



Holista Signs Agreement with Costanzo's to Launch World's Lowest Glycaemic Index (GI) Clean Label Bread

Published on October 1, 2020

KUALA LUMPUR: Holista Colltech Limited (ASX: HCT, "Holista") and U.S. subsidiary, Holista Foods Inc., have entered into an agreement with leading U.S. breadmaker, Costanzo's Bakery, Inc. ("Costanzo's"), to manufacture the world's lowest Glycaemic Index (GI) clean label white bread using all-natural ingredients.

Under the exclusive three-year Licence and Commercialisation agreement, Costanzo's will purchase Holista's GI Lite™ Bread Premix which will be used to produce a range of healthier breads for the USA, Canada and Mexico.

Costanzo's, a third-generation Italian baker founded 87 years ago in New York City, produces and supplies bread products across the USA and Canada to supermarkets and other retail outlets.

The healthier bread was jointly developed by Holista and Costanzo's. The University of Sydney tested and validated this bread in July 2020 to have a GI reading of 46, which compares with GI readings of over 70 for most white breads.

Holista believes this is the world's lowest GI reading for clean-label (free of chemicals) white breads worldwide. This latest bread formula is significantly lower than the reading of 53 validated by the University of Sydney in 2016.

GI Lite™ is a patented formula made from a blend of okra, barley, lentils and fenugreek. When mixed with white flour, it lowers the GI reading of the final product without compromising taste, mouth-feel or food production methods.

Under the agreement, Holista will supply 165 tons of worth valued at US\$1.9 million in the first year of the contract with Costanzo's. Over the next two years, shipment will increase to 220 tons (valued at US\$2.2 million) annually.

"There is a large and untapped market for clean-label, all-natural, low-GI white bread and we are pleased to be able to offer our customers such a unique and healthy product," said Costanzo's CEO, Angelo Costanzo III.

"We are confident about the success of the GI Lite™ breads due to its superior taste and mouthfeel, which cannot be matched by other low GI breads in the market as they use chemicals and other artificial ingredients."

GI measures food products, ranking them between 0-100 according to the impact on blood sugar levels. The lower the GI, the more time it takes for glucose to be digested and absorbed into the bloodstream. Higher GI causes a spike in blood sugar levels, contributing to diabetes.

Dr Rajen Manicka, CEO of Holista, an Australia Securities Exchange ("ASX") listed company, commented:

"This is a breakthrough agreement for the North American market and we expect this to spur interest in other markets. We are excited to be bringing a healthier and better-tasting white bread product to the world, and we are currently pursuing opportunities in other countries."

"Providing the world's lowest low GI healthy clean label white bread has been our goal and vision," said Nadja Piatka, CEO of Holista Foods which is based in Buffalo, New York. "Costanzo's is a perfect partner to bring this important mission to fruition."

Holista Foods won the Award of Excellence under "Low Glycaemic Pasta" category for its spaghetti and linguine in the 2019 U.S.A. Taste Championships. Holista has also developed low-GI versions of flat-breads such as chappatis and tortillas.