reporting company, as defined in Exchange Act Rule 12b-2, on Form 10-Q pursuant to the rules and regulations of the United States Securities and Exchange Commission (the "SEC"). Certain information and footnote data necessary for fair presentation of financial position and results of operations in conformity with accounting principles generally accepted in the United States of America ("GAAP") have been condensed or omitted. It is therefore suggested that these financial statements be read in conjunction with the summary of significant accounting policies and notes to financial statements included in Marani Brands, Inc.'s Annual Report on Form 10-KSB for the year ended June 20, 2008.

In the opinion of management, all adjustments necessary in order to make the financial position, results of operations and changes in financial position at September 30, 2008, and for all periods presented, not misleading, have been made. The results of operations for the period ended September 30, 2008 are not necessarily indicative of the Company's actual operating results for the full year ending June 30, 2009.

Marani Brands, Inc. and Subsidiaries
Consolidated Balance Sheets
RESTATED

	UNAUDITED September 30, 2008	June 30, 2008
Assets		
Current Assets		
Cash & Equivalents	$ 1,161,752	$ 2,460,663
Accounts Receivable	25,340	29,661
Inventory	398,516	77,307
Total Current Assets	1,585,608	2,567,631
Property & Equipment, Net	5,160	5,510
Deposits	35,255	35,255
Total Assets	$ 1,626,023	$ 2,608,396
Liabilities & Stockholders' Equity (Deficit)		
Current Liabilities		
Accounts Payable	$ 124,617	$ 260,894
Accrued Expenses	83,872	94,063
Notes Payable	80,495	80,495
Total Current Liabilities	288,984	435,452
Non-Current Liabilities		
Notes Payable	124,816	249,816
Total Non-Current Liabilities	124,816	249,816
Total Liabilities	$ 413,800	$ 685,268
Commitments & Contingencies	-	-
Stockholders' Equity (Deficit)		
Common Stock, $0.001 par value, 300,000,000 shares authorized; 169,993,752 and 169,743,752 shares issued and outstanding, respectively	169,994	169,744
Additional Paid-in Capital	19,490,049	19,427,799
Accumulated Deficit	(18,447,820)	(17,674,415)
Total Stockholders' Equity (Deficit)	1,212,223	1,923,128
Total Liabilities & Stockholders' Equity (Deficit)	$ 1,626,023	$ 2,608,396

The accompanying notes are an integral part of these financial statements

Marani Brands, Inc. and Subsidiaries
Consolidated Statements of Operations
UNAUDITED & RESTATED

	For the Three Months Ended September 30, 2008	2007
Sales	$ 21,574	$ 22,719
Cost of Sales	5,617	5,230
Gross Profit	15,957	17,489
Operating Expenses		
Marketing and Sales Promotion	433,816	58,412
General & Administrative	362,015	73,537
Total Operating Expenses	795,831	131,949
Operating Income (Loss)	$ (779,874)	$ (114,460)
Other Income (Expense)		
Interest Income	7,546	-
Interest Expense	(1,077)	(4,326)
Total Other Income (Expense)	6,469	(4,326)
Net Income (Loss) Before Income Taxes	$ (773,405)	$ (118,786)
Provision for Income Taxes	-	-
Net Income (Loss)	$ (773,405)	$ (118,786)
Net Income per Share		
Basic	$ (0.00)	$ (0.00)
Diluted	$ (0.00)	$ (0.00)
Number of Shares Used in Per Share Calculations		
Basic	169,868,752	64,636,500
Diluted	169,868,752	64,636,500

The accompanying notes are an integral part of these financial statements

Marani Brands, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
UNAUDITED & RESTATED

	For the Three Months Ended September 30, 2008	2007
Net Income (Loss)	$ (773,405)	$ (118,786)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock Based Compensation	62,500	-
Depreciation & Amortization	350	730
Changes in operating assets and liabilities:		
Accounts Receivable	4,321	12,924
Inventory	(321,209)	(128,943)
Accounts Payable	(136,277)	(17,553)
Accrued Expenses	(10,191)	205
Net Cash Used in Operating Activities	(1,173,911)	(251,423)
Notes Payable	(125,000)	(105,910)
Notes Payable Related Parties	-	(23,568)
Common Stock Issued for Cash	-	356,063
Net Cash Provided by Financing Activities	(125,000)	226,585
Net Increase (Decrease) in Cash	(1,298,911)	(24,838)
Cash Beginning of Period	2,460,663	35,611
Cash End of Period	$ 1,161,752	$ 10,773
Supplemental Disclosure of Cash Flow Information:		
Cash Paid during the period for interest	$ 1,077	$ 4,326
Cash Paid during the period for income taxes	-	-

The accompanying notes are an integral part of these financial statements

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Marani Brands, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
UNAUDITED

Note 1 – Organization, Business & Operations

History

The Company was incorporated in Nevada on May 30, 2001, under the name Elli Tsab, Inc., which was subsequently changed to Patient Data Corporation, and thereafter to Fit for Business, Inc. On March 10, 2008, the Company changed its name from Fit for Business, Inc. to Marani Brands, Inc. On March 31, 2008, the common stock underwent a 1-for-250 reverse stock split, and commenced trading on the Over the Counter Bulletin Board under the new symbol "MRIB".

Merger (see Note 4)

On March 11, 2008, the Company formed FFBI Merger Sub Corp., a California corporation, as its wholly-owned subsidiary. FFBI Merger Sub Corp. was formed by the Company for purpose of effectuating a merger transaction by and among the Company and FFBI Merger Sub Corp., on the one hand, and a California corporation known as Margrit Enterprises International, Inc. "(MEI"), on the other hand.

On April 4, 2008, the Company, FFBI Merger Sub Corp. and MEI executed, and on April 7, 2008 the parties closed, a three party Merger Agreement.

The acquisition of MEI by the Company was completed by the merger of the Company's wholly-owned subsidiary, FFBI Merger Sub Corp. with and into MEI, with MEI remaining as the surviving entity and wholly-owned subsidiary of the Company.   The net effect of these transactions is a reverse merger of the Company with MEI. MEI subsequently changed its name to Marani Spirits, Inc., and continues to be the operational arm of the Company.

Business and Products

Prior to the Company's acquisition of MEI, our only business was that of its wholly-owned subsidiary, Fit for Business (Australia) Pty Limited, which is engaged in the development of overall wellness programs for the workplace in Australia.

Subsequent to the merger transaction with MEI, the Company's primary business is the distribution of wine and spirit products manufactured in Armenia. In the future the Company may add alcohol beverage products manufactured in other countries.

Reverse Stock Split

Effective March 31, 2008, the Company's common stock underwent a 1-for-250 reverse stock split. The Company retained the current par value of $0.001 per share for all shares of common stock. All references in the financial statements to the number of shares outstanding, per share amounts, and stock options data of the Company's common stock have been restated to reflect the effect of the reverse stock split for all periods presented.

Restatement

As referred to in Note 15 to the financial statements, the company has restated these financial statements for a correction of an error.

Note 2 - Going Concern and Management's Plans

The accompanying consolidated financial statements have been prepared in conformity with generally accepted accounting principles which contemplate continuation of the company as a going concern. However, as of September 30, 2008, the Company has an accumulated deficit of $18,447,820 and has yet to be profitable. The Company’s current business plan requires additional funding beyond its anticipated cash flows from operations. These and other factors raise substantial doubt about the Company's ability to continue as a going concern.

The ability of the Company to continue as a going concern is dependent upon its ability to raise additional capital and achieve profitable operations. The accompanying consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

Marani Brands, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
UNAUDITED

Note 3 - Summary of Significant Accounting Policies

Recapitalization

The capital structure of the consolidated enterprise is that of MEI due to reverse recapitalization accounting. The financial statements presented are a continuation of MEI, the accounting acquirer, and not FFBI, the accounting acquiree. The recapitalization and capital structure is now different than that appearing in historical financial statements for FFBI.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Marani Brands, Inc. and its wholly subsidiaries Marani Spirits, Inc. and Great Hawk, Inc. (collectively the “Company”). All significant inter-company accounts and transactions have been eliminated in consolidation.\

Cash and cash equivalents

The Company considers all liquid investments with a maturity of three months or less from the date of purchase that are readily convertible into cash to be cash equivalents.

Inventories

Inventories are stated at the lower of cost or market. Cost is computed on a weighted-average basis, which approximates the first-in, first-out method; market is based upon estimated replacement costs. Costs included in inventory primarily include finished spirit product and packaging.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates

Property & equipment

Property and equipment are recorded at cost. Depreciation is computed using the straight-line method over useful lives of 3 to 10 years. The cost of assets sold or retired and the related amounts of accumulated depreciation are removed from the accounts in the year of disposal. Any resulting gain or loss is reflected in current operations. Assets held under capital leases are recorded at the lesser of the present value of the future minimum lease payments or the fair value of the leased property. Expenditures for maintenance and repairs are charged to operations as incurred.

Impairment of long-lived assets

Effective January 1, 2002, the Company adopted Statement of Financial Accounting Standards No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" ("SFAS 144"), which addresses financial accounting and reporting for the impairment or disposal of long-lived assets and supersedes SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of," and the accounting and reporting provisions of APB Opinion No. 30, "Reporting the Results of Operations for a Disposal of a Segment of a Business." The Company periodically evaluates the carrying value of long-lived assets to be held and used in accordance with SFAS 144. SFAS 144 requires impairment losses to be recorded on long-lived assets used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets are less than the assets' carrying amounts. In that event, a loss is recognized based on the amount by which the carrying amount exceeds the fair market value of the long-lived assets. Loss on long-lived assets to be disposed of is determined in a similar manner, except that fair market values are reduced for the cost of disposal.

Basic and Diluted Net Income per Share

Basic earnings per share is calculated using the weighted-average number of common shares outstanding during the period without consideration of the dilutive effect of stock warrants and convertible notes. Diluted earnings per share is calculated using the weighted-average number of common shares outstanding during the period after consideration of the dilutive effect of stock warrants and convertible notes.

Due to the reverse recapitalization transaction, for purposes of computing earnings per share:

- For the quarter ended September 30, 2007, the number of shares outstanding was the income of the legal acquiree (MEI) attributable to common shareholders (100%), multiplied by the legal acquiree’s historical weighted average number of common shares outstanding (6,463,650), multiplied by the exchange ratio established in the acquisition agreement (10:1).

Marani Brands, Inc. and Subsidiaries
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Stock-based compensation

In December 2004, the Financial Accounting Standards Board (FASB) issued SFAS No. 123(R), Share-Based Payment. This pronouncement amends SFAS No. 123, Accounting for Stock-Based Compensation, and supersedes APB Opinion No. 25, Accounting for Stock Issued to Employees. SFAS No. 123(R) requires that companies account for awards of equity instruments issued to employees under the fair value method of accounting and recognize such amounts in their statements of operations. Under SFAS No. 123(R), we are required to measure compensation cost for all stock-based awards at fair value on the date of grant and recognize compensation expense in our consolidated statements of operations over the service period that the awards are expected to vest.

