

# Holista Delivers Record Full-Year Revenue and Positive Outlook for 2022

## ASX Announcement

28 February 2022

## Highlights

- Full-year revenue jumps 13% to a record high of \$8m with three out of four of Holista's businesses contributing to the growth
- Net loss before tax improves significantly to \$1.2m (2020 loss: \$5.6m) despite the impact of the COVID-19 global crisis
- Dietary Supplements is a major contributor to the improved results as sales increase 18% to \$6.2m over the previous corresponding period (pcp)
- Food Ingredients sales lift 33% pcp to \$1.4m and Ovine Collagen sales rise 43% pcp to \$248k
- Infection Control sales detracted but is expected to stage a turnaround this year
- Positive 2022 outlook with multiple growth opportunities and improving trading conditions across all divisions

**Holista Colltech Limited** (ASX: HCT, **Holista** or the **Company**) is pleased to provide the following commentary in respect to its unaudited FY2021 full year results.

Holista and its consolidated entities (the **Group**) posted a 12.9% increase in Group revenue to a record high of just over \$8 million for the 12-months ended 31 December 2021 as the full year net loss before income tax expense narrowed significantly to \$1.2 million from a loss of \$5.6 million in the previous year.

The improved result was achieved despite the negative impact of COVID-19 with three out of four of Holista's key divisions delivering strong growth over the previous corresponding period (**pcp**).

## Divisional Performance

The Company's Dietary Supplements division continued to be the largest income contributor to the Group. Revenue from this business jumped by 18% to \$6.2 million as sales rebounded strongly from the easing in COVID-19 restrictions in Malaysia and an increase consumer focus on health and wellbeing.

Holista's Healthy Food Ingredients business division was another standout as sales lifted by 33% to \$1.4 million in 2021. The result was driven by increased orders for Holista's GI Lite™ innovation from US-based Costanzo's Bakery, Inc. and HWH International, and increased orders for its proprietary 80Less™ healthy sugar substitute from drinks manufacturer Rex Industry Berhad.

The Collagen Manufacturing business division also grew strongly with sales up by 43% to \$248,000 in 2021 compared to the previous corresponding period.. The improvement is mainly due to increased orders from Behn Meyer in Thailand as the COVID-19 restrictions eased.

However, revenue from Holista's Infection Control division fell to \$229,000 in 2021 from \$665,000 in the pcp. Supply chain disruptions from COVID-19 contributed to the disappointing result, although sales have started to recover in recent months and the launch of new products are expected to further lift the performance of this business in 2022.

### **Expenses and Profit**

Holista posted a significant improvement in pre-tax net loss to \$1.2 million in 2021 compared with a \$5.6 million loss in the 2020 financial year. Net loss after tax also improved materially to \$1.3 million versus \$5.7 million in the previous year.

A decrease in expenses and the change in the sales mix between Holista's various businesses were the main drivers for the improved loss position.

The Company's Dietary Supplements and Ovine Collagen divisions generated better margins as these are more established businesses, while the Healthy Food Ingredients and Infection Control Solutions divisions are expected to see improved margins as these businesses continue to scale up.

### **Outlook**

Holista is expecting to deliver further growth in revenue and earnings with its four businesses facing better trading conditions and the following in 2022.

The Supplements business continues to see strong demand for its supplements and vitamins in light of the ongoing easing of COVID-19 social restrictions in Malaysia. The launch of Holista's water soluble vitamin D product is also expected to contribute to growth in this business. Vitamin D is increasing being recognised a key nutrient for immunity and Holista will continue to use this opportunity in Malaysia and other countries.

The outlook for Food Ingredients is also bright following the 12<sup>th</sup> of October 2021 announcement of a term sheet collaboration agreement with Country Farms (the Agreement), a wholly owned subsidiary of Berjaya Corporation Berhad, to customise and commercialise the Company's unique healthy food innovations for several international franchises under Berjaya's umbrella.

Country Farms has completed the final testing of a healthier version of croissant that will be launched in 327 Starbucks stores across Malaysia in the second half of 2022, and Holista expects more food products using its technology to be announced later this year.

