

REBASING THE BUSINESS TO POSITION FOR A RECOVERY IN 2024

ASX Announcement

29 February 2024

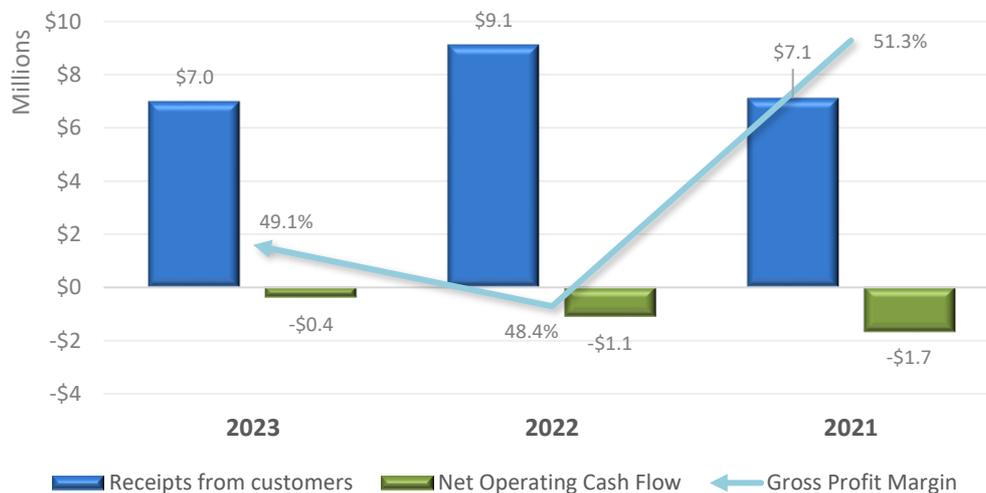
Highlights

- **Holista is well placed to post a recovery in FY2024 following challenging trading conditions and the sales team restructure that weighed on the FY2023 results.**
- **Group revenue declined 28% to \$5.9M in FY2023 but gross margins and net operating cash outflow improved materially due to good cost control and favourable changes in the sales mix.**
- **Holista’s two largest divisions, Food Ingredients and Dietary Supplements, are expected to post improved results this financial year due to multiple tailwinds.**
- **The rebound in the two divisions is likely to more than offset any weakness in other parts of the Group.**

Holista Colltech Limited (ASX: HCT) (“**Holista**” or “the **Group**”) is providing the following commentary in respect to its unaudited FY2023 full year results for the year ended 31 December 2023.

A challenging trading environment, particularly in Malaysia, and the restructuring of the sales team weighed on Group performance in 2023, although Holista believes that its performance in the current financial year will show a marked improvement over last year.

Improved Net Op Cash Flow and Gross Margins



While Group revenue declined 28% to \$5.9 million in FY2023 compared to The previous corresponding period (**pcp**), Holista delivered a 70-basis point increase in gross margin to 49.1% and a 63% improvement in net operating cash outflow to \$410K.

A favourable change in the sales mix and good cost control were the key drivers behind the positive margin and operating cash flow movements, which helped offset some of the losses from slowing sales across Holista's key divisions, as outlined below.

Holista reported a FY2023 net loss after tax of \$2.4 million (FY2022 net loss: \$1.5 million) as foreign exchange losses, increased research and development investments relating to new product launches, and a rise in impairment charges weighed on the bottom line.

Divisional Performance

The Dietary Supplements division, which is Holista's largest business by revenue, recorded a 20.6% decline in full year revenue to \$4.8 million when compared to the pcp. This division is most impacted by a challenging trading environment, particularly in Malaysia and the reorganisation of Holista's sales team.

Meanwhile, the launch of Holista-Nugevity branded plant-based protein supplement in October last year was still ramping up. The timing of the launch meant that the new offering did not make a meaningful contribution to sales for the Dietary Supplements division in FY2023 but is expected to be one of the key growth drivers for the current year.

Holista's Health Food Ingredients division reported a 54.5% pcp drop revenue to \$852K in FY2023. A slowdown in orders from customers in the United States more than offset robust demand from Malaysia-based food and drinks manufacturer, Rex Industry Berhad (Rex Industry).

Importantly, sales from this division have started to recover strongly since hitting a low point of \$107K in the second quarter of FY2023. Revenue in the third and fourth quarters were \$204K and \$334K, respectively.