The Company accounts for stock-based compensation issued to non-employees and consultants in accordance with the provisions of SFAS 123(R) and the Emerging Issues Task Force consensus in Issue No. 96-18 ("EITF 96-18"), "Accounting for Equity Instruments that are Issued to Other Than Employees for Acquiring or in Conjunction with Selling, Goods or Services". Common stock issued to non-employees in exchange for services is accounted for based on the fair value of the services received.

Fair value of financial instruments

Statement of Financial Accounting Standard No. 107, Disclosures about Fair Value of Financial Instruments, requires that the Company disclose estimated fair values of financial instruments. The carrying amounts reported in the statements of financial position for current assets and current liabilities qualifying as financial instruments are a reasonable estimate of fair value.

Revenue recognition

Sales of products and related costs of products sold are recognized when (i) persuasive evidence of an arrangement exists, (ii) delivery has occurred, (iii) the price is fixed or determinable and (iv) collectability is reasonably assured. These terms are typically met upon shipment of finished spirit products to the customer.

Shipping and Handling

In accordance with Emerging Issues Task Force (EITF) Issue No. 00-10, Accounting for Shipping and Handling Fees and Costs, we include shipping fees billed to customers in net revenues and do not bill customers for handling. Amounts incurred by us for freight are included in cost of goods sold.

Allowance for doubtful accounts

We provide an allowance for estimated uncollectible accounts receivable balances based on historical experience and the aging of the related accounts receivable. As of September 30, 2008 and June 30, 2008 the Company has reserved $0 for doubtful accounts.

Advertising

The Company expenses advertising costs as incurred. Advertising costs for the three months ended September 30, 2008 and 2007 was $69,616 and $37,358, respectively.

Income Taxes

The Company accounts for income taxes using the liability method as required by Statement of Financial Accounting Standards ("FASB") No. 109, Accounting for Income Taxes ("SFAS 109"). Under this method, deferred tax assets and liabilities are determined based on differences between their financial reporting and tax basis of assets and liabilities. The Company was not required to provide for a provision for income taxes for the periods ended September 30, 2008 and June 30, 2008, as a result of net operating losses incurred during the periods. As of September 30, 2008, the Company has available approximately $18,400,000 of net operating losses ("NOL") available for income tax purposes that may be carried forward to offset future taxable income, if any. These carryforwards expire in various years through 2026. At September 30, 2008 and June 30, 2008, the Company has a deferred tax assets of approximately $7,300,000 and $7,000,000 relating to the Company's net operating losses, respectively. The Company's deferred tax asset has been fully reserved by a valuation allowance since realization of its benefit is uncertain. The Company's ability to utilize its NOL carryforwards may be subject to an annual limitation in future periods pursuant to Section 382 of the Internal Revenue Code of 1986, as amended. In addition, other limitations may be imposed by the code by virtue of the acquisition outlined in Note 4.

Marani Brands, Inc. and Subsidiaries
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The provision for income taxes using the federal and state tax rates as compared to the Company's effective tax rate is summarized as follows:

	September 30, 2008	June 30, 2008
Statutory Federal Tax (Benefit) Rate	-34.00 %	-34.00 %
Statutory State Tax (Benefit) Rate	-5.83 %	-5.83 %
Effective Tax (Benefit) Rate	-39.83 %	-39.83 %
Valuation Allowance	39.83 %	39.83 %
Effective Income Tax	0.00 %	0.00 %

Significant components of the Company's deferred tax assets at September 30, 2008 and June 30, 2008, are as follows:

	September 30, 2008	June 30, 2008
Net Operating Loss Carryforward	$ 7,347,767	$ 7,039,719
Valuation Allowance	(7,347,767)	(7,039,719)
Net Deferred Tax Asset	$ -	$ -

Research and development costs

Expenditures for research & development are expensed as incurred. Such costs are required to be expensed until the point that technological feasibility is established. The Company incurred no research and development costs for the three months ended September 30, 2008 and 2007.

Reclassifications

Certain items in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current period's presentation. These reclassifications have no effect on the previously reported income (loss).

Recently Issued Accounting Pronouncements

In May 2009, the FASB issued SFAS No. 165, Subsequent Events ("SFAS No. 165"). SFAS No. 165 was issued in order to establish principles and requirements for reviewing and reporting subsequent events and requires disclosure of the date through which subsequent events are evaluated and whether the date corresponds with the time at which the financial statements were available for issue (as defined) or were issued. SFAS No. 165 is effective for interim reporting periods ending after June 15, 2009. The adoption of SFAS No. 165 did not impact our results of operations, cash flows or financial positions. We have evaluated events and transactions that occurred after June 30, 2009 through October 12, 2009, the date we issued these financial statements. See Note 14 for the subsequent events.

In May 2008, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 162, The Hierarchy of Generally Accepted Accounting Principles. SFAS No. 162 identifies the sources of accounting principles and the framework for selecting the principles that are presented in conformity with generally accepted accounting principles in the United States. SFAS No. 162 is effective 60 days following the Securities and Exchange Commission's approval of the Public Company Accounting Oversight Board amendments to AU Section 411, The Meaning of Present Fairly in Conformity With Generally Accepted Accounting Principles. The Company does not believe SFAS No. 162 will have a material impact on its financial statements.

In March 2008, the FASB issued SFAS No. 161, Disclosure about Derivative Instruments and Hedging Activities, an amendment of previously issued FASB Statement No. 133. SFAS No. 161 changes the disclosure requirements for derivative instruments and hedging activities. Entities are required to provide enhanced disclosures about (a) how and why an entity uses derivative instruments, (b) how derivative instruments and related hedged items are accounted for under SFAS No. 133 and its related interpretations and (c) how derivative instruments and related hedged items affect an entity's financial position, financial performance and cash flows. SFAS No. 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008, with early application encouraged. The Company does not expect the adoption of SFAS No. 159 to have a material impact on its financial condition or results of operations.

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In December 2007, the FASB issued SFAS No. 141(R), Business Combinations. SFAS No. 141(R) retains the fundamental requirements in SFAS No. 141, Business Combinations, that the acquisition method of accounting be used for all business combinations and for an acquirer to be identified for each business combination. SFAS No. 141(R) requires an acquirer to recognize the assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree at the acquisition date, measured at their fair values as of that date, with limited exceptions specified in SFAS No. 141(R). In addition, SFAS No. 141(R) requires acquisition costs and restructuring costs that the acquirer expected but was not obligated to incur to be recognized separately from the business combination, therefore, expensed instead of part of the purchase price allocation. SFAS No. 141(R) will be applied prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. Early adoption is prohibited. The Company expects to apply SFAS No. 141(R) to any business combinations with an acquisition date on or after January 1, 2009.

In December 2007, the FASB issued SFAS No. 160, Noncontrolling Interests in Consolidated Financial Statements, an amendment to ARB No. 51. SFAS No. 160 changes the accounting and reporting for minority interests, which will be recharacterized as noncontrolling interests and classified as a component of equity. SFAS No. 160 is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. Early adoption is prohibited. The Company is currently evaluating the impact SFAS No. 160 may have on its financial statements.

In February 2007, the FASB issued SFAS No. 159, The Fair Value Option for Financial Assets and Financial Liabilities. SFAS No. 159 permits an entity to irrevocably elect fair value on a contract-by-contract basis as the initial and subsequent measurement attribute for many financial assets and liabilities and certain other items including insurance contracts. Entities electing the fair value option would be required to recognize changes in fair value in earnings and to expense upfront cost and fees associated with the item for which the fair value option is elected. SFAS No. 159 is effective for fiscal years beginning after November 15, 2007. Early adoption is permitted as of the beginning of a fiscal year that begins on or before November 15, 2007, provided the entity also elects to apply the provisions of SFAS No. 157, Fair Value Measurements. The Company does not expect the adoption of SFAS No. 159 to have a material impact on its financial condition or results of operations.

Note 4 – Merger

On March 11, 2008, the Company formed FFBI Merger Sub Corp., a California corporation, as its wholly-owned subsidiary. FFBI Merger Sub Corp. was formed by the Company for purpose of effectuating a merger transaction by and among the Company and FFBI Merger Sub Corp., on the one hand, and a California corporation known as Margrit Enterprises International, Inc. "(MEI"), on the other hand.

On April 4, 2008, the Company, FFBI Merger Sub Corp. and MEI executed, and on April 7, 2008 the parties closed, a three party Merger Agreement, which the parties implemented follows:

Merger of FFBI Merger Sub Corp. and MEI

· By virtue of this statutory merger, the separate corporate existence of FFBI Merger Sub Corp. ceased, with MEI remaining as the surviving corporation.

· The shares of FFBI Merger Sub Corp. held by the Company pre merger were converted into the shares of MEI and, post merger, the MEI conversion shares remain outstanding and continue to be held by the Company as shares of MEI

- Since MEI was a company with an ongoing business, and since FFBI Merger Sub Corp. had no business operations and ceased to exist as a separate corporate entity, this merger transaction constituted a “forward merger”

Reverse Merger MEI and Marani Brands, Inc. (the Company)

- Contemporaneous with the MEI – FFBI Merger Sub merger described above, MEI merged with the Company in a reverse merger. In this reverse merger, each share of MEI common stock held by its stockholders was automatically exchanged for shares of the Company, determined by a 10 for 1 exchange ratio

- The Company issued 100,000,000 shares of its common stock to the stockholders of MEI in the exchange transaction set for the above, and the 10,000,000 shares of MEI then held by the Company as a result of the exchange transaction were cancelled.

- The Company thereby holds 100% of the shares of MEI by virtue of the Company’s ownership of the MEI shares that it obtained as part of the merger of FFBI Merger Sub Corp. and MEI, which shares now represent all of the issued and outstanding shares of MEI.

- On April 7, 2008, the Company sold its entire interest in its subsidiary, Fit For Business (Australia) Pty Limited ("FFB Australia"), to its former Chief Executive Officer.

- Since MEI operated an ongoing business and since the Company had pre merger business operations that were not pursued by the Company post merger, this merger transaction constituted a “reverse merger”.

    - By virtue of this “reverse merger,” both MEI and the Company continue to have a separate existence, with MEI becoming a wholly owned subsidiary of the Company.

Marani Brands, Inc. and Subsidiaries
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UNAUDITED

Under the Merger Agreement, as additional consideration for the merger transactions, the Company issued, at Closing, the following: (i) 42,594,616 shares of the Company’s common stock to Purrell Partners, LLC, or its assigns (the "Purrell Group") and (ii) a Warrant to purchase 10,000,000 shares of the Company’s common stock at an exercise price of $0.10 per share to the Purrell Group.