Under the Agreement, Country Farms will be the Centre of Distribution for Holista's range of healthy food products for companies within the Berjaya group, which includes the franchises of Starbucks, 7-Eleven and Kenny Rogers Roasters, amongst others.

Holista is also working a range of plant-based meats to compliment the low GI range at the request of Starbucks Malaysia.

Meanwhile, the Ovine Collagen business could lead to an improvement in earnings this year. Guangzhou Sinbio Cosmetic Co Ltd is undertaking tests and securing regulatory approval to import Holista's cosmetic-grade collagen into China.

As part of this process, Holista's Material Safety Data Sheet (MSDS) for bulk ovine collagen has been granted approval by Chinese Customs. This will allow Holista to ship bulk raw collagen to the country for final testing.

Finally, the Infection Control business is expected to stage a turnaround this year from improved sales of its Natshield™ sanitiser, nasal balm, and wipes.

This includes the nasal balm, which was launched online in Q4 2021 and will be sold in the United States through multi-level marketing network in the near future; and the previously announced SARS-CoV-2 rapid test kit branded as Gene Sign that is awaiting final approval by regulators in Colombia.

Securing the approval in Colombia will also give Gene Sign corresponding approvals in Brazil, Argentina and Mexico thanks to an arrangement between the four countries.

In North America, Gene Sign is also in the process of gaining approval under the Medical Device Single Audit Program (MDSAP) with the United States Food and Drug Administration (FDA).

Separately, Gene Sign's Reverse-Transcription Loop-Mediated Isothermal Amplification (RT-LAMP) technology is undergoing final evaluation in the United Kingdom to secure COVID Testing Devices Authorisation (CTDA) that will allow it to be sold in that market. Similar application is being undertaken in Colombia.

This announcement has been approved by the Board of Directors. All figures are unaudited and subject to change.

The final audited figures will be included in Holista's Annual Report, which is being finalised.

-ENDS-

## **About Holista Colltech Limited**

Holista Colltech Ltd (**Holista** or the **Company**) is an innovator in health and wellness solutions based in Perth, Australia. It is listed on the Australian Securities Exchange (ASX:HCT).

Holista's core business divisions are Dietary Supplements, Healthy Food Ingredients, Ovine Collagen and Infection Control Solutions. The suite of health and food related solutions combines the best of nature and science is to address the evolving needs so that people can live better and healthier lives.

Key products include one of the market-leading and best-selling health supplements, low-GI food ingredients used by leading food manufacturers, disease-free and ovine collagen, all-natural, non-toxic and effective sanitisers for consumers and industrial applications.

Over the years, the Company has successfully developed and patented world-leading technologies in the field of Global Health and Wellness Industry.

Holista is passionate to combine economic success with enriching lives for a sustainable future.

### **For further information, please contact:**

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**Holista Colltech Limited**  
**Appendix 4E**  
**Preliminary final report**

**1. Company details**

Name of entity: Holista Colltech Limited  
ABN: 24 094 515 992  
Reporting period: For the year ended 31 December 2021  
Previous period: For the year ended 31 December 2020

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**2. Results for announcement to the market**

				\$
Revenues from ordinary activities	up	12.9%	to	8,023,129
Loss from ordinary activities after tax attributable to the owners of Holista Colltech Limited	down	77.1%	to	(1,256,209)
Loss for the year attributable to the owners of Holista Colltech Limited	down	77.1%	to	(1,256,209)

*Dividends*

There were no dividends paid, recommended or declared during the current financial period.

*Comments*

The loss for the consolidated entity after providing for income tax and non-controlling interest amounted to \$1,256,209 (31 December 2020: \$5,483,167).

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**3. Net tangible assets**

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>1.03</u>	<u>1.63</u>

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**4. Control gained over entities**

Not applicable

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**5. Loss of control over entities**

Not applicable.

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**6. Dividends**

*Current period*

There were no dividends paid, recommended or declared during the current financial period.

*Previous period*

There were no dividends paid, recommended or declared during the previous financial period.

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**7. Dividend reinvestment plans**

Not applicable.

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**8. Details of associates and joint venture entities**

Not applicable.

