

## Appendix 4C and Activities Report: Building the Base for a Stronger 2024

### ASX Announcement

31 January 2024

### Highlights

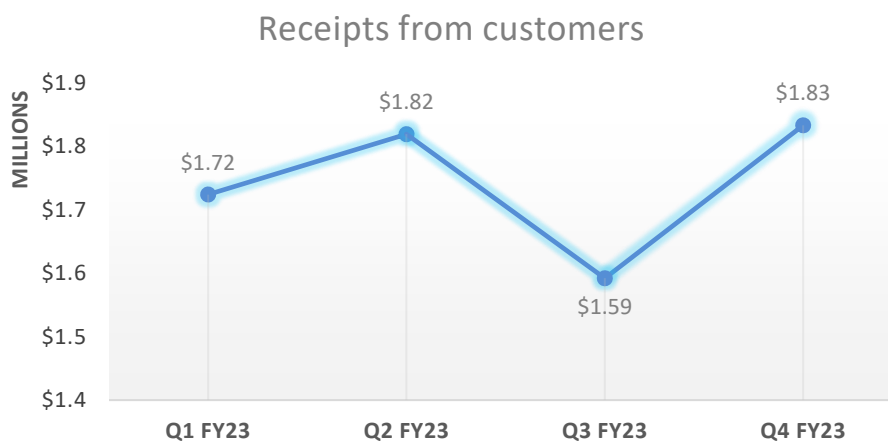
- Quarterly receipts from customers hits highest level in a year as sales continue to recover from 2QFY23
- Unaudited sales in 4QFY23 were \$1.5M vs. \$1.6M in the previous corresponding period (PCP) and 23.8% above 2QFY23
- The challenging economic environment continued to weigh on Group performance with results forecast to improve through 2024
- Expected growth in Holista's two largest divisions, Health Supplements and Food Ingredients, are driving the brighter outlook for FY24

**Holista Colltech Limited** (ASX: HCT, "Holista" or "the Group") is pleased to provide the following quarterly update and commentary on its Appendix 4C for the three months to 31 December 2023 (4QFY23).

### Summary of cash position and expenditure

The Group's total available funds at the end of the quarter was \$1.3 million, which is made up of \$59K in cash and cash equivalents and \$1.2 million in available but undrawn trade facilities.

Receipts from customers in 4QFY23 rose to their highest levels in the year when they increased by 15% Quarter-on-Quarter (QoQ) to \$1.8 million.



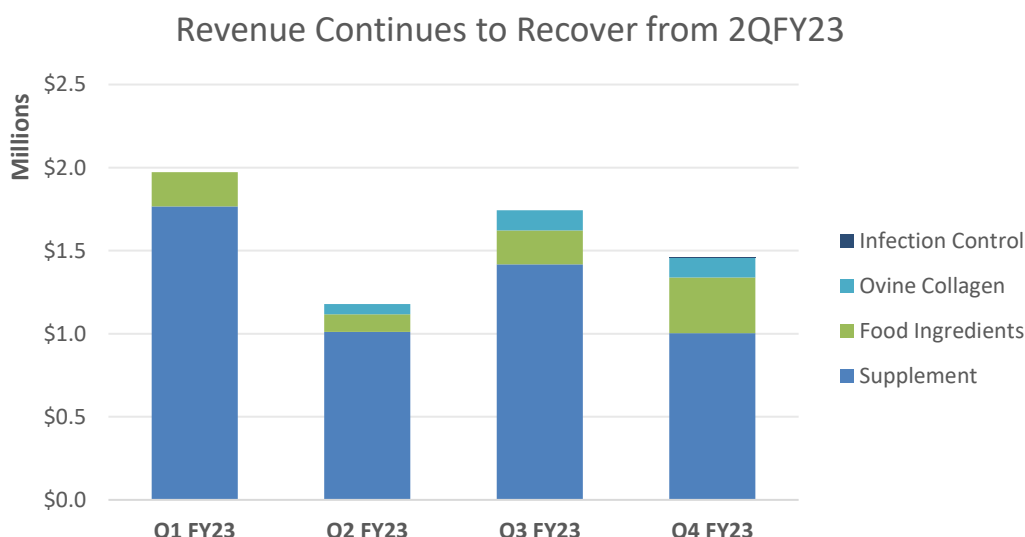
The Group posted operating cash outflow of \$146K in the 4QFY23, an improvement from the \$255K outflow from the previous quarter. The largest operating expenditure was administration and corporate costs of \$620K followed by staff costs of \$569K and product manufacturing and operating costs of \$566K.