Following the Closing, the Company, in a private placement to investors, issued an aggregate of 15,120,000 shares of common stock, along with warrants to purchase an additional 15,120,000 shares of common stock at $0.35 per share.

On April 7, 2008, the Company exercised its option under the Subsidiary Acquisition Option Agreement, that was entered into in connection with the December 31, 2007 Stock Purchase Agreement, to sell its entire interest in its subsidiary, Fit For Business (Australia) Pty Limited ("FFB Australia"), to its former Chief Executive Officer, Mark Poulsen. Under the terms of this Agreement, if Mr. Poulsen complied with certain information and document requirements then no later than May 15, 2008, Mr. Poulsen will receive the Company’s entire interest in FFB Australia in exchange for Mr. Poulsen forfeiting his right to 250,000 shares of the Company’s common stock that he was otherwise entitled to receive in the event of a restructuring transaction and merger occurring prior to February 2009. Pursuant to the exercise of the Company’s options, FFB Australia was sold to Mr. Poulsen. As the FFB Australia subsidiary was not operational and had no tangible assets or liabilities at the time this agreement was exercised, and the exchange was for the forfeiture of Mr. Poulsen's right to receive 250,000 common shares, it was determined that no gain on this nonmonetary exchange should be recorded.

Recapitalization

The capital structure of the consolidated enterprise is that of MEI due to reverse recapitalization accounting. The financial statements presented are a continuation of MEI, the accounting acquirer, and not FFBI, the accounting acquiree. The recapitalization and capital structure is now different than that appearing in historical financial statements for FFBI.

Note 5 - Inventories

At September 30, 2008 and June 30, 2008, inventories are comprised of finished bottles/cases of Marani Vodka available for resale. At September 30, 2008 and June 30, 2008 inventory totaled $398,516 and $77,307, respectively.

Note 6 - Property and Equipment

At September 30, 2008 and June 30, 2008, property and equipment is comprised of the following:

	September 30, 2008	June 30, 2008
Property & Equipment	$ 6,969	$ 6,969
Less: Accumulated Depreciation	(1,809)	(1,459)

Net Property & Equipment	$ 5,160	$ 5,510

During the three months ended September 30, 2008 and 2007, the Company recorded depreciation and amortization expense of $350 and $730, respectively.

Note 7 – Accrued Expenses

At September, 30 2008 and June 30, 2008, accrued expenses consist of the following:

	September 30, 2008	June 30, 2008
Accrued Payroll and Taxes	$ 25,000	$ 31,266
Credit Cards Payable	38,872	22,797
Accrued Professional Fees	20,000	40,000
Total Accounts Payable and Accrued Expenses	$ 83,872	$ 94,063

Marani Brands, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
UNAUDITED

Note 8 – Notes Payable

The Company is obligated to a bank for an SBA loan. Terms indicate that the balance of $124,816 is due and payable in full in September of 2010. Interest is accrued and paid monthly at 8.25%. This note is classified as long term.

The Company is also obligated to Searchlight Financial for a short term note totaling $80,495. This obligation is in dispute, but is being recorded with interest at 15%.

Note 9 – Convertible Debentures

On December 18, 2007, MEI issued a one year Convertible Debentures to investors in a private placement, in the aggregate amount of $3,500,000. Upon the completion of the merger the entire principal balance of the Convertible Debenture, by their terms, automatically converted into 14,000,000 shares of the Company's common stock.

Note 10 – Warrants

The following is a summary of share purchase warrants for period ended September 30, 2008:

	Number of Warrants	Weighted Average Exercise Price
Outstanding June 30, 2008	29,620,000	$ 0.32
Granted	-	$ -
Forfeited	-	$ -
Exercised	-	$ -
Outstanding September 30, 2008	29,620,000	$ 0.32

Expiry	Number of Warrants	Exercise Price
September 30, 2010	10,000,000	$ 0.10
November 11, 2010	4,700,000	$ 0.35
November 29, 2010	160,000	$ 0.35
April 2, 2011	520,000	$ 0.35
April 15, 2011	250,000	$ 1.00
May 1, 2011	2,375,000	$ 0.25
June 1, 2011	10,000,000	$ 0.50
June 4, 2011	100,000	$ 1.00
June 11, 2011	1,515,000	$ 0.35
Total	29,620,000	$ 0.32

The fair value of the share purchase warrants as of September 30, 2008 was $0, which was determined using the Black-Scholes option value model with the following assumptions:

Expected Dividend Yield	0.00	%
Risk Free Interest Rate	2.75	%
Expected Volatility	60.00	%
Expected Life (in years average)	2.4	

Note 11 – Derivative Liability and Expense

The owners of MEI originally had a beneficial rate, 50% of market, with respect to stock conversions. This derivative liability was eliminated as part of the Merger which totaled $104,135.

Marani Brands, Inc. and Subsidiaries
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Note 12 - Stockholders' Equity

Common Stock

Effective March 31, 2008, the Company's common stock underwent a 1-for-250 reverse stock split. All references in the financial statements to the number of shares outstanding, per share amounts, and stock options data of the Company's common stock have been restated to reflect the effect of the stock split for all periods presented.

Following the reverse stock split, the Company has authorized the issuance of up to 300,000,000 shares of Common Stock, at $0.001 par value. As of September 30, 2008, the Company had 169,993,752 shares of Common Stock issued and outstanding.

During the year ended June 30, 2008, the Company issued a total of 98,223,752 shares of which 41,179,121 shares were issued for cash totaling $7,814,000; 11,686,670 shares were issued to Officers for services totaling $140,240; 1,281,797 shares were issued for to non-affiliated parties for services totaling $82,449; 937,339 shares were issued to Marani shareholders in the reverse merger totaling $0; and 43,138,825 shares were issued for direct offering costs totaling $10,648,654.

During the three months ended September 30, 2008, the Company issued 250,000 shares to a non-affiliated individual for services totaling $62,500.

Direct Offering Costs

The Company defers as other assets the direct incremental costs of raising capital until such time as the offering is completed. At the time of the completion of the offering, the costs are charged against the capital raised. Should the offering be terminated, deferred offering costs are charged to operations during the period in which the offering is terminated. As of June 30, 2008, the Company had incurred ($1,130,923) in cash direct offering costs and issued 43,138,825 shares for direct offering costs totaling ($10,648,654). These costs were associated with follow on financing agreements with Continental Advisors and Purrell Partners detailed in Note 13. These shares were valued at market value.

Note 13– Commitments & Contingencies

Leases

The Company leases 2,100 square feet at its corporate office space in North Hollywood, California. This lease is currently on a month-to-month basis at a monthly rental of $1,800 per month.

Agreements

On November 1, 2007, the Company entered into a consulting agreement with Purrell Partners, LLC. to provide various strategic and other services. This agreement provides for the payment of a monthly retainer of $20,000 per month; the payment of commissions upon the completion of financing transactions and mergers and acquisitions, and revenue sharing with respect to sales of product introduced by Purrell Partners. This consulting agreement has a term ending on October 31, 2010 subject to earlier termination as provided for therein. For the three months ended September 30, 2008 and 2007, the Company paid $ $40,000 and $0, respectively, to Purrell Partners, LLC under this agreement.

On October 12, 2007, the Company entered into a consulting agreement with Continental Advisors, SA. to provide placement agent services in connection with a contemplated $10,000,000 financing through private placements. This agreement provides for the payment of commissions and provides warrant coverage upon the Company completing the private placements with investors introduced by Continental Advisors. For the three months ended September 30, 2008 and 2007, the Company paid $0 to Continental Advisors, SA under this agreement.

Note 14 - Subsequent Events

Line of Credit

In October 2008, the Company obtained a $1,000,000 credit line from Citibank collateralized by the Company's Certificate of Deposit.

Notes Payable

In February 2009, the Company received a $200,000 loan from an investor payable based upon the Company receiving financing of $1,000,000 or in the event that the Company breaches one of the default provisions. This note carries an 8% annual interest with both principle and accrued interest payable at maturity.

In June 2009, the Company received a $50,000 loan from an investor payable based upon the Company receiving financing of $1,000,000 or in the event that the Company breaches one of the default provisions. This note carries an 8% annual interest with both principle and accrued interest payable at maturity.

Marani Brands, Inc. and Subsidiaries
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Secured Note Payable

On July 28, 2009, the Company obtained a short term loan in the principal amount of $200,000 from an individual lender. The loan is secured by all the Company's unsecured assets. The loan term matures on November 24, 2009, and the principal amount of the loan accrues simple interest at the rate of eight (8%) percent per annum. Interest is payable monthly in arrears and principal is payable in three monthly installments of five thousand ($5,000) dollars with a final payment of one hundred eighty five thousand ($185,000) dollars at maturity.

Severance and Employment Agreement

On October 1, 2008, Margit Eyraud notified the Company of her intent to resign as Chief Executive Officer and President of the Company, effective October 1, 2008, while remaining Chairman of the Board of Directors. Ms. Eyraud served as Chief Executive Officer and President of the Company under an Employment Agreement, the term of which expires December 31, 2010. Contemporaneous with her resignation as reported above, the Company and Ms. Eyraud have agreed to an early expiration of the Employment Agreement, and have agreed to a severance package in connection with that early expiration. Under the terms of the severance package Ms. Eyraud shall receive a cash payment of four hundred five thousand dollars ($405,000), payable by the Company as follows:

- One hundred fifty thousand dollars ($150,000) on October 1, 2008;
- Seventy five thousand dollars ($75,000) on January 30, 2009;
- Seventy five thousand dollars ($75,000) on March 31, 2009; and
- One hundred five thousand dollars ($105,000) on June 30, 2009

In addition:

- The Company shall pay all unreimbursed business expenses, upon submission by Ms. Eyraud;
- Continuation of Ms. Eyraud's health and life insurance coverage until December 31, 2010 at levels in place as of September 15, 2008;
- The ten year stock options to purchase 5,000,000 shares of the Company's common stock at $0.25 per share, granted to Ms. Eyraud pursuant to the Employment Agreement, are deemed fully vested immediately;
- The existing Lock-up agreement governing the shares of the Company's common stock beneficially owned by Ms. Eyraud shall continue pursuant to its terms, subject to revision, waiver or modification consistent with any revision, waiver or modification of other similar Lock-up agreements existing between the Company and third parties, including its management and affiliates;
- The Company shall obtain releases of any guarantees Ms. Eyraud has executed to the favor of the Company; and
- All indemnification agreements running in favor of Ms. Eyraud shall be maintained for a period of six (6) years, commencing October 2, 2008, and the Company shall assume the indemnification of Ms. Eyraud with respect to the activities of its wholly owned subsidiary, Marani Spirits, Inc., for a like period.