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**9. Foreign entities**

*Details of origin of accounting standards used in compiling the report:*

Australian Accounting Standards

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**10. Audit qualification or review**

*Details of audit/review dispute or qualification (if any):*

Not Applicable

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**11. Attachments**

Details of attachments (if any):

The Preliminary Final Report of Holista Colltech Limited for the year ended 31 December 2021 is attached.

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**12. Signed**

Jay Stephenson Company Secretary \_\_\_\_\_

Date: 28 February 2022

## **Company Update**

### **Group Operations Review:**

Holista Colltech Limited (**Holista** or the **Company**) posted a 12.9% increase in group revenue to a record high of just over \$8 million for the 12-months ended 31 December 2021 as the full year net loss before income tax expense narrowed significantly to \$1.2 million from a loss of \$5.6 million in the previous year. Net loss after tax also improved materially to \$1.3 million versus \$5.7 million in the previous year.

The improved result was achieved despite the negative impact of COVID-19 with three out of four of Holista's key divisions delivering strong growth over the previous corresponding period (**pcp**).

During the 2021 financial year (**FY2021**), Holista and its controlled entities (the **Group**) focused on the following four core business areas:

- Healthy Food Ingredients
- Infection Control Solutions
- Dietary Supplements ; and
- Ovine Collagen

### **Dietary Supplements:**

The Company's Dietary Supplements business division continued to be the largest income contributor to the group. Revenue from this business jumped by 18% to \$6.2 million as sales rebounded strongly from the easing of COVID-19 restrictions in Malaysia, increased consumer focus on health and wellbeing, and the launch of a new health supplement called Hydro D in Q3 FY2021.

Hydro D is a water-soluble vitamin D that has far better absorption compared to fat-soluble base and more efficient to supplement the body's immune system. Studies have also shown that deficiency in Vitamin D contributes to the causal pathway of COVID-19 mortality risk and disease severity<sup>1</sup>.

Holista is planning to develop other new products to be sold commercially this year, including chewable Omega-3 gummies for children.

### **Healthy Food Ingredients:**

Holista's Healthy Food Ingredients business division increased sales by 33% to \$1.4 million in FY2021. The result was driven by increased orders for Holista's GI Lite™ innovation from US-based Costanzo's Bakery, Inc. and HWH International, and increased orders for its proprietary 80Less™ healthy sugar substitute from drinks manufacturer Rex Industry Berhad.

### **Ovine Collagen:**

The Collagen Manufacturing business division also grew strongly in the period with sales up by 43% to \$248,000 in FY 2021 compared to the previous corresponding period. The improvement is primarily due to increased orders from Behn Meyer in Thailand as the COVID-19 restrictions eased.

### **Infection Control Solutions:**

Holista's Infection Control Solutions business division achieved sales of \$229,000 in FY2021 compared with \$665,000 in the previous corresponding period. This is the second year that this business contributed to the Group's revenue.

Supply chain disruptions from COVID-19 contributed to a drop in revenue, although sales have begun to recover in recent months with the launch of new products, such as the nasal balm, expected to lift the performance of this business in 2022.

1. <https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0263069>

**Company Update (continued)**

**Outlook**

Holista is expecting to deliver further growth in revenue and earnings with its four businesses divisions facing better trading conditions and the following in 2022.

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Meanwhile, the Ovine Collagen business could also lead to an improvement in earnings in FY2022. Guangzhou Sinbio Cosmetic Co Ltd is undertaking tests and securing regulatory approval to import Holista's cosmetic-grade collagen into China. As part of this process, Holista's Material Safety Data Sheet (MSDS) for bulk ovine collagen has been granted approval by Chinese Customs. This will allow Holista to ship bulk raw collagen to China for final testing.

Finally, the Infection Control business is expected to stage a turnaround during FY2022 from improved sales of its Natshield™ sanitisers, nasal balm and wipes.