As detailed in Item 6.1 of the accompanying Appendix 4C, the Company paid \$121k in relation to directors' remuneration and consulting fees to its related parties and associates.

### Divisional performance

While the challenging economic environment, particularly in Malaysia, weighed on the Company's performance, Holista forecasts indicate that sales are well placed for recovery in 2024.

Unaudited Group sales in the December quarter was \$1.5 million, versus \$1.6 million in the previous corresponding period (PCP) and is 23.8% above 2QFY23's \$1.2 million, following the restructure of its sales team. Unaudited sales for FY2023 were \$6.4 million compared to \$8.2 million in FY2022.



Holista's Dietary Supplements division recorded unaudited sales of \$1 million in the quarter (4QFY22: \$1.1 million, 3QFY23: \$1.4 million) with the last quarter of the calendar year historically being seasonally weaker.

However, sales of its newly released Holista-Nugevity supplement are ramping up and Holista plans to launch several new offerings in 2024, including a line of cosmetics products, which contain exosomes<sup>1</sup> and Holista's patented ovine collagen, in the second half of this year.

Meanwhile, Holista's Food Ingredients division delivered improved unaudited sales of \$334K in 4QFY23, which is 0.2% above the PCP and 63.3% ahead QoQ (4QFY22: \$333K; and 3QFY23: \$204K).

Significantly, discussions with key clients, including food and beverage group, Rex Industry Berhad, indicate a likely pick-up in demand for Holista's unique healthy food ingredients in the current financial year.

<sup>1</sup> Exosomes are found in biological fluids, such as saliva and blood, and have specialised functions in physiological processes, from coagulation and waste management to intercellular communication.

Unaudited sales from Holista's Ovine Collagen division of \$120K are largely flat versus the PCP and QoQ. Holista is in advanced negotiations with Behn Meyer Thailand to extend their supply contract, which expired at the end of 2023. The Company is also in discussions with other interested parties for its cosmetic-grade collagen and will provide further updates as appropriate.

Sales from Holista's Infection Control division were not material in the period, as highlighted in previous quarterly updates.

Notwithstanding the weaker 2023 Group result, Holista believes that the outlook for the current financial year is positive based on the above commentary and the trading performance since the start of the year. The expected growth in its two biggest divisions, Supplements and Food Ingredients, will be sufficient to drive an improved result for 2024 and beyond.

All sales figures are subject to audit.

### **Other developments**

Holista released an update regarding the Federal Court hearing on 8 December 2023. Judgement was reserved following the conclusion of the hearing on 7 December 2023, and as such, no final orders have yet to be made against the Company. Judgement is not expected to be received any earlier than the end of 1QFY24, at which time, Holista will update the market as to the outcome.

### **Investing and financing activities**

In section 4.3 of Holista's Appendix 4C for the period ended 31 December 2023, the Group recorded a \$9K cash outflow from its Investing Activities, which was due to a fixed deposit paid quarterly to a licensed bank related to a banking facility.

In section 4.4 the Appendix 4C for the period ended 31 December 2023, the Group recorded a cash inflow of \$120K from Trade Financing Activities. The cash movement reflects the difference between receipts and repayments within the Company's trade financing facility during the period.

This announcement has been approved by the Board of Directors.

**-ENDS-**

### **About Holista Colltech Limited**

Holista Colltech Ltd (**Holista** or, the **Company**) is an innovator in health and wellness solutions based in Perth, Western 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 to address evolving needs in order that people may 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 ovine collagen, all-natural and non-toxic effective sanitisers for consumers and industrial applications.

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

Holista is passionate about combining economic success with enriching lives for a sustainable future.