The performance of the Ovine Collagen division was largely steady with revenue of \$301K in FY2023 compared with \$306K in the pcp. Holista has a binding sales contract that ran to the end of last year with cosmetics manufacturer, Behn Meyer Thailand. Holista is negotiating a new supply agreement with Behn Meyer Thailand.

Finally, the Infection Control division recorded negligible sales last year. This business is the newest and smallest division in the Group, and its performance is immaterial to Holista's outlook but may provide optionality to Holista in the future.

All figures are subject to annual audit.

Outlook

The last financial year has been a challenging period for Holista, but management is expecting to deliver an improved result for FY2024 due to growth in total revenue and operating leverage from cost efficiencies achieved in FY2023.

Topline growth is expected to be driven by several factors. Firstly, the restructure of Holista's sales team was successfully completed with sales recovering since it dipped in the second quarter of 2023.

Economic headwinds in Malaysia are also easing with consumer spending starting to recover. This bodes well for Holista as the Company intends to launch several new innovations in 2024 that are expected to bolster revenue and earnings.

This includes a line of cosmetics containing exosomes¹ and Holista's patented ovine collagen, in the second half of this year. Holista also plans to expand its Holista-Nugevity product line to include new supplements. These new innovations are expected to give the Dietary Supplements division an additional tailwind in FY2024.

Separately, the recent rebound in the Food Ingredients division is expected to persist. Discussions with Rex Industry and other potential customers indicate that demand for Holista's innovative ingredients will be higher in 2024 than in the prior year.

Meanwhile, Holista is optimistic about the outlook for the Ovine Collagen division. The Group is in active negotiations with Behn Meyer Thailand for a new supply agreement and is fielding enquiries from other potential customers such as Guangzhou Sinbio Cosmetic Co Ltd, a Chinese State-Owned Enterprise, who continues to test Holista's ovine collagen product in a new range of cosmetics, although there is no certainty that a commercial agreement will eventuate.

Importantly, Holista believes it will deliver improved results in FY2024 even if the Ovine Collagen and Infection Control businesses continue to underperform. This is because the expected growth in its two largest divisions, Dietary Supplements and Food Ingredients, which contributed around 95% of total revenue in FY2023, is likely to more than offset weakness in other parts of the Group.

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

General Enquiries: enquiries@holistaco.com

¹ 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.

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
M: +61 409 341 613

Holista Colltech Limited
Appendix 4E
Preliminary final report

1. Company details

Name of entity: Holista Colltech Limited
ABN: 24094515992
Reporting period: For the year ended 31 December 2023
Previous period: For the year ended 31 December 2022

2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	-27.84% to	5,946,909
Loss from ordinary activities after tax attributable to the owners of Holista Colltech Limited	down	-55.79% to	(2,263,424)
Loss for the year attributable to the owners of Holista Colltech Limited	down	-55.79% to	(2,263,424)

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 \$2,263,424(31 December 2022: \$1,452,902).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>(0.31)</u>	<u>0.52</u>

4. Control gained over entities

Not applicable

5. Loss of control over entities

Not applicable.

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.

7. Dividend reinvestment plans

Not applicable.

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8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

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

Australian Accounting Standards

10. Audit qualification or review

Details of audit/review dispute or qualification (if any): Not Applicable

11. Attachments

Details of attachments (if any):

The Preliminary Final Report of Holista Colltech Limited for the year ended 31 December 2023 is attached.

12. Signed



Signed _____

Date: 29 February 2024

Jay Stephenson
Company Secretary

Company Update

Group Operations Review:

Holista Colltech Limited (**Holista** or the **Company**) recorded a 28% decline in Group revenue to \$5.9 million, as net loss after tax increased by 56.1% to \$2.4 million in the financial year 2023 (FY2023) when compared to the prior year.

A challenging trading environment, particularly in Malaysia, and the restructuring of the sales team weighed on Group performance in the period, although Holista believes that its performance in FY2024 will show a marked improvement over last year.

Additionally, Holista delivered an increase in gross margin to 49.1% and a 63% improvement in net operating cash outflow to \$410K in FY2023 despite the headwinds.

During FY2023, Holista and its controlled entities (the Group) focused on the following four core business areas:

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

Healthy Food Ingredients:

Holista's Health Food Ingredients division reported a 54.5% previous corresponding period (pcp) drop revenue to \$852K in FY2023. A slowdown in orders from customers in the United States more than offset robust demand from Malaysia-based food and drinks manufacturer, Rex Industry Berhad (Rex Industry).