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**Holista Colltech Limited**

**ABN 24 094 515 992**

**Preliminary Final Report - 31 December 2021**

**Holista Colltech Limited**  
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**Holista Colltech Limited**  
**Consolidated statement of profit or loss and other comprehensive income**  
**For the year ended 31 December 2021**

	Note	Consolidated 2021 \$	2020 \$
<b>Revenue from contracts with customers</b>	1	8,023,129	7,106,635
Other income	2	100,400	368,739
<b>Expenses</b>			
Changes in inventories of finished goods and work in progress		460,942	363,950
Raw materials and consumables used		(3,890,425)	(3,484,941)
Distribution costs and other costs of sales		(478,278)	(404,327)
Advertising and promotion		(509,560)	(473,592)
Consultancy and professional fees		(882,975)	(939,209)
Depreciation and amortisation expense		(199,999)	(220,869)
Employee benefits	3	(2,965,656)	(2,891,621)
Finance costs		(46,604)	(68,406)
Foreign exchange (loss)		(12,092)	(381,130)
Impairment	3	(144,515)	(3,310,442)
Research and development		(205,124)	(339,850)
Share-based payments expense		360,109	(168,170)
Other expenses	3	(813,356)	(750,747)
<b>Loss before income tax expense</b>		(1,204,004)	(5,593,980)
Income tax expense		(153,030)	(86,587)
<b>Loss after income tax expense for the year</b>		(1,357,034)	(5,680,567)
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Foreign currency translation		49,709	88,979
Other comprehensive income for the year, net of tax		49,709	88,979
<b>Total comprehensive income for the year</b>		<u>(1,307,325)</u>	<u>(5,591,588)</u>
Loss for the year is attributable to:			
Non-controlling interest		(100,825)	(197,400)
Owners of Holista Colltech Limited		(1,256,209)	(5,483,167)
		<u>(1,357,034)</u>	<u>(5,680,567)</u>
Total comprehensive income for the year is attributable to:			
Non-controlling interest		-	75,747
Owners of Holista Colltech Limited		(1,307,325)	(5,667,335)
		<u>(1,307,325)</u>	<u>(5,591,588)</u>
		<b>Cents</b>	<b>Cents</b>
Basic loss per share		(0.46)	(2.04)
Diluted loss per share		(0.46)	(2.04)

*The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

**Holista Colltech Limited**  
**Consolidated statement of financial position**  
**As at 31 December 2021**

	Note	Consolidated 2021 \$	2020 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	1,213,093	2,725,237
Trade and other receivables	5	2,405,214	1,558,007
Inventories	6	1,521,917	1,108,346
Income tax refund due	8	49,155	-
Other current assets	9	1,007,569	1,201,977
<b>Total current assets</b>		<u>6,196,948</u>	<u>6,593,567</u>
<b>Non-current assets</b>			
Property, plant and equipment	10	1,010,263	1,112,490
Right-of-use assets	7	113,413	124,824
Intangible assets	11	134,157	146,471
Deferred tax asset		83,166	75,412
<b>Total non-current assets</b>		<u>1,340,999</u>	<u>1,459,197</u>
<b>Total assets</b>		<u>7,537,947</u>	<u>8,052,764</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	12	3,356,670	1,719,277
Contract liabilities	13	5,245	458,729
Borrowings	14	364,882	401,173
Leases	15	13,521	28,155
Short-term provisions		34,496	13,414
<b>Total current liabilities</b>		<u>3,774,814</u>	<u>2,620,748</u>
<b>Non-current liabilities</b>			
Borrowings	14	417,774	430,605
Leases	15	94,146	82,764
Short-term provisions		275,000	275,000
<b>Total non-current liabilities</b>		<u>786,920</u>	<u>788,369</u>
<b>Total liabilities</b>		<u>4,561,734</u>	<u>3,409,117</u>
<b>Net assets</b>		<u>2,976,213</u>	<u>4,643,647</u>
<b>Equity</b>			
Issued capital	16	21,707,478	21,707,478
Reserves	17	(204,502)	(137,344)
Accumulated losses		<u>(17,405,332)</u>	<u>(16,149,123)</u>
Equity attributable to the owners of Holista Colltech Limited		4,097,644	5,421,011
Non-controlling interest		<u>(1,121,431)</u>	<u>(777,364)</u>
<b>Total equity</b>		<u>2,976,213</u>	<u>4,643,647</u>

*The above consolidated statement of financial position should be read in conjunction with the accompanying notes*