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In connection with the reappointment of Ms. Eyraud as CEO and President Ms. Eyraud and the Company entered into an Employment Agreement dated as of August 1, 2009. The Employment Agreement provides for a four-year employment term and an initial base salary of $180,000 per annum, subject to upward adjustment annually based on the consumer price index. Under the Employment Agreement, the Board of Directors of the Company is to consider and propose to Ms. Eyraud a bonus compensation arrangement which will provide for an incentive bonus payable to Ms. Eyraud based upon the attainment by the Company of mutually agreeable criteria.

Under the Employment Agreement, the Company granted to Ms. Eyraud options to purchase 3,000,000 shares of common stock of the Company at a price equal to the closing price of the Company's common stock on August 3, 2009. The options are to be issued pursuant to a stock option plan to be adopted by the Board of Directors and approved by the shareholders of the Company and shall by subject to such other terms as provided in the plan. The options vest as to 25% of the underlying shares of common stock on the first anniversary date of the option grant and ratably each quarter thereafter during the next three years of the term. The options become fully vested and exercisable upon the Company's termination of Ms. Eyraud's employment under the Employment Agreement Without Cause, the termination of such employment by Ms. Eyraud For Good Reason, or the Company's termination of Ms. Eyraud's employment due to death or Disability (as each term is defined in the Employment Agreement, a copy of which is included in this Current Report as Exhibit 10.1 and incorporated herein by this reference). The options shall have a term of 10 years and may be exercised to the extent vested, (i) by Ms. Eyraud at any time during such 10-year period, if Ms. Eyraud's employment is terminated Without Cause or For Good Reason or due to Disability or if the employment term expires and Ms. Eyraud does not continue to be employed by the Company, (ii) by Ms. Eyraud's personal representative within one (1) year following the date of Ms. Eyraud's death, if Ms. Eyraud's employment with the Company is terminated due to Ms. Eyraud's death, and (iii) by Ms. Eyraud, if Ms. Eyraud's employment terminates for any other reason (other than the expiration of the employment term) by Ms. Eyraud, within ninety (90) days following Ms. Eyraud's termination of employment.

Equity Issuance

Subsequent to September 30, 2008, Company issued a total of 13,908,044 common shares of which 2,700,000 shares were issued for cash totaling $70,000; 5,038,044 shares were issued to Officers for services totaling $2,085,652; and 6,170,000 shares were issued for to non-affiliated parties for services totaling $1,241,600. In addition, on June 17, 2009, the Company received $60,000 under a stock purchase agreement under which a total of 461,539 shares are to be issued to an accredited investor.

Warrant and Share Cancellation-Purrell

Purrell and Margrit International Enterprises, Inc., which is now called Marani Spirits, Inc., are parties to a Consulting Agreement dated November 1, 2007 (the "Consulting Agreement"). Warrants (10,000,000) were issued in consideration of services, purportedly performed by Purrell under the Consulting Agreement and related to the merger of a subsidiary of the Company in and to MEl, pursuant to which MEl became a wholly-owned subsidiary of the Company and the Shares were issued in anticipation of Purrell assisting the Company with receiving approximately $10,000,000 of equity financing. However, no equity financing was arranged by Purrell for the Company. Therefore the warrants were not validly issued since the Company did not receive adequate consideration for the issuance of those warrants.

In addition, it has come to the Company's attention that Purrell is not a registered broker-dealer and therefore was not legally permitted to provide certain of the services set forth in a Consulting Agreement. In particular, since Purrell was not a registered broker-dealer, the various agreements between Purrell and the Company (including the Consulting Agreement) relating to Purrell raising financing for the Company are voidable. The Company has requested its transfer agent to cancel the 21,297,309 common shares (issued May 30, 2009 valued at $.25) and 10,000,000 (issued October 1, 2007 at $.10) warrants issued to Purrell pursuant to this agreement.

Warrant Cancellation-Continental Advisors

Continental Advisors (CA) acted as the placement agent for a private placement of Convertible Debentures issued by Margrit Enterprises International, Inc. pursuant to a Letter Agreement effective as of October 12, 2007. Pursuant to a merger which occurred a number of months after the day of the placement, a subsidiary of the Company merged with and into MEl and MEl became a wholly-owned subsidiary of the Company. As part of the Merger, the Warrants became exercisable into shares of the Company's Common Stock.

It has come to the Company's attention that CA was not fully licensed and authorized under applicable European securities regulations to serve as the placement agent in the Placement and therefore was not entitled to receive compensation for serving in that capacity. CA did not disclose those facts to the Company in the Letter Agreement. CA misrepresented to the Company, CA's authority to serve as the placement agent for the Placement. The Warrants were issued as compensation for CA's purported services in the Placement. Therefore, the Warrants should not have been issued to CA. The Company has requested its transfer agent to cancel the 3,890,000 warrants issued (2,375,000 issued on May 1, 2008 at $.25 and 1,515,000 at issued on June 4, 2008 at $.35) pursuant to this agreement.

Marani Brands, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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Note 15- Restatement

The previously issued financial statements have been restated to accurately reflect the combination of FFBI and MEI in April 2008 as a reverse merger (see Note 4). Management determined that the original application of the purchase method was not in accordance with U.S. GAAP, and that the reverse merger method was the appropriate method. The following financial statements line items were affected by the restatement:

Marani Brands, Inc. and Subsidiaries

Consolidated Balance Sheet

	June 30, 2008		
	As Originally Stated	Adjustments	As Restated
Assets			
Current Assets			
Cash & Equivalents	$ 2,460,663	$ -	$ 2,460,663
Accounts Receivable	29,661	-	29,661
Inventory	77,307	-	77,307
Total Current Assets	2,567,631	-	2,567,631
Property & Equipment, Net	5,510	-	5,510
Deposits	35,255	-	35,255
Goodwill and Intangibles	3,861,280	(3,861,280)	-
Total Assets	$ 6,469,676	$ (3,861,280)	$ 2,608,396
Liabilities & Stockholders' Equity (Deficit)			
Current Liabilities			
Accounts Payable	$ 260,894	$ -	$ 260,894
Accrued Expenses	94,063	-	94,063
Notes Payable	80,495	-	80,495
Total Current Liabilities	435,452	-	435,452
Non-Current Liabilities			
Notes Payable	249,816	-	249,816
Total Non-Current Liabilities	249,816	-	249,816
Total Liabilities	$ 685,268	$ -	$ 685,268
Commitments & Contingencies	-	-	-
Stockholders' Equity (Deficit)			
Preferred Stock			
Common Stock	169,744	-	169,744
Additional Paid-in Capital	22,629,079	(3,201,280)	19,427,799

Direct Offering Costs	(11,779,577)	11,779,577	-
Accumulated Deficit	(5,234,838)	(12,439,577)	(17,674,415)
Total Stockholders' Equity (Deficit)	5,784,408	(3,861,280)	1,923,128
Total Liabilities & Stockholders' Equity (Deficit)	$ 6,469,676	$ (3,861,280)	$ 2,608,396

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Marani Brands, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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Marani Brands, Inc. and Subsidiaries
Consolidated Balance Sheet

	September 30, 2008			
	As Originally Stated	Adjustments		As Restated
Assets				
Current Assets				
Cash & Equivalents	$ 1,161,752	$ -		$ 1,161,752
Accounts Receivable	25,340	-		25,340
Inventory	398,516	-		398,516
Total Current Assets	1,585,608	-		1,585,608
Property & Equipment, Net	5,160	-		5,160
Deposits	35,255	-		35,255
Goodwill and Intangibles	3,861,280	(3,861,280)	A	-
Total Assets	$ 5,487,303	$ (3,861,280)		$ 1,626,023
Liabilities & Stockholders' Equity (Deficit)				
Current Liabilities				
Accounts Payable	$ 124,617	$ -		$ 124,617
Accrued Expenses	83,872	-		83,872
Notes Payable	80,495	-		80,495
Total Current Liabilities	288,984	-		288,984
Non-Current Liabilities				
Notes Payable	124,816	-		124,816
Total Non-Current Liabilities	124,816	-		124,816
Total Liabilities	$ 413,800	$ -		$ 413,800
Commitments & Contingencies	-	-		-
Stockholders' Equity (Deficit)				
Preferred Stock				
Common Stock	169,994	-		169,994
Additional Paid-in Capital	22,691,329	(3,201,280)	A	19,490,049
Direct Offering Costs	(11,779,577)	11,779,577	B	-
Accumulated Deficit	(6,008,243)	(12,439,577)	A/B	(18,447,820)
Total Stockholders' Equity (Deficit)	5,073,503	(3,861,280)		1,212,223
Total Liabilities & Stockholders' Equity (Deficit)	$ 5,487,303	$ (3,861,280)		$ 1,626,023

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Marani Brands, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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Marani Brands, Inc. and Subsidiaries
Consolidated Statements of Operations

	For the Three Months Ended September 30, 2007			
	As Originally Stated	Adjustments		As Restated
Sales	$ 22,719	$ -		$ 22,719
	-			
Cost of Sales	5,230	-		5,230
Gross Profit	17,489	-		17,489
Operating Expenses				
Marketing and Sales Promotion	58,412	-		58,412
General & Administrative	73,537	-		73,537
Stock Based Compensation	-	-		-
Total Operating Expenses	131,949	-		131,949
Operating Income (Loss)	$ (114,460)	$ -		$ (114,460)
Other Income (Expense)				
Interest Income	-	-		-
Interest Expense	(4,326)	-		(4,326)
Total Other Income (Expense)	(4,326)	-		(4,326)
Net Income (Loss) Before Income Taxes	$ (118,786)	$ -		$ (118,786)
Provision for Income Taxes	-	-		-
Net Income (Loss)	$ (118,786)	$ -		$ (118,786)
Net Income per Share				
Basic	$ (0.02)	$ 0.02	A	$ (0.00)
Diluted	$ (0.02)	$ 0.02	A	$ (0.00)
Number of Shares Used in Per Share Calculations				
Basic	6,463,650	58,172,850	A	64,636,500
Diluted	6,463,650	58,172,850	A	64,636,500

Marani Brands, Inc. and Subsidiaries
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Marani Brands, Inc. and Subsidiaries
Consolidated Statements of Operations

	For the Three Months Ended September 30, 2008		
	As Originally Stated	Adjustments	As Restated
Sales	$ 21,574	$ -	$ 21,574
	-		
Cost of Sales	5,617	-	5,617
Gross Profit	15,957	-	15,957
Operating Expenses			
Marketing and Sales Promotion	433,816	-	433,816
General & Administrative	299,515	62,500 C	362,015
Stock Based Compensation	62,500	(62,500) C	-
Total Operating Expenses	795,831	-	795,831
Operating Income (Loss)	$ (779,874)	$ -	$ (779,874)
Other Income (Expense)			
Interest Income	7,546	-	7,546
Interest Expense	(1,077)	-	(1,077)
Total Other Income (Expense)	6,469	-	6,469
Net Income (Loss) Before Income Taxes	$ (773,405)	$ -	$ (773,405)
Provision for Income Taxes	-	-	-
Net Income (Loss)	$ (773,405)	$ -	$ (773,405)
Net Income per Share			
Basic	$ (0.00)	$ -	$ (0.00)
Diluted	$ (0.00)	$ -	$ (0.00)
Number of Shares Used in Per Share Calculations			
Basic	169,868,752	-	169,868,752
Diluted	169,868,752	-	169,868,752