Importantly, sales from this division have started to recover strongly since dropping to \$107K in the second quarter of FY2023. Revenue in the third and fourth quarter were \$204K and \$334K, respectively.

Dietary Supplements:

The Dietary Supplements division, which is Holista's largest business by revenue, recorded a 20.6% decline in full year revenue to \$4.8 million when compared to the pcp.

This division is most impacted by a challenging trading environment, particularly in Malaysia and the reorganisation of Holista's sales team.

Meanwhile, the launch of Holista-Nugevity branded plant-based protein supplement in October last year was still ramping up. The timing of the launch meant that the new offering could not make a meaningful contribution to sales for the Dietary Supplements division in FY2023 but is expected to be one of the key growth drivers for the current year.

Ovine Collagen:

The performance of the Ovine Collagen division was largely steady with revenue of \$301K in FY2023 compared with \$306K in the pcp. Holista has a binding sales contract that ran to the end of 2023 with cosmetics manufacturer, Behn Meyer Thailand, with a new supply agreement currently being negotiated.

Infection Control Solutions:

Finally, the Infection Control division recorded negligible sales last year. This business is the newest and smallest division in the Group, and its performance is immaterial to Holista's outlook but may provide optionality to Holista in the future.

Outlook

The last financial year has been a challenging period for Holista, but management is expecting to deliver an improved result for FY2024 due to growth in total revenue and operating leverage from cost efficiencies achieved in the previous year.

Topline growth is expected to be driven by several factors. Firstly, the restructure of sales team has been successfully completed and sales have been recovering since the 2023 second quarter low.

Economic headwinds in Malaysia are also easing with consumer spending starting to recover. This bodes well for Holista as it intends to launch several new innovations in 2024 that are expected to bolster revenue and earnings.

This includes a line of cosmetics containing exosomes and Holista's patented ovine collagen, in the second half of this year. Holista also plans to expand its Holista-Nugevity product line to include new supplements. These new innovations are expected to give the Dietary Supplements division an additional tailwind in FY2024.

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Separately, the recent rebound in the Food Ingredients division is expected to persist. Discussions with Rex Industry and other potential customers indicate that demand for Holista's innovative ingredients will be higher in 2024 than in the prior year.

Meanwhile, Holista is optimistic about the outlook for the Ovine Collagen division. The Group is in active negotiations with Behn Meyer Thailand for a new supply agreement and is fielding enquiries from other potential customers.

Guangzhou Sinbio Cosmetic Co Ltd, a Chinese State-Owned Enterprise, continues to test Holista's ovine collagen product in a new range of cosmetics, although there is no certainty that a commercial agreement will eventuate.

Importantly, Holista believes it will deliver improved results in FY2024 even if the Ovine Collagen and Infection Control businesses underperform. This is because the expected growth in its two largest divisions, Dietary Supplements and Food Ingredients, which contributed around 95% of total revenue in FY2023, is likely to more than offset weakness in other parts of the Group.

Holista Colltech Limited

ABN 24094515992

Preliminary Final Report - 31 December 2023

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 2023

	Note	Consolidated 2023 \$	2022 \$
Revenue from contracts with customers	1	5,946,909	8,241,225
Other income	2	34,416	73,388
Expenses			
Changes in inventories of finished goods and work in progress		(494,729)	565,881
Raw materials and consumables used		(2,083,659)	(4,334,259)
Distribution costs and other costs of sales		(446,917)	(480,757)
Advertising and promotion		(365,197)	(553,444)
Consultancy and professional fees		(997,202)	(771,174)
Depreciation and amortisation expense		(239,773)	(273,952)
Employee benefits	3	(2,311,771)	(2,703,629)
Finance costs		(90,909)	(66,528)
Foreign exchange		93,700	45,373
Impairment	3	(344,361)	(134,252)
Research and development		(129,471)	(68,875)
Other expenses	3	(882,741)	(903,740)
Loss before income tax expense		(2,311,705)	(1,364,743)
Income tax expense		(65,043)	(157,387)
Loss after income tax expense for the year		(2,376,748)	(1,522,130)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(23,646)	22,491
Other comprehensive income for the year, net of tax		(23,646)	22,491
Total comprehensive income for the year		<u>(2,400,394)</u>	<u>(1,499,639)</u>
Loss for the year is attributable to:			
Non-controlling interest		(113,324)	(69,228)
Owners of Holista Colltech Limited		(2,263,424)	(1,452,902)
		<u>(2,376,748)</u>	<u>(1,522,130)</u>
Total comprehensive income for the year is attributable to:			
Non-controlling interest		(141,363)	(151,287)
Owners of Holista Colltech Limited		(2,259,031)	(1,348,352)
		<u>(2,400,394)</u>	<u>(1,499,639)</u>
		Cents	Cents
Basic loss per share		(0.81)	(0.52)
Diluted loss per share		(0.81)	(0.52)