**Holista Colltech Limited**  
**Consolidated statement of changes in equity**  
**For the year ended 31 December 2021**

<b>Consolidated</b>	<b>Issued capital</b> <b>\$</b>	<b>Share-based Payments Reserves</b> <b>\$</b>	<b>Foreign Currency Translation Reserve</b> <b>\$</b>	<b>Accumulated Losses</b> <b>\$</b>	<b>Non-controlling interest</b> <b>\$</b>	<b>Total equity</b> <b>\$</b>
Balance at 1 January 2020	14,548,515	2,642,722	(313,283)	(12,455,239)	(853,113)	3,569,602
Loss after income tax expense for the year	-	-	-	(5,483,167)	(197,400)	(5,680,567)
Other comprehensive income for the year, net of tax	-	-	(184,170)	-	273,149	88,979
Total comprehensive income for the year	-	-	(184,170)	(5,483,167)	75,749	(5,591,588)
Shares issued during the year (note 16)	6,527,337	-	-	-	-	6,527,337
Transaction costs (note 16)	(29,874)	-	-	-	-	(29,874)
Transfer of expired options balance	-	(1,505,783)	-	1,505,783	-	-
Exercise of performance rights	661,500	(945,000)	-	283,500	-	-
Shares based payment expenses	-	168,170	-	-	-	168,170
Balance at 31 December 2020	<u>21,707,478</u>	<u>360,109</u>	<u>(497,453)</u>	<u>(16,149,123)</u>	<u>(777,364)</u>	<u>4,643,647</u>
<b>Consolidated</b>	<b>Issued capital</b> <b>\$</b>	<b>Share-based Payments Reserves</b> <b>\$</b>	<b>Foreign Currency Translation Reserve</b> <b>\$</b>	<b>Accumulated Losses</b> <b>\$</b>	<b>Non-controlling interest</b> <b>\$</b>	<b>Total equity</b> <b>\$</b>
Balance at 1 January 2021	21,707,478	360,109	(497,453)	(16,149,123)	(777,364)	4,643,647
Loss after income tax expense for the year	-	-	-	(1,256,209)	(100,825)	(1,357,034)
Other comprehensive income for the year, net of tax	-	-	292,951	-	(243,242)	49,709
Total comprehensive income for the year	-	-	292,951	(1,256,209)	(344,067)	(1,307,325)
Shares based payment expenses	-	(360,109)	-	-	-	(360,109)
Balance at 31 December 2021	<u>21,707,478</u>	<u>-</u>	<u>(204,502)</u>	<u>(17,405,332)</u>	<u>(1,121,431)</u>	<u>2,976,213</u>

*The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes*

**Holista Colltech Limited**  
**Consolidated statement of cash flows**  
**For the year ended 31 December 2021**

	Note	Consolidated 2021 \$	Consolidated 2020 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		7,119,182	6,324,724
Payments to suppliers and employees		(8,678,056)	(10,342,180)
Finance costs		(46,604)	(68,406)
Interest received		9,934	23,405
Other revenue		-	268,856
Income tax paid		(169,503)	(74,009)
Government grants		88,979	-
		<u>(1,676,068)</u>	<u>(3,867,610)</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	10	(38,124)	(13,362)
Purchase of intellectual property	11	(3,333)	(20,979)
Refund/(Increase) of deposits/investments		91,809	(46,405)
		<u>50,352</u>	<u>(80,746)</u>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	16	-	6,527,337
Proceeds from/(Repayment of) borrowings, net		170,429	121,669
Repayment of lease		(60,935)	(39,621)
Share issue transaction costs		-	(29,874)
		<u>109,494</u>	<u>6,579,511</u>
Net cash from financing activities		<u>109,494</u>	<u>6,579,511</u>
Net (decrease)/increase in cash and cash equivalents		(1,516,222)	2,631,155
Cash and cash equivalents at the beginning of the financial year		2,725,237	101,400
Change in foreign currency held		4,078	(7,318)
		<u>4,078</u>	<u>(7,318)</u>
Cash and cash equivalents at the end of the financial year	4	<u><u>1,213,093</u></u>	<u><u>2,725,237</u></u>

*The above consolidated statement of cash flows should be read in conjunction with the accompanying notes*

**Holista Colltech Limited**  
**Notes to the consolidated financial statements**  
**31 December 2021**

**Note 1. Revenue from contracts with customers**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Revenue from contracts with customers	8,023,129	7,106,635