Marani Brands, Inc. and Subsidiaries
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Restatement Adjustments

(A) Reflects the restatement of the combination of FFBI and MEI in April 2008 as a reverse merger (see Note 4).
(B) Reflects the treatment of Direct Offering Costs as an expense versus a deferral.
(C) Reflects the reclassification of Stock Based Compensation to General and Administrative Costs.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. In some cases, forward-looking statements are identified by terms such as "may," "will," "should," "could," "would," "expects," "plans," "anticipates," "believ "estimates," "projects," "predicts," "potential," and similar expressions intended to identify forward-looking statements. Such statements include, without limitation, statements regarding:

- fluctuations in exchange rates for our products procured for us in Armenia;
- estimates of required capital expenditures;
- fluctuations in the cost of distribution and/or marking in the United States;
- our inability to meet growth projections;
- our plans and expectations with respect to future introduction of new product;
- our belief that we will have sufficient liquidity to finance operations into through 2009;
- the amount of cash necessary to operate our business;
- our ability to raise additional capital when needed;
- general economic conditions; and
- the anticipated future financial performance and business operations of our company.

These forward-looking statements are only predictions and involve known and unknown risks, uncertainties, and other factors that may cause our actual results, levels of activity, performance, or achievements to be materially different from any future results, levels of activity, performance, or achievements expressed or implied by such forward-looking statements. Also, these forward-looking statements represent our estimates and assumptions only as of the date of this Report. Except as otherwise required by law, we expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained in this Report to reflect any change in our expectations or any change in events, conditions, or circumstances on which any of our forward-looking statements are based or to conform to actual results. Factors that could cause or contribute to differences in our future financial and operating results include those discussed in the risk factors discussed elsewhere in this Report. We qualify all of our forward-looking statements by these cautionary statements.

You should read this section in combination with the section entitled Management's Discussion and Analysis of Financial Condition and Results of Operations for the year ended June 30, 2008 included in our Annual Report on Form 10-KSB for the year ended June 30, 2008.

Overview

Our current business is the distribution of wine and spirit products manufactured in Armenia. In the future we may add alcohol beverage products manufactured in other countries.

Our signature product is Marani Vodka, a premium vodka which is manufactured exclusively for us in Armenia. Marani Vodka is made from winter wheat harvested in Armenia, distilled three times, aged in oak barrels lined with honey and skimmed dried milk, then filtered twenty-five times. Bottling of the product occurs at the Eraskh distillery in Armenia. Our vodka was awarded the gold medal in the International Spirit Competition, held in San Francisco, California, in both 2004 and 2007, the 5 Diamond Award by the American Academy of Hospitality and Sciences in March 2008, and was officially launched in August 2006.

At this time, and management believes for the foreseeable future, all of the Company’s products will come from a single supplier, Erashk Winery, Ltd. The Company has an Exclusive Distribution Agreement with Erashk Winery Ltd., an Armenian manufacturer of wine and other spirits, to purchase, inventory, promote, and resell any of its products world-wide. The agreement was renewed on May 3, 2007, and continues until November 26, 2012 and is subject to automatic five (5) year renewals.

The Company is a client of Southern Wine & Spirits of America, Inc. ("Southern"), the largest alcoholic beverage distributor in the United States. Through Southern, the Company’s Marani Vodka is in retailers such as Ralphs, Safeway, Vons, Pavilions, and Dominicks, and in Southern California locations such as Ritz-Carlton Hotels, Marriott Hotels, Spago Restaurants and Lawry's Restaurants.

The Company intends to, and is currently in negotiations with, other distributors to reach arrangements to maximize distribution of its products in the United States and Central America. The Company also is in the process of identifying appropriate distributors of Marani Vodka in Italy, Switzerland, Monaco, Germany, Mexico, and parts of Asia.

Critical Accounting Policies

Our financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). In connection with the preparation of the financial statements, we are required to make assumptions and estimates about future events, and apply judgments that affect the reported amounts of assets, liabilities, revenues, expenses and the related disclosure. We base our assumptions, estimates and judgments on historical experience, current trends and other factors that management believes to be relevant at the time the financial statements are prepared. On a regular basis, management reviews our accounting policies, assumptions, estimates and judgments to ensure that our financial statements are presented fairly and in accordance with U.S. GAAP. However, because future events and their effects cannot be determined with certainty, actual results could differ from our assumptions and estimates, and such differences could be material.

Our significant accounting policies are discussed in Note 3 of the notes to financial statements. Certain critical policies are presented below.

Stock Based Compensation

In December 2004, the Financial Accounting Standards Board (FASB) issued SFAS No. 123(R), Share-Based Payment. This pronouncement amends SFAS No. 123, Accounting for Stock-Based Compensation, and supersedes APB Opinion No. 25, Accounting for Stock Issued to Employees. SFAS No. 123(R) requires that companies account for awards of equity instruments issued to employees under the fair value method of accounting and recognize such amounts in their statements of operations. Under SFAS No. 123(R), we are required to measure compensation cost for all stock-based awards at fair value on the date of grant and recognize compensation expense in our consolidated statements of operations over the service period that the awards are expected to vest.

The Company accounts for stock-based compensation issued to non-employees and consultants in accordance with the provisions of SFAS 123(R) and the Emerging Issues Task Force consensus in Issue No. 96-18 ("EITF 96-18"), "Accounting for Equity Instruments that are Issued to Other Than Employees for Acquiring or in Conjunction with Selling, Goods or Services". Common stock issued to non-employees in exchange for services is accounted for based on the fair value of the services received.

Fair Value of Financial Instruments

Statement of Financial Accounting Standard No. 107, Disclosures about Fair Value of Financial Instruments, requires that the Company disclose estimated fair values of financial instruments. The carrying amounts reported in the statements of financial position for current assets and current liabilities qualifying as financial instruments are a reasonable estimate of fair value.

Results of Operations for the Period Ending September 30, 2008 Compared to September 30 2007

Revenues

	2008	2007	$ Change	% Change
Revenues	$ 21,574	$ 22,719	$ (1,145)	5.03 %

On April 4, 2008, we entered into an Agreement and Plan of Merger by and among FFBI Merger Sub Corp., a California corporation and wholly-owned subsidiary which we formed for purposes of the Merger and MEI, by which FFBI would be merged with and into MEI. On April 7, 2008, the Merger closed, with MEI, now known as Marani Spirits, Inc., being the surviving corporation and becoming our wholly-owned subsidiary. Prior to the merger, our only business was that of our wholly-owned subsidiary, Fit for Business (Australia) Pty Limited, which is engaged in the development of overall wellness programs for the workplace in Australia. Subsequent to the merger, we exercised our option to sell this subsidiary to our former Chief Executive Officer, Mark Paulsen, who acquired all our interest in, Fit for Business (Australia) Pty Limited on or about May 15, 2008.

The revenues for the period ending September 30, 2007 were based upon the wellness programs developed by Fit for Business (Australia) Pty Limited. Subsequent to the merger, our sole business is the distribution of wine and spirit products manufactured in Armenia. The decrease in our revenues reflects the change of core business, including a major rebranding of the Marani Vodka product including a major new advertising campaign.

We plan to increase our revenues during 2008 - 2009 by developing and augmenting our internal sales force, securing additional distributors, expanding our product offering, increasing our volume per outlet and driving further penetration of our products into our current customer base.

Cost of Sales

	2008	% of Revenues	2007	% of Revenues	$ Change	% Change
Product costs	$ 5,617	26 %	5,230	23 %	389	7.4 %

The increase in cost of sales and cost of sales as a percentage of revenues are the result of the change in our core business from the development and sale of wellness programs by Fit for Business (Australia) Pty Limited to our post merger current business of the branding, marketing and distribution of wine and spirit products manufactured in Armenia.

Operating Expenses

	2008	% of Revenues	2007	% of Revenues	$ Change	% Change
Marketing and Advertising	$ 433,816	2,011 %	$ 58,412	257 %	$ 375,404	642.7 %
General and administrative	$ 362,015	1,678 %	$ 73,537	323.7 %	$ 288,478	392.3 %
Total	$ 795,831	3,688.8 %	$ 131,949	580.8 %	$ 663,882	503 %

Marketing and Advertising

The increase in marketing and advertising expenses is the result of the change in our core business after the April 2008 merger transaction, including a major marketing program designed to create consumer awareness and increase market share for our products. As a percentage of revenues, the high cost of marketing and expenses reflects our aggressive efforts to increase market share for our products in the United States from a small sales base to increase future sales. We expect marketing and advertising expenses to increase as we continue to build the company infrastructure. We anticipate, however, that the expense as a percentage of revenue will be reduced due to revenue growth.

General and Administrative

Included in our general and administrative expenses are the addition of five employees, increased travel for market development and financing activities, increased compensation for our new executive management, increased accounts payable, accrued expenses, stock based compensation and legal fees associated with the April 2008 merger transaction. Total general and administrative expenses are expected to increase as we continue to build the company infrastructure. Subsequent to the changes caused by the 2008 merger transaction, however, we do not anticipate increased costs associated with management and expect a reduction in legal fees associated with routine business and compliance matters. As such, management expects that our general and administrative expenses as a percentage of revenue will be reduced due to revenue growth, cost cutting efforts and the refinement of business operations.

Other Income (Expense)

	2008	% of Revenues	2007	% of Revenues	$ Change	% Change
Interest income	$ 7,546		$ 0		$ 7,546	100 %
Interest expense	$ (1,077)		$ (4,326)		$ 3,249	75 %
	6,469		(4,326)		10,795	294.9 %

Total Other Income (Expense)	

The decrease in interest expense is primarily the result of our pay down of our debt obligations under a long term SBA loan having a balance due at September 30, 2008 of $124,816, having an interest rate of 8.25%, and our accrual of interest on a short term note in the amount $80,495 having an interest rate of 15%.