**For further information, please contact:**

Our Investor Mailing list: [investors@holistaco.com](mailto:investors@holistaco.com)

General Enquiries: [enquiries@holistaco.com](mailto:enquiries@holistaco.com)

**Australia**

283 Rokeby Road Subiaco  
WA 6008 Western Australia  
Australia  
P: +61 412 474 180

**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

**Global Investor relations and media enquiries:**

Brendon Lau, Vantage Point Partners

E: [brendon@vantagepointpartners.com.au](mailto:brendon@vantagepointpartners.com.au)

M: +61 409 341 613

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

**HOLISTA COLLTECH LIMITED (ASX: HCT)**

ABN

**24 094 515 992**

Quarter ended ("current quarter")

**31 December 2023**

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	1,833	6,969
1.2 Payments for:		
(a) research and development	(29)	(117)
(b) product manufacturing and operating costs	(566)	(2,319)
(c) advertising and marketing	(151)	(840)
(d) leased assets	-	-
(e) staff costs	(569)	(2,295)
(f) administration and corporate costs	(620)	(1,642)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(30)	(91)
1.6 Income taxes paid	(14)	(93)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(146)</b>	<b>(428)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	(5)
(d) investments	(12)	(42)
(e) intellectual property	-	-
(f) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	3	3
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(9)</b>	<b>(44)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	1,258	4,460
3.6	Repayment of borrowings	(1,138)	(4,043)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>120</b>	<b>418</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	94	118
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(146)	(428)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(9)	(44)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	120	418
4.5	Effect of movement in exchange rates on cash held	-	(5)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>59</b>	<b>59</b>

## Quarterly cash flow report for entities subject to Listing Rule 4.7B

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	59	94
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (Restricted Cash)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>59</b>	<b>94</b>

<b>6. Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to related parties and their associates included in item 1	121
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>	
Fees include Salaries, Director Fees and Consulting Fees to Executive Director and Non-Executive Directors	

7.	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	441	441
7.2	Credit standby arrangements	2,069	882
7.3	Other (please specify)		
7.4	<b>Total financing facilities</b>	<b>2,510</b>	<b>1,323</b>
7.5	<b>Unused financing facilities available at quarter end</b>		<b>1,187</b>
7.6	Include in the box below a summary of each finance facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
<b>Summary of Banking Facilities:</b>			
<b><u>Bank Loan Facility 1:</u></b>			
<b>Parties:</b> CIMB Islamic Bank Berhad Malaysia ( <b>Banker</b> ), and Holista Biotech Sdn Bhd (100% subsidiary of Holista Colltech Ltd) ( <b>Borrower</b> ).			
<b>i) Loan Facility 1</b>			
<b>Term Loan</b>			
<b>Principal Amount:</b> MYR 1.4M / approximately A\$446k			
<b>Remaining Payable as at 31 December 2023:</b> MYR 1.2M / approximately A\$396k			
<b>Term:</b> Commencing on 1 October 2020 and repayable over 240 monthly instalments (principal plus interest) of \$2,896 (2021: \$2,882) and ending in 200 months on 4 October 2040.			
<b>Interest Rate:</b> 4.50% per annum (2022: 3.50%).			
<b>ii) Credit Standby Arrangement 1</b>			
<b>Trade Financing and Banker Acceptances</b> bears interest of 5.18% per annum (2022: 4.58%).			
Total Amount at Quarter End : MYR 1.9M / Approximately A\$637k			
Total Utilised at Quarter End : MYR (286k) / Approximately A\$(94k)			
Bank Loan Facility 1 is secured by the following:			
<ul style="list-style-type: none"> <li>• Fixed deposit with a licensed bank of the Group and the Company;</li> <li>• Facility agreement;</li> <li>• First party assignment over the office lots of the Company;</li> <li>• Deed of assignment of rental proceeds;</li> <li>• Executed fresh letter of authorisation, memorandum of deposit and letter of off-set; and</li> <li>• Guarantee by a director of the Company.</li> </ul>			
Bank Loan Facility 1 is not a revolving credit facility that can be used for any purpose, with terms providing that the facility may only be drawn down by the Borrower for the following purposes:			
<ul style="list-style-type: none"> <li>• "Accepted Bills-i", to facilitate local and export sales of the Borrower;</li> <li>• "Multi Currency Trade Financing-i", to facilitate local and export sales of the Borrower; and</li> <li>• "Bank Guarantee", for issuance of financial, performance and security bonds to government and private entities, in relation to business.</li> </ul>			