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 2023

	Note	Consolidated 2023 \$	Consolidated 2022 \$
Assets			
Current assets			
Cash and cash equivalents	4	59,767	117,528
Trade and other receivables	5	1,047,928	1,321,880
Inventories	6	658,168	1,411,962
Income tax refund due	8	91,735	68,204
Other current assets	9	992,564	1,146,780
Total current assets		<u>2,850,162</u>	<u>4,066,354</u>
Non-current assets			
Property, plant and equipment	10	716,972	898,361
Right-of-use assets	7	254,178	335,884
Intangible assets	11	7,443	104,610
Deferred tax asset		64,554	67,831
Total non-current assets		<u>1,043,147</u>	<u>1,406,686</u>
Total assets		<u>3,893,309</u>	<u>5,473,040</u>
Liabilities			
Current liabilities			
Trade and other payables	12	2,724,872	2,269,349
Contract liabilities	13	59,867	52,851
Borrowings	14	929,789	483,087
Leases	15	32,668	37,050
Short-term provisions		51,146	40,530
Total current liabilities		<u>3,798,342</u>	<u>2,882,867</u>
Non-current liabilities			
Borrowings	14	408,073	457,562
Leases	15	196,895	242,218
Long-term provisions		333,819	333,819
Total non-current liabilities		<u>938,787</u>	<u>1,033,599</u>
Total liabilities		<u>4,737,129</u>	<u>3,916,466</u>
Net assets		<u>(843,820)</u>	<u>1,556,574</u>
Equity			
Issued capital	16	21,787,478	21,787,478
Reserves	17	(95,559)	(99,952)
Accumulated losses		(21,121,658)	(18,858,234)
Equity attributable to the owners of Holista Colltech Limited		570,261	2,829,292
Non-controlling interest		(1,414,081)	(1,272,718)
Total equity		<u>(843,820)</u>	<u>1,556,574</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 2023

Consolidated	Issued capital \$	Foreign Currency Translation Reserve \$	Accumulated Losses \$	Non-controlling interest \$	Total equity \$
Balance at 1 January 2022	21,707,478	(204,502)	(17,405,332)	(1,121,431)	2,976,213
Loss after income tax expense for the year	-	-	(1,452,902)	(69,228)	(1,522,130)
Other comprehensive income for the year, net of tax	-	104,550	-	(82,059)	22,491
Total comprehensive income for the year	-	104,550	(1,452,902)	(151,287)	- (1,499,639)
Reversal of Shares based payment expenses	80,000	-	-	-	80,000
Balance at 31 December 2022	<u>21,787,478</u>	<u>(99,952)</u>	<u>(18,858,234)</u>	<u>(1,272,718)</u>	<u>1,556,574</u>

Consolidated	Issued capital \$	Foreign Currency Translation Reserve \$	Accumulated Losses \$	Non-controlling interest \$	Total equity \$
Balance at 1 January 2023	21,787,478	(99,952)	(18,858,234)	(1,272,718)	1,556,574
Loss after income tax expense for the year	-	-	(2,263,424)	(113,324)	(2,376,748)
Other comprehensive income for the year, net of tax	-	4,393	-	(28,039)	(23,646)
Total comprehensive income for the year	-	4,393	(2,263,424)	(141,363)	(2,400,394)
Share Issue Capital	-	-	-	-	-
Balance at 31 December 2023	<u>21,787,478</u>	<u>(95,559)</u>	<u>(21,121,658)</u>	<u>(1,414,081)</u>	<u>(843,820)</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 2023