**Note 2. Other income**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Government Grants - Research and development	51,657	163,540
Government Grants - Cashflow Boost and JobKeeper Subsidy	9,600	105,316
Government Grants - Forgivable loan	27,722	-
Interest income	10,531	23,405
Other income	890	76,478
Other income	100,400	368,739

**Note 3. Loss before income tax**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Loss before income tax includes the following specific expenses:		
<i>Impairment</i>		
Impairment of other assets	-	448,086
Impairment on credit losses	144,515	2,341,655
Impairment of goodwill	-	520,655
Doubtful debts expensed	-	46
Total impairment	144,515	3,310,442
<i>Other Expenses</i>		
Compliance and regulatory costs	267,779	267,913
Insurance	120,394	77,103
Other expenses	41,383	13,463
Collie factory maintenance costs	95,880	110,306
Audit fees	90,288	86,334
Office expense and other occupancy costs	197,632	195,628
Total Other Expenses	813,356	750,747
<i>Employee Benefit Expense Short-term</i>		
Salary and wages, including directors fees	1,935,235	1,988,208
Superannuation	243,742	247,538
Medical and Insurance	82,104	98,478
Bonus and Incentive	478,946	316,637
Travel	125,342	152,071
Others	100,287	88,689
Total Employee Benefit Expense Short-term	2,965,656	2,891,621

**Holista Colltech Limited**  
**Notes to the consolidated financial statements**  
**31 December 2021**

**Note 3. Loss before income tax (continued)**

**Note 4. Cash and cash equivalents**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Cash at bank	513,012	310,191
Cash on deposit	700,081	2,415,046
	<u>1,213,093</u>	<u>2,725,237</u>

**Note 5. Trade and other receivables**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Trade receivables	4,279,963	3,138,830
Less: Allowance for expected credit losses	(1,934,523)	(1,751,581)
	<u>2,345,440</u>	<u>1,387,249</u>
Other receivables	5,507	119,634
Amounts advanced to a related party	180,623	180,623
Amounts advanced to a third party	294,534	294,534
Less: allowance for expected credit losses	(475,157)	(475,157)
Interest receivable	54,267	51,124
	<u>2,405,214</u>	<u>1,558,007</u>

**Note 6. Inventories**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Raw materials - at cost	463,175	948,667
Finished goods - at cost	596,935	33,336
Stock-in-transit	461,807	126,343
	<u>1,521,917</u>	<u>1,108,346</u>



**Holista Colltech Limited**  
**Notes to the consolidated financial statements**  
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**Note 7. Right-of-use assets**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<i>Non-current assets</i>		
Properties	86,865	104,884
Motor vehicles	26,548	19,940
	<u>113,413</u>	<u>124,824</u>

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

<b>Consolidated</b>	<b>Properties</b>	<b>Motor</b>	<b>Total</b>
	<b>\$</b>	<b>vehicles</b>	<b>\$</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at 1 January 2021	104,884	19,940	124,824
Additions	-	22,601	22,601
Disposals	-	(2,669)	(2,669)
Exchange differences	-	393	393
Depreciation expense	(18,019)	(13,717)	(31,736)
Balance at 31 December 2021	<u>86,865</u>	<u>26,548</u>	<u>113,413</u>

**Note 8. Income tax refund due**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Income tax refund due	49,155	-

**Note 9. Other current assets**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Prepayments	318,703	239,412
Security deposits	33,616	320,463
Other deposits	14,518	21,566
Loan to a related party	511,246	481,641
Right-of-return assets	129,486	101,134
Tax recoverable	-	37,761
	<u>1,007,569</u>	<u>1,201,977</u>

**Holista Colltech Limited**  
**Notes to the consolidated financial statements**  
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**Note 10. Property, plant and equipment**

	<b>Consolidated</b>	<b>2020</b>
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<i>Non-current assets</i>		
Freehold land and buildings	1,037,706	1,017,689
Less: Accumulated depreciation and impairment	<u>(339,933)</u>	<u>(314,367)</u>
	<u>697,773</u>	<u>703,322</u>
Plant and equipment	2,041,094	2,031,321
Less: Accumulated depreciation	<u>(1,728,604)</u>	<u>(1,622,153)</u>
	<u>312,490</u>	<u>409,168</u>
Total property, plant and equipment	<u><u>1,010,263</u></u>	<u><u>1,112,490</u></u>