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Net Loss

	2008	% of Revenues	2007	% of Revenues	$ Change	% Change
Net Income (Loss)	$ (773,405)	3,585 %	(118,786)	523 %	(654,619)	551 %

Our increased net loss in resulted from a significant increase in operating expenses in developing our administrative and operating infrastructure, developing new and existing sales channels and for our for marketing programs. Marketing expenses included a major rebranding of our primary product, Marani Vodka, the costs of retention of an advertising agency, Juggernaut, and preparation and primary shooting of a major advertising campaign, a complete redesign of the Company's web presence, hiring of a surveying firm to generate marketing data regarding the placement of our product, and other major expenses involved in the enhancement and positioning of the Marani brand. As a result, our current revenue volume has not been sufficient to recover all of our operating expenses. We anticipate that our operating expenses as a percentage of our sales will decrease in future periods as our revenues increase and our costs stabilize.

Loss per Common Share Applicable to Common Stockholders

Our basic income/loss per common share applicable to common stockholders in 2008 was $(0.00) compared with an identical basic loss per common share applicable to common stockholders in 2007. Because we experienced net losses in 2008 and 2007, all potential common share issuances resulting from the exercise of options and warrants would have an antidilutive impact on earnings per share; therefore, diluted loss per common share equals basic loss per common share for both years.

The weighted average common shares outstanding increased from 64,636,500 for the year period ending September 30, 2007 to 169,868,752 for the same period in 2008. The increase is attributed primarily to the issuance of our common stock in connection with (i) the MEI reverse merger, (ii) additional equity financing activities contemporaneous with and subsequent to the merger, (iii) the issuance of common stock for direct offering services, and (iv) the issuance of common stock for other services.

Liquidity and Capital Resources

Working Capital Needs and Major Cash Expenditures

Our footnotes contain an explanatory paragraph that indicates that we have continuing losses from operations, and our working capital is insufficient to meet our planned business objectives. This report also states that, because of these losses, there is substantial doubt about our ability to continue as a going concern. This report and the existence of these recurring losses from operations may make it more difficult for us to raise additional debt or equity financing needed to run our business, and are not viewed favorably by analysts or investors. Furthermore, if we are unable to raise a significant amount of proceeds from private placements, public offerings or other financings, this may cause our cessation of business resulting in investors losing the value of their investment in us.

A major factor in the Company's net losses, as set forth above, was the recent investments by the Company in expanded operations and a marketing campaign relating to its primary product, Marani Vodka. Management believes that these expenses are necessary to expand the business of the Company.

We currently have monthly working capital needs of approximately $156,000. This amount is expected to increase in 2008-2009, primarily due to the following factors:

• continued expansion of our administrative and operational infrastructure in connection with anticipated increase in our business activities, and

• continued expansion of our marketing and sales programs.

External Sources of Liquidity:

During the year ended June 30, 2008, we received proceeds of $7,502,500 from the sale of common stock. In addition, we issued shares of our common stock in payment of

• $70,449 for services rendered by third parties,
• $422,216 for certain debt obligations, and
• $10,648,654 for direct offering services.

During the period ending September 30, 2008, we issued 250,000 common shares in payment of services rendered in the amount of $62,500.

To date, we have relied on funding from investors, our officers and directors, and our limited sales to fund operations. To date, we have generated little revenue and have extremely limited cash liquidity and capital resources. Our future capital requirements will depend on many factors, including our ability to market our products successfully, cash flow from operations, and our ability to obtain financing in the capital markets. Our business plan requires additional funding beyond our anticipated cash flow from operations. Consequently, although we currently have no specific plans or arrangements for financing, we intend to raise funds through private placements, public offerings or other financings. Any equity financings would result in dilution to our then-existing stockholders. Sources of debt financing may result in higher interest expense and may expose the Company to liquidity problems. Any financing, if available, may be on unfavorable terms. If adequate funds are not obtained, we may be required to reduce or curtail operations. We anticipate that our existing capital resources will be adequate to satisfy our operating expenses and capital requirements for approximately 6 months. However, this estimate of expenses and capital requirements may prove to be inaccurate.

Information about our Cash Flows

Cash provided by (used in):	2008	2007	$ Change	% Change
Operating activities	$ (1,173,911)	$ (251,423)	$ 922,488	366.9 %
Financing activities	$ (125,000)	$ 226,585	$ (351,585)	155 %

Cash provided by or used in our operating, investing and financing activities is the result of the change in our core business after the April 2008 merger transaction. The net increase in cash used in operating activities of is due primarily to the increase in our net loss in the period ending September 30, 2008 of $773,405 compared to a net loss of $118,786 for the same period in 2007. Such net loss was primarily attributable to a change in core business, and increased spending for marketing and operations by the Company, as set forth above. In addition, cash used by our operating activities increased as a result of changes in stock based compensation during 2008 by $62,500, compared to $0.00 for the same period in 2007. Changes in accounts payable contributed to an increase in cash used by operating activities of $137,277 in 2008, as compared to contributing to an increase of $17,553 for 2007. Changes in inventory contributed to an increase in cash used by operating activities of $321,209 for 2008, compared to contributing to an increase of $128,943 for 2007. Cash flows generated by our operating activities were inadequate to cover our cash disbursement needs for the period ending September 30, 2008, and we had to rely on private placement financing to cover operating expenses.

Net cash provided by our financing activities for the period ending September 30, 2008 was $(125,000). Net cash provided by financing activities for the same period in 2007 was $226,585, for a net decrease of $351,585. The decrease in 2008 is attributed to the payment of Notes Payable with no proceeds provided by financing activities during the period.

Off Balance Sheet Arrangements

We have no off-balance sheet arrangements.

Effects of Inflation

We believe that inflation has not had any material effect on our net sales and results of operations.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Not applicable.

Item 4T. Controls and Procedures

Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (“Exchange Act”), as of September 30, 2008 Disclosure controls and procedures are those controls and procedures designed to provide reasonable assurance that the information required to be disclosed in our Exchange Act filings is (1) recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission’s rules and forms, and (2) accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

We have conducted a re-review Items 307 and 308(a) of Regulation S-K, and Rule 13a-15, as well as the Commission's Final Rule "Management's Report on Internal Control Over Financial Reporting and Certification of Disclosure in Exchange Act Periodic Reports" in connection with the effectiveness of our Disclosure Controls and Procedures and Internal Controls over Financial Reporting as of the period ended September 30, 2008 and any remediation plans that have or will be initiated, as applicable.

Based on that evaluation and review, the Chief Executive Officer and Chief Financial Officer concluded that, as the period ended September 30, 2008, our disclosure controls and procedures were not effective.

Management's Report on Internal Control over Financial Reporting

Management, including our Chief Executive Officer and Chief Financial Officer, is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a – 15(f). Management conducted an assessment as the period ended September 30, 2008 of the effectiveness of our internal control over financial reporting based on the framework in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on that evaluation, management concluded that our internal controls over financial reporting were not effective as of the period ended September 30, 2008, based on criteria in Internal Control – Integrated Framework issued by the COSO.

For the period September 30, 2008, we identified certain material weaknesses of the effectiveness of our internal controls over financial reporting for which we are implementing remedial procedures, as follows:

Material Weakness

We have examined our financial and transactional information collection processes, and have determined that, where events during the reporting period have delayed the collection process and the immediate "closing" of our financial position for the reporting period, we have not had appropriate time to make effective decisions regarding the accuracy of our required disclosures.

Remediation

Based on the review and analysis set forth above, we have concluded that our controls and procedures needed to be revised to ensure that the information required to be disclosed by us in the reports we file is timely accumulated and communicated to management to allow for considered and appropriate decisions regarding both the collection of information and an analysis of the accounting treatment afforded the information collected. . In response to this conclusion, we have designed and implemented processes of collecting financial and transactional information on a more expeditious and priority basis, with the goal of "closing" our quarterly and annual financial positions to allow for the timely analysis, review and audits by our auditors, and management's decisions regarding our required informational and accounting treatment disclosures.

These processes include the calendaring of target dates for the following:

• collection of financial information
• analysis of the completeness of information collected
• review and analysis of debt
• review and analysis of assets
• review and analysis of revenues
• review and analysis of expenses, by category
• review and analysis of our statement of equity
• finalization of general ledger and subsidiary reports for the reporting period
• reconciliation of reports
• review and analysis of events subsequent to the closing of the last reporting period, and
• preparation of preliminary and final financial statements for review or audit by our auditors

These processes will also include where appropriate the increased and early utilization of accounting and legal service providers to resolve any matters concerning disclosure or accounting issues.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements should they occur. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the control procedure may deteriorate.

Changes in internal controls

We have designed and commenced the implementaion of collecting financial and transactional information on a more expeditious basis with the goal of “closing” our quarterly and annual financial positions to allow for timely analysis, review and audits by our auditors and management decisions regarding our required disclosure.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

Our former subsidiary, Fit For Business (Australia) Pty. Ltd. is plaintiff in legal proceedings against one of our licensees, L.R. Global Marketing Pty. Ltd, for outstanding licensing fees owed in the amount of $443,263. The subsidiary was recently sold, as detailed in Note 1 to our Consolidated financial Statements 1 above, and to the knowledge of management, Marani Brands has no further interests or liabilities stemming from this proceeding as of the time of this filing.

Other than this claim, neither our parent company nor our subsidiary, or any of their properties, is a party to any pending legal proceeding. We are not aware of any contemplated proceeding by a governmental authority. Also, we do not believe that any director, officer, or affiliate, any owner of record or beneficially of more than five per cent (5%) of the outstanding common stock, or security holder, is a party to any proceeding in which he or she is a part adverse to us or has a material interest adverse to us.

Item 1A. Risk Factors

If we are unable to meet our future capital needs, we may be required to reduce or curtail operations.

To date, we have relied on funding from investors, our officers and directors, and our limited sales to fund operations. Our future capital requirements will depend on many factors, including our ability to market our products successfully, cash flow from operations, and our ability to obtain financing in the capital markets. Our business plan requires additional funding beyond our anticipated cash flow from operations. Consequently, we intend to raise funds through private placements, public offerings or other financings to fund our future capital requirements, including the potential acquisition of Eraskh Winery, Ltd., the current single supplier of our products. Any equity financings would result in dilution to our then-existing stockholders. Sources of debt financing may result in higher interest expense and may expose us to liquidity problems. Any financing, if available, may be on unfavorable terms. If adequate funds are not obtained, we may be required to reduce or curtail operations. We anticipate that our existing capital resources will be adequate to satisfy our operating expenses and capital requirements for approximately six (6) months. However, this estimate of expenses and capital requirements may prove to be inaccurate.

We have a limited operating history and limited historical financial information upon which you may evaluate our performance.

You should consider, among other factors, our prospects for success in light of the risks and uncertainties encountered by companies that, like us, have a limited operating history. We may not successfully address these risks and uncertainties or successfully market our existing products or successfully introduce and market new products. If we fail to do so, it could materially harm our business, adversely impact our financial performance and impair the value of our common stock. Even if we accomplish these objectives, we may not generate the positive cash flows or profits we anticipate in the future. Our operating subsidiary, Marani Spirits, Inc., has generated little revenue since it commenced operations. Unanticipated problems, expenses and delays are frequently encountered in establishing and developing new products in the beverage alcohol industry. These include, but are not limited to, inadequate funding, lack of consumer acceptance, competition, product development, and inadequate sales and marketing. Any one of these potential problems could have a materially adverse effect upon our results of operations and financial condition. No assurance can be given that we can or will ever operate profitably.