**Bank Loan Facility 2:**

**Parties:** CIMB Islamic Bank Berhad (**Banker**), and Total Health Concepts Sdn Bhd (100% subsidiary of Holista Biotech Sdn Bhd) (**Borrower**).

**i) Loan Facility 2****Term Loan**

**Principal Amount:** MYR 200K / approximately A\$63K.

**Amount Remaining as at 31 December 2023:** MYR 135k / approximately A\$45k

**Term:** Commencing on 28 September 2022 and repayable over 60 monthly instalments (principal plus interest) of \$1,302 (2022: \$1,300) and ending in 44 months on 4 November 2027.

**Interest Rate:** 6.60% per annum (2022: 6.31%).

**ii) Credit Standby Arrangement 2**

**Trade Financing and Banker Acceptance** bears interest of 4.53% per annum (2022: 4.51%).

Total Amount at Quarter End : MYR 1.4M / Approximately A\$477k

Total Utilised at Quarter End : MYR 2.9M / Approximately A\$976k

Bank Loan Facility 2 is secured by the following:

- Fixed deposit with a licensed bank of the Group and the Company;
- Assignment of director insurance;
- Corporate guarantee; and
- Guarantee by a director of the Company.

Bank Loan Facility 2 is not a revolving credit facility that can be used for any purpose, with terms providing that the facility may only be drawn down by the Borrower for the following purposes:

- “Accepted Bills-i”, to facilitate local and export sales of the Borrower;
- “Multi Currency Trade Financing-i”, to facilitate local and export sales of the Borrower;
- “Documentary Credit-i”, to facilitate local and import purchases of the Borrower;
- “Accepted Bills-i 2”, to facilitate local and import purchases of the Borrower; and
- “Multi Currency Trade Financing-i 2”, to facilitate local and import purchases of the Borrower.

**Bank Loan Facility 3:**

**Parties:** CIMB Islamic Bank Berhad (**Banker**), and Total Health Concepts Sdn Bhd (100% subsidiary of Holista Biotech Sdn Bhd) (**Borrower**).

**i) Credit Standby Arrangement 3**

**Trade Financing and Banker Acceptance** bears interest of 4.91% per annum.

Total Amount at Quarter End : MYR 3.0M / Approximately A\$955k

Total Utilised at Quarter End : MYR nil / Approximately A\$ nil

Bank Loan Facility 3 is secured by the following:

- Fixed deposit with a licensed bank of the Group and the Company.

Bank Loan Facility 3 is not a revolving credit facility that can be used for any purpose, with terms providing that the facility may only be drawn down by the Borrower for the following purposes:

- “Accepted Bills-i”, to facilitate local and export sales of the Borrower;
- “Multi Currency Trade Financing-i”, to facilitate local and export sales of the Borrower;
- “Documentary Credit-i”, to facilitate local and import purchases of the Borrower;
- “Accepted Bills-i 2”, to facilitate local and import purchases of the Borrower; and
- “Multi Currency Trade Financing-i 2”, to facilitate local and import purchases of the Borrower.

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(146)
8.2	Cash and cash equivalents at quarter end (item 4.6)	59
8.3	Unused finance facilities available at quarter end (item 7.5)	1,187
8.4	Total available funding (item 8.2 + item 8.3)	<b>1,246</b>
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	<b>8.53</b>
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
	<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: .....31 January 2024.....

Authorised by: The Board  
(Name of body or officer authorising release – see note 4)

### Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 107: Statement of Cash Flows apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the

[name of board committee – eg Audit and Risk Committee]”. If it has been authorised for release to the market by a disclosure committee, you can insert here: “By the Disclosure Committee”.

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.