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

<b>Consolidated</b>	<b>Freehold land and buildings</b>	<b>Plant and equipment</b>	<b>Motor Vehicles</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at 1 January 2020	778,385	539,533	-	1,317,918
Additions	-	13,362	-	13,362
Exchange rate differences	(54,808)	(1,351)	-	(56,159)
Depreciation expense	<u>(20,255)</u>	<u>(142,376)</u>	-	<u>(162,631)</u>
Balance at 31 December 2020	703,322	409,168	-	1,112,490
Additions	-	38,124	-	38,124
Exchange rate differences	13,834	610	-	14,444
Depreciation expense	<u>(19,383)</u>	<u>(135,412)</u>	-	<u>(154,795)</u>
Balance at 31 December 2021	<u><u>697,773</u></u>	<u><u>312,490</u></u>	<u><u>-</u></u>	<u><u>1,010,263</u></u>

**Note 11. Intangible assets**

	<b>Consolidated</b>	<b>2020</b>
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<i>Non-current assets</i>		
Goodwill	<u>-</u>	<u>-</u>
Patents and licences	221,052	216,788
Less: Accumulated amortisation	<u>(86,895)</u>	<u>(70,317)</u>
	<u>134,157</u>	<u>146,471</u>
	<u><u>134,157</u></u>	<u><u>146,471</u></u>

**Holista Colltech Limited**  
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**Note 11. Intangible assets (continued)**

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial years are set out below:

<b>Consolidated</b>	<b>Goodwill</b> \$	<b>Patents and licences</b> \$	<b>Total</b> \$
Balance at 1 January 2020	572,378	203,743	776,121
Additions	-	20,979	20,979
Exchange differences	(51,723)	(7,032)	(58,755)
Impairment of assets	(520,655)	-	(520,655)
Write off of assets	-	(45,044)	(45,044)
Transfers (out)	-	(414)	(414)
Amortisation expense	-	(25,761)	(25,761)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2020	-	146,471	146,471
Additions	-	3,333	3,333
Exchange differences	-	2,881	2,881
Transfers (out)	-	(3,333)	(3,333)
Amortisation expense	-	(15,195)	(15,195)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2021	-	134,157	134,157

**Note 12. Trade and other payables**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	\$	\$
<i>Current liabilities</i>		
Trade payables	1,980,419	829,857
Accruals	668,649	433,102
Amounts due to a Director	-	21,588
Dividends payable	23,734	22,360
Refund liability	340,753	368,905
Other payables	343,115	43,465
	<hr/>	<hr/>
	3,356,670	1,719,277

**Note 13. Contract liabilities**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	\$	\$
<i>Current liabilities</i>		
Advance deposits and deferred revenue	5,245	458,729
	<hr/>	<hr/>

**Holista Colltech Limited**  
**Notes to the consolidated financial statements**  
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**Note 14. Borrowings**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Term loan	20,029	29,027
Banker's acceptance	330,022	358,611
Loan from related parties	14,367	13,535
Other borrowings	464	-
	<u>364,882</u>	<u>401,173</u>
<i>Non-current liabilities</i>		
Term loan	417,774	430,605
	<u>782,656</u>	<u>831,778</u>

**Note 15. Leases**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Current	<u>13,521</u>	<u>28,155</u>
<i>Non-current liabilities</i>		
Non-current	<u>94,146</u>	<u>82,764</u>
	<u>107,667</u>	<u>110,919</u>

**Note 16. Issued capital**

	<b>Consolidated</b>			
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Shares</b>	<b>Shares</b>	<b>\$</b>	<b>\$</b>
Ordinary shares - fully paid	<u>275,349,087</u>	<u>275,349,087</u>	<u>21,707,478</u>	<u>21,707,478</u>

**Note 17. Reserves**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Foreign currency reserve	(204,502)	(497,453)
Share-based payment reserve	-	360,109
	<u>(204,502)</u>	<u>(137,344)</u>

**Note 18. Dividends**

There were no dividends paid, recommended or declared during the current or previous financial year.