We rely on third-party suppliers and distilleries to provide raw materials for and to produce our products, and we have limited control over these suppliers and distilleries and may not be able to obtain quality products on a timely basis or in sufficient quantity.

All of our wine and spirits are currently produced by Eraskh, an unaffiliated producer, based in Armenia. There can be no assurance that there will not be a significant disruption in the supply of wheat and other raw materials from current sources or, in the event of a disruption, that Eraskh would be able to locate alternative sources of materials of comparable quality at an acceptable price, or at all. In addition, we cannot be certain that Eraskh will be able to fill our orders in a timely manner. There can be no assurance that we will be able to enter into arrangements with other manufacturers for new products. If we experience significant increased demand for any of our products, or need to replace our existing distiller, there can be no assurance that additional supplies of raw materials or additional distilling capacity will be available when needed on terms that are acceptable to us, or at all, or that any supplier or distiller would allocate sufficient capacity to us in order to meet our requirements. In addition, even if we are able to expand existing or find new distilling or raw material sources, we may encounter delays in production and added costs as a result of the time it takes to train our new distillers in our methods, products and quality control standards. Any delays, interruption or increased costs in the supply of raw materials or production of our products could have an adverse effect on our ability to meet retail customer and consumer demand for our products and result in lower revenues both in the short and long-term.

We have entered into a Letter of Intent (the “LOI”) to acquire Eraskh. There can be no assurance that we will enter into a definitive agreement to acquire the distillery as contemplated by the LOI or that the distillery will be acquired. In addition, there can be no assurance that our suppliers and distillers will continue to source raw materials and to produce products that are consistent with our standards. We may in the future receive shipments of product that fail to conform to our quality control standards. In that event, unless we are able to obtain replacement products in a timely manner, we risk the loss of revenues which could have a material adverse affect upon our results of operations and financial condition.

Competition could have a material adverse effect on our business.

We are in a highly competitive industry and the dollar amount and unit volume of our sales could be negatively affected by our inability to maintain or increase prices, changes in geographic or product mix, a general decline in beverage alcohol consumption or the decision of wholesalers, retailers or consumers to purchase competitive products instead of our products. Wholesaler, retailer and consumer purchasing decisions are influenced by, among other things, the perceived absolute or relative overall value of our products, including their quality or pricing, compared to competitive products. Unit volume and dollar sales could also be affected by pricing, purchasing, financing, operational, advertising or promotional decisions made by wholesalers, state and provincial agencies, and retailers which could affect their supply of, or consumer demand for, our products. We could also experience higher than expected selling, general and administrative expenses if we find it necessary to increase the number of our personnel or our advertising or promotional expenditures to maintain our competitive position or for other reasons.

Nearly all of our significant competitors have greater market presence, marketing capabilities as well as greater financial, technological and personnel resources than we do. In spirits, the major global competitors are Diageo, Pernod Ricard, Bacardi and Brown-Forman, each of which has many brands in many market segments, including vodka, which give them the ability to leverage their marketing relationship. In addition, we face competition from local and regional companies in the United States and world-wide.

An increase in excise taxes or government regulations could have a material adverse effect on our business.

The U.S. and certain other countries in which we operate impose excise and other taxes on beverage alcohol products in varying amounts which are subject to change. Significant increases in excise or other taxes on beverage alcohol products could materially and adversely affect our results of operations and financial condition. Many states in the United States have considered proposals to increase, and some of these states have increased, state alcohol excise taxes. In addition, federal, state, local and foreign governmental agencies extensively regulate the beverage alcohol products industry concerning such matters as licensing, trade and pricing practices, permitted and required labeling, advertising and relations with wholesalers and retailers. Certain federal, state and foreign regulations also require warning labels and signage. New or revised regulations or increased licensing fees, requirements or taxes could also have a material adverse effect on our financial condition and results of operations.

We rely on the performance of wholesale distributors, major retailers and chains for the success of our business.

We currently sell our products principally to wholesalers for resale to retail outlets including grocery stores, package liquor stores, chain and boutique hotels, bars and restaurants. In the future, in addition to selling our products to wholesalers, we may we sell our products directly to major retailers and chains. The replacement or poor performance of our major wholesalers, retailers or chains could materially and adversely affect our results of operations and financial condition. Our inability to collect accounts receivable from our limited number of major wholesalers, retailers or chains could also materially and adversely affect our results of operations and financial condition Selling to major wholesalers and large retailers results in concentration of our accounts receivable, and the bankruptcy or insolvency of any such wholesaler or retailer could impact the collectability a large amount of our receivables and could adversely affect our financial condition.

The beverage alcohol distribution industry is being affected by the trend toward consolidation in the wholesale and retail distribution channels, particularly in Europe and the U.S. If we are unable to successfully adapt to this changing environment, our revenues, share of sales and volume growth could be negatively affected. In addition, wholesalers and retailers of our products offer products of other companies which compete directly with our products for retail shelf space and consumer purchases. It is possible that, wholesalers or retailers may give higher priority to products of our competitors. In the future, our wholesalers and retailers may not continue to purchase our products or provide our products with adequate levels of promotional support.

Our business could be adversely affected by a decline in the consumption of products we sell.

Since 1995, there have been modest increases in consumption of beverage alcohol in most geographic markets. In the past, however, in which there were substantial declines in the overall per capita consumption of beverage alcohol products in the U.S. and other markets in which we participate. A limited or general decline in consumption in one or more of our product categories could occur in the future due to a variety of factors, including:

- A general decline in economic conditions;
- Increased concern about the health consequences of consuming beverage alcohol products and about drinking and driving;
- A general decline in the consumption of beverage alcohol products in on-premise establishments;
- A trend toward a healthier diet including lighter, lower calorie beverages such as diet soft drinks, juices, energy and vitamin drinks and water products;
- The increased activity of anti-alcohol groups; and
- Increased federal, state or foreign excise or other taxes on beverage alcohol products.

We must continue to introduce new products in order to stay competitive.

Our success depends, in large part, on our ability to effectively brand and market our Marani Vodka, and develop new products for the marketplace. Marani Vodka is our only product at this time. The launch and ongoing success of new products are inherently uncertain especially with regard to the ultimate appeal to, and acceptance of, new products by consumers. The launch of new products can give rise to a variety of costs and an unsuccessful launch, among other things, can affect consumer perception of existing brands as well as our results of operations and financial condition.

Our operations subject us to risks relating to currency rate fluctuations, interest rate fluctuations and geopolitical uncertainty which could have a material adverse effect on our business.

We or do business in different countries throughout the world and, therefore, are subject to risks associated with currency fluctuations. We are also exposed to risks associated with interest rate fluctuations. We intend to manage our exposure to foreign currency and interest rate risks through various means including possible utilizing derivative instruments. We, however, could experience changes in our ability to hedge against or manage fluctuations in foreign currency exchange rates or interest rates and, accordingly, there can be no assurance that we will be successful in reducing those risks. We could also be affected by nationalizations or unstable governments or legal systems or intergovernmental disputes. These currency, economic and political uncertainties could have a material adverse effect on our results of operations and financial condition.

Class action or other litigation relating to alcohol abuse or the misuse of alcohol could adversely affect our business.

There has been increased public attention directed at the beverage alcohol industry, which we believe is due to concern over problems related to alcohol abuse, including drinking and driving, underage drinking and health consequences from the misuse of alcohol. Several beverage alcohol producers have been sued in several courts regarding alleged advertising practices relating to underage consumers. Adverse developments in these or similar lawsuits or a significant decline in the social acceptability of beverage alcohol products that results from these lawsuits could have a material adverse affect on our results of operations and financial condition.

We depend upon our trademarks and proprietary rights, and any failure to protect our intellectual property rights or any claims that we are infringing upon the rights of others may adversely affect our competitive position.

Our future success depends significantly on our ability to protect our current brand and future brands and products, to the extent developed, and to defend our intellectual property rights. We have registered the trademark Marani® in the United States for distilled spirits and brandy and we have filed trademark applications seeking to protect the Marani trademark in certain countries outside the United States. We know that a third-party that markets and sells wine products has trademarked the Marani name in numerous countries outside of the United States and has registered the name Marani in a number of countries. We are in the process of negotiating an agreement with that third party which would, if entered into, allow to each company to use the Marani trademark in connection with its respective products on a world-wide basis. There can be no assurance that we will be able to reach an agreement with that third party which, if no agreement is entered into, could prevent us from using the Marani trademark in certain jurisdictions. There can be no assurance that we will be able to protect the intellectual property rights associated with new products that we introduce. There is also a risk that we could, by omission, fail to timely renew one of our trademarks or that our competitors will challenge, invalidate or circumvent any existing or future trademarks issued to, or licensed by, us.

An increase in the cost of energy or materials could affect our profitability.

We have experienced significant increases in energy costs, and energy costs could continue to rise, which would result in higher transportation, freight and other operating costs. There have also been increases in commodities necessary for our products, such as wheat. Our future operating expenses and margins will be dependent on our ability to manage the impact of cost increases. We cannot guarantee that we will be able to pass along such increased costs to our customers through increased prices.

Changes in accounting standards and taxation requirements could affect our financial results.

New accounting standards or pronouncements that may become applicable to us from time to time, or changes in the interpretation of existing standards and pronouncements, could have a significant effect on our reported results for the affected periods. We may become subject to income tax in numerous jurisdictions as we attempt to expand our sales to outside of the United States. In addition, our products are subject to import and excise duties and/or sales or value-added taxes in many jurisdictions in which we operate. Increases in income tax rates could reduce our after-tax income from affected jurisdictions, while increases in indirect taxes could affect our products' affordability and therefore reduce our sales.

The loss of key executives and failure to attract qualified management could limit our growth and negatively impact our results of operations.

We depend highly upon our senior management team, primarily Ms. Margrit Eyraud, our Chairman, President and Chief Executive Officer, and other members of our senior management. As our operations grow, we will need to expand our management to include people skilled and experienced in the distribution of beverage alcohol products. At this time, we do not know of the availability of such experienced management personnel or how much it may cost to attract and retain such personnel. The loss of the services of any member of senior management or the inability to hire experienced personnel as outlined above could have a material adverse effect on our results of operations and financial condition.

We may not be able to effectively manage our growth and operations, which could materially and adversely affect our business.

