



ASX Announcement

31 July 2019

HOLISTA COMMENCES SHIPMENT TO CHINA FOR A\$6 MILLION BULK ORDER FOR PATENTED LOW GLYCAEMIC INDEX NOODLES

- Sales order marks Holista’s significant entry into China’s multi-billion-dollar noodle market
- First sea shipment of low-GI noodles commenced in July 2019
- Recent study in the Journal of American Medical Association (JAMA) surprisingly found that 50.1% of Chinese adults are pre-diabetic¹

PERTH/KUALA LUMPUR/EDMONTON - 30 July 2019 – ASX-listed Holista CollTech Limited (ASX:HCT, **Holista**) announced that its indirect subsidiary, HolistaFoods has shipped the first 20-foot container of low Glycaemic Index (**low-GI**) noodles to China as part of a confirmed A\$6 million (RM17.1 million) contract. The bulk international order with Express Trading of Canada (**Express**) – the exclusive distributor – is for a 12-month period commencing July 2019. Holista Colltech owns 53% of LiteFoods which in turns owns 74% of HolistaFoods. Holista Colltech is in the process of fully acquiring LiteFoods and HolistaFoods. This will be completed by the December quarter of 2019.

The contract between HolistaFoods, and Express marks the entry into China’s noodle market, the world’s largest. Based on the contract, Holista expects to ship about 58 containers, valued at A\$2.1 million (RM6.0 million), from Canada to China to December 2019. During 2020, this will rise significantly to an average of 40 containers per month from early 2020.

While the two companies had signed an MOU in February 2018, confirmed orders and shipments were delayed due to various regulatory requirements in China, including label adjustments to meet Chinese government requirements.

“This confirmed order from Express marks a major milestone as it is the first bulk contract to an international market. We are excited by the breakthrough into a major market such as China which have increasing diabetic and aging populations,” said Dr. Rajen Manicka, Founder & CEO of Holista CollTech, which is headquartered in Kuala Lumpur, Malaysia.

“Apart from providing a major catalyst to our international sales, the confirmed order will also contribute to Holista’s financial performance in FY2019 and beyond,” he said.

Ms. Yan Zhou, CEO of Express, said: “Our company had learnt a considerable amount from last year’s effort to ship the noodles into China. We are working with our wide network of distributors, wholesalers and retailers to bring this exciting product to the Chinese market. We will also be raising awareness of Holista’s healthy low-GI noodles through the proven effectiveness of Chinese celebrity endorsements and social media platforms.”

¹ Xu Y, Wang L, He J, et al; 2010 China Noncommunicable Disease Surveillance Group. Prevalence and control of diabetes in Chinese adults. *JAMA*. 2013;310(9):948-959.

Developed and patented by HolistaFoods, the low-GI noodles recorded a GI reading of 38 in independent tests conducted by Glycemic Index Laboratories, Inc. of Toronto, Canada, well below the global average of 65. The GI reading indicates the rate in which foods containing carbohydrates raise human blood sugar levels, with a lower score indicating healthier food.

An 85-gram serving of HolistaFoods' noodles contains 12 grams of protein, four grams of fibre, zero sugar, while its low sodium and cholesterol levels provides sustained energy. They have been endorsed by Australia's Glycemic Index Foundation and follow the guidelines and recommendations of Diabetes Canada.

China has the world's largest number of diabetics, estimated at one in ten adults out of the population of 1.3 billion, and the epidemic is increasing according to online diabetes portal, Diabetes.co.uk. Noodles, the main staple and carbohydrate contributor in the Chinese diet, has been increasingly linked to the development of diabetes. China is the world's largest consumer of noodles. Noodles account for half of the world's consumption of wheat compared to 25% for bread.

Holista's patented formula comprises extracts of okra, lentils, barley and vegetable fibre that are clean label and natural – with no artificial ingredients or preservatives and improved nutrition. The mix can be prepared easily, with no discernible change in the taste or texture of the finished product.

Ms. Nadja Piatka, the CEO of HolistaFoods, said: "This game-changing agreement with Express is in line with HolistaFoods' plans to be a major global supplier, starting with China. We are now initiating discussions for supply into Hong Kong, Macau and Taiwan. This is a monumental moment for the Company".

END OF PRESS RELEASE

For further information, please contact:

Corporate Affairs & Business Opportunities

Dr Rajen Manicka: rajen.m@holistaco.com

General Enquiries: enquiries@holistaco.com

Australia

283 Rokeby Road

Subiaco WA 6008

P: +61 8 6141 3500 ; **F:** +61 8 6141 3599

Malaysia

12th Floor, Amcorp Trade Centre, PJ Tower

No. 18, Persiaran Barat off Jalan Timur

46000, Petaling Jaya, Malaysia

P: +603 7965 2828 ; **F:** +603 7965 2777

Media and Investor Relations Enquiries

WeR1 Consultants Pte Ltd

3 Phillip Street #12-01

Singapore 048693

holista@wer1.net; P: +65 67374844

About Holista Colltech Ltd

Holista CollTech Ltd (**Holista**) is a research-driven biotech company and is the result of the merger of Holista Biotech Sdn Bhd and CollTech Australia Ltd. Headquartered in Perth with extensive operations in Malaysia, Holista is dedicated to delivering first-class natural ingredients and wellness products and leads in research on herbs and food ingredients.

Holista, listed on the Australia Securities Exchange, researches, develops, manufactures and markets “health-style” products to address the unmet and growing needs of natural medicine. Holista’s suite of ingredients is capable of serving the industry to provide low-GI baked products, low sodium salt, low fat fried foods and low calories sugar without compromise in taste, odour and mouth feel. It is the only company to produce sheep (ovine) collagen using patented extraction methods.

About HolistaFoods, Inc.

HolistaFoods is dedicated to developing and delivering clean label ingredients, finished food products and recipe development. The company specialises in next generation food research and development for improved taste and nutritional value.

Under the leadership of Nadja Piatka, HolistaFoods is embracing a philosophy of providing great tasting, nutritional food products that will be readily available to all consumers. Nadja’s original passion of providing healthy food products to consumers has carried over to low GI food innovations for an even healthier nutritional outcome.

HolistaFoods is 74%-owned by Holista Colltech’s U.S. subsidiary LiteFoods of which it owns 53%. The remaining shares in HolistaFoods are controlled by Nadja Piatka and Nadja Foods. HolistaFoods, Inc. is based in Buffalo NY. For more information on HolistaFoods, Inc., please visit www.holistafoods.com.

About Express Trading Canada (EPC)

Express Trading Canada is a fast-growing trading company specialised in exporting Canadian agriculture products, consumer foods and nature health products to Chinese market. In addition, EPC offers professional consulting services to help Canadian businesses explore Chinese market through exceptional, personalised and professional services. EPC is proud member of Alberta Food Processor Association (AFPA), a non-profit organisation representing all segments of the \$15 billion food and beverage industry. EPC has built exclusive strategic partnership with AFPA to grow their Export China project. EPC has established business connections across major cities/regions in China, such as Shenzhen/Guangdong Province, Chengdu/Sichuan Province, Xian/Shanxi Province, Shanghai, Beijing and Tianjin etc. Well-versed in Chinese importing policies and regulations, EPC provides practical, accurate and responsive exporting services to any companies looking for opportunities to export the products to Chinese market.

For more information please visit www.expresstradingcanada.com