We may experience rapid growth and development in a relatively short period of time by aggressively marketing our products. The management of this growth will require, among other things, continued development of our financial and management controls and management information systems, stringent control of costs, increased marketing activities, the ability to attract and retain qualified management personnel and the training of new personnel. We intend to hire additional personnel in order to manage our expected growth and expansion. Failure to successfully manage our possible growth and development could have a material adverse effect on our results of operations and financial condition.

If we fail to maintain an effective system of internal controls or discover material weaknesses in our internal controls over financial reporting, we may not be able to report our financial results accurately or timely or detect fraud, which could have a material adverse effect on our business.

An effective internal control environment is necessary for us to produce reliable financial reports and is an important part of our effort to prevent financial fraud. We are required to periodically evaluate the effectiveness of the design and operation of our internal controls over financial reporting. Based on these evaluations, we may conclude that enhancements, modifications or changes to internal controls are necessary or desirable. While management evaluates the effectiveness of our internal controls on a regular basis, these controls may not always be effective. There are inherent limitations on the effectiveness of internal controls, including collusion, management override and failure of human judgment. In addition, control procedures are designed to reduce rather than eliminate business risks. If we fail to maintain an effective system of internal controls, or if management or our independent registered public accounting firm discovers material weaknesses in our internal controls, we may be unable to produce reliable financial reports or prevent fraud, which could have a material adverse effect on our business, including subjecting us to sanctions or investigation by regulatory authorities, such as the Securities and Exchange Commission. Any such actions could result in an adverse reaction in the financial markets due to a loss of confidence in the reliability of our financial statements, which could cause the market price of our common stock to decline or limit our access to capital.

Our common stock may be affected by limited trading volume and may fluctuate significantly.

There has been a limited public market for our common stock and there can be no assurance an active trading market for our common stock will develop. This could adversely affect the ability of our shareholders' ability to sell our common stock in short time periods or possibly at all. Our common stock has experienced and is likely to experience significant price and volume fluctuations that could adversely affect the market price of our common stock without regard to our operating performance. The price of our common stock could fluctuate significantly in the future based upon any number of factors such as: general stock market trends; announcements of developments related to our business; fluctuations in our operating results; announcements of technological innovations, new products or enhancements by us or our competitors; general conditions in the markets we serve; general conditions in the U.S. and/or global economies; developments in patents or other intellectual property rights; and developments in our relationships with our customers and suppliers. Substantial fluctuations in our stock price could significantly reduce the price of our common stock.

Our common stock is traded on the "Over-the-Counter Bulletin Board," which may make it more difficult for investors to resell their shares due to suitability requirements.

Our common stock is currently traded on the Over the Counter Bulletin Board (OTCBB) where we expect it to remain in the foreseeable future. Broker-dealers often decline to trade in OTCBB stocks given the market for such securities are often limited, the stocks are more volatile, and the risk to investors is greater. In addition, OTCBB stocks are often not eligible to be purchased by mutual funds and other institutional investors. These factors may reduce the potential market for our common stock by reducing the number of potential investors. This may make it more difficult for investors in our common stock to sell shares to third parties or to otherwise dispose of their shares. This could cause our stock price to decline.

The Company's common stock trades on the OTC Bulletin Board. At present there is limited trading volume for our common stock. There can be no assurance that an investor will be able to liquidate his or her investment without considerable delay, if at all. Given the limited trading in our common stock, the price of our common stock may be highly volatile. Factors discussed herein may have a significant impact on the market price of the shares of our common stock. Moreover, due to the relatively low price of our common stock, many brokerage firms may not effect transactions in our common stock. Rules enacted by the Securities and Exchange Commission increase the likelihood that many brokerage firms will not participate in a potential future market for our common stock. Those rules require, as a condition to brokers effecting transactions in certain defined securities (unless such transaction is subject to one or more exemptions), that the broker obtain from its customer or client a written representation concerning the customer's financial situation, investment experience and investment objectives. Compliance with these procedures tends to discourage most brokerage firms from participating in the market for certain low-priced securities.

Our common stock is governed under The Securities Enforcement and Penny Stock Reform Act of 1990.

The Securities Enforcement and Penny Stock Reform Act of 1990 require additional disclosure relating to the market for penny stocks in connection with trades in any stock defined as a penny stock. The Securities and Exchange Commission has adopted regulations that generally define a penny stock to be any equity security that has a market price of less than $5.00 per share, subject to certain exceptions. Such exceptions include any equity security listed on NASDAQ and any equity security issued by an issuer that has (i) net tangible assets of at least $2,000,000, if such issuer has been in continuous operation for three years, (ii) net tangible assets of at least $5,000,000, if such issuer has been in continuous operation for less than three years, or (iii) average annual revenue of at least $6,000,000, if such issuer has been in continuous operation for less than three years. Unless an exception is available, the regulations require the delivery, prior to any transaction involving a penny stock, of a disclosure schedule explaining the penny stock market and the risks associated therewith.

The forward looking statements contained in this Report may prove incorrect.

This report contains certain forward-looking statements, including among others: (i) anticipated trends in our financial condition and results of operations; (ii) our business strategy for expanding distribution, directly manufacturing products based upon the possible acquisition of Eraskh; and (iii) our ability to distinguish our products and services from our current and future competitors. These forward-looking statements are based largely on our management's current expectations and are subject to a number of risks and uncertainties. Forward-looking statements include the information concerning our possible or assumed future results of operations, business strategies, financing plans, competitive position, industry environment, potential growth opportunities, and the effects of future regulation and the effects of competition. Forward-looking statements include all statements that are not historical facts and can be identified by the use of forward-looking terminology such as the words "believe," "expect," "anticipate," "intend," "plan," "estimate" or similar expressions. These statements are only predictions and involve known and unknown risks and uncertainties, including the risks outlined under "Risk Factors" and elsewhere in this prospectus.

Actual results could differ materially from these forward-looking statements. In addition to the other risks described elsewhere in this "Risk Factors" discussion, important factors to consider in evaluating such forward-looking statements include: (i) changes to external competitive market factors or in our internal budgeting process which might impact trends in our results of operations; (ii) anticipated working capital or other cash requirements; (iii) changes in our business strategy or an inability to execute its strategy due to unanticipated changes in the web development and web hosting industry; and (iv) various competitive factors that may prevent us from competing successfully in the marketplace. In light of these risks and uncertainties, many of which are described in greater detail elsewhere in this "Risk Factors" discussion, there can be no assurance that the events predicted in forward-looking statements contained in this prospectus will, in fact, transpire.

Although we believe that the expectations reflected in our forward-looking statements are reasonable, we cannot guarantee future results, events, levels of activity, performance or achievement. We are not under any duty to update any of the forward-looking statements after the date of this prospectus to conform these statements to actual results, unless required by law

IN ADDITION TO THE FOREGOING RISKS, BUSINESSES ARE OFTEN SUBJECT TO RISKS THAT ARE NOT FORESEEN OR FULLY APPRECIATED BY MANAGEMENT. POTENTIAL INVESTORS SHOULD KEEP IN MIND THAT OTHER IMPORTANT RISKS COULD ARISE.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

In the period ending September 30, 2008, we issued 250,000 shares of our common stock to a non-affiliated individual for services rendered to the Company totaling $62,500, in a transaction not involving a public offering, pursuant to Section 4(2) of the Securities Act of 1933.

Item 3. Defaults Upon Senior Securities

None

Item 4. Submission of Matters to a Vote of Security Holders

None

Item 5. Other Information

On October 1, 2008, Margit Eyraud notified the Company of her intent to resign as Chief Executive Officer and President of the Company, effective October 1, 2008, while remaining Chairman of the Board of Directors. Ms. Eyraud served as Chief Executive Officer and President of the Company under an Employment Agreement, the term of which expires December 31, 2010. Contemporaneous with her resignation as reported above, the Company and Ms. Eyraud have agreed to an early expiration of the Employment Agreement, and have agreed to a severance package in connection with that early expiration. Under the terms of the severance package, Ms. Eyraud shall receive a cash payment of four hundred five thousand dollars ($405,000), payable by the Company as set forth in Note 14 to our Consolidated Financial Statements. Subsequently, Ms. Eyraud resumed her position as Chief Executive Officer, effective August 1, 2009.

Item 6. Exhibits

Exhibit Number	DESCRIPTION
2.1	Agreement and Plan of Merger dated April 4, 2008, filed with the SEC on April 14, 2008 in our Form 8-K, incorporated herein by reference.
3.1	Articles of Incorporation of Elli Tsab, Inc. filed July 31, 2001, filed with the SEC on April 14, 2008 in our Form 8-K, incorporated herein by reference.
3.2	Certificate of Amendment of Articles of Incorporation filed April 15, 2004, changing name to Patient Data Corporation, filed with the SEC on April 14, 2008 in our Form 8-K, incorporated herein by reference.
3.3	Certificate of Amendment of Articles of Incorporation filed January 13, 2005, changing name to Fit for Business International, Inc. , filed with the SEC on April 14, 2008 in our Form 8-K, incorporated herein by reference.
3.4	Certificate of Amendment of Articles of Incorporation filed March 10, 2008, changing name to Marani Brands, Inc. and effectuating reverse stock split , filed with the SEC on April 14, 2008 in our Form 8-K, incorporated herein by reference.
3.5	By-Laws filed on August 1, 2005with Amendment No. 3 to Form SB-2 registration statement, incorporated herein by reference.
4.1	Form of Warrant Agreement for Investors, filed with the SEC on April 14, 2008 in our Form 8-K, incorporated herein by reference.
4.2	2008 Stock Option Plan filed with the SEC on May 21, 2008 as an exhibit to Form S-8, incorporated herein by reference.
10.1	Employment Agreement for Margrit Eyraud, filed with the SEC on April 14, 2008 as an exhibit to Form 8-K, incorporated herein by reference.
10.2	Termination of Employment Agreement for Margrit Eyraud, filed on Form 8-K with the SEC on October 7, 2008, incorporated herein by reference
10.2	Employment Agreement for Ara Zartarian, filed with the SEC on April 14, 2008 as an exhibit to Form 8-K, incorporated herein by reference.
10.3	Employment Agreement for Ani Kevorkian, filed with the SEC on April 14, 2008 as an exhibit to Form 8-K, incorporated herein by reference.
31.1	Certification of CEO, Rules 13a-14(a) & 15d-14(a), filed herewith
31.2	Certification of CAO, Rules 13a-14(a) & 15d-14(a) filed herewith
32.1	Certifications of CEO, 18 U.S.C. Sec. 1350, filed herewith
32.2	Certifications of CFO, 18 U.S.C. Sec. 1350, filed herewith

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, there unto duly authorized.

Marani Brands, Inc.
(Registrant)

Date: November 9, 2009 By: /s/ Margrit Eyraud
Margrit Eyraud
Chief Executive Officer, President
Director

Date: November 9, 2009
By: /s/ Ani Kevorkian
Ani Kevorkian
Chief Financial Officer
Principal Accounting Officer
Director

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