	Note	Consolidated 2023 \$	Consolidated 2022 \$
Cash flows from operating activities			
Receipts from customers		6,883,981	9,236,287
Payments to suppliers and employees		(7,109,882)	(10,150,152)
Finance costs		(90,909)	(80,505)
Interest received		-	854
Income tax paid		(92,857)	(159,285)
Government grants		-	41,357
		<u> </u>	<u> </u>
Net cash used in operating activities		(409,667)	(1,111,444)
Cash flows from investing activities			
Purchase of property, plant and equipment	10	(4,548)	(76,971)
Proceeds from disposal of property, plant and equipment		2,546	31,177
Refund/(Increase) of deposits/investments		(42,155)	(59,892)
		<u> </u>	<u> </u>
Net cash generated from/(used in) investing activities		(44,157)	(105,686)
Cash flows from financing activities			
Proceeds from issue of shares	16	1,109	-
Proceeds from/(Repayment of) borrowings, net		458,401	157,993
Repayment of lease		(41,090)	(37,140)
		<u> </u>	<u> </u>
Net cash from financing activities		418,420	120,853
Net (decrease)/increase in cash and cash equivalents		(35,404)	(1,096,277)
Cash and cash equivalents at the beginning of the financial year		117,528	1,213,093
Change in foreign currency held		(22,357)	712
		<u> </u>	<u> </u>
Cash and cash equivalents at the end of the financial year	4	<u>59,767</u>	<u>117,528</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 2023

Note 1. Revenue from contracts with customers

	Consolidated	
	2023	2022
	\$	\$
Revenue from contracts with customers	5,946,909	8,241,225

Note 2. Other income

	Consolidated	
	2023	2022
	\$	\$
(Loss)/Gain on disposal of property, plant and equipment	-	31,177
Retention fee reversal	31,870	-
Government Grants – Forgivable loan	-	41,357
Interest income	2,546	854
Other income	34,416	73,388

Note 3. Loss before income tax

	Consolidated	
	2023	2022
	\$	\$
Loss before income tax includes the following specific expenses:		
<i>Impairment</i>		
Impairment on credit losses	344,361	134,252
Total impairment	344,361	134,252
<i>Other Expenses</i>		
Compliance and regulatory costs	158,774	164,964
Insurance	82,864	92,723
Other expenses	19,487	16,179
Stock written off	203,321	228,976
Collie factory maintenance costs	103,296	109,825
Audit fees	121,476	108,989
Office expense and other occupancy costs	193,523	182,084
Total Other Expenses	882,741	903,740
<i>Employee Benefit Expense Short-term</i>		
Salary and wages, including directors fees	1,750,988	1,946,537
Superannuation	228,980	249,448
Medical and Insurance	77,949	81,185
Bonus and Incentive	38,658	171,151
Travel	140,710	126,810
Others	74,486	128,498
Total Employee Benefit Expense Short-term	2,311,771	2,703,629

Holista Colltech Limited
Notes to the consolidated financial statements
31 December 2023

Note 4. Cash and cash equivalents

	Consolidated	
	2023	2022
	\$	\$
<i>Current assets</i>		
Cash at bank	59,767	117,528
	<u>59,767</u>	<u>117,528</u>

Note 5. Trade and other receivables

	Consolidated	
	2023	2022
	\$	\$
<i>Current assets</i>		
Trade receivables	3,032,562	3,293,464
Less: Allowance for expected credit losses	(2,062,598)	(2,090,325)
	<u>969,964</u>	<u>1,203,139</u>
Other receivables	20,397	60,620
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	57,567	58,121
	<u>1,047,928</u>	<u>1,321,880</u>

Note 6. Inventories

	Consolidated	
	2023	2022
	\$	\$
<i>Current assets</i>		
Raw materials - at cost	164,507	600,124
Finished goods - at cost	299,841	811,838
Stock-in-transit	193,820	-
	<u>658,168</u>	<u>1,411,962</u>

Holista Colltech Limited
Notes to the consolidated financial statements
31 December 2023

Note 7. Right-of-use assets

	Consolidated	
	2023	2022
	\$	\$
<i>Non-current assets</i>		
Properties	115,096	141,026
Motor vehicles	139,082	194,858
	<u>254,178</u>	<u>335,884</u>

Reconciliations

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

Consolidated	Properties \$	Motor vehicles \$	Total \$
Balance at 1 January 2023	141,026	194,858	335,884
Exchange differences	(645)	(9,415)	(10,060)
Depreciation expense	<u>(25,285)</u>	<u>(46,361)</u>	<u>(71,646)</u>
Balance at 31 December 2023	<u>115,096</u>	<u>139,082</u>	<u>254,178</u>

Note 8. Income tax refund due

	Consolidated	
	2023	2022
	\$	\$
<i>Current assets</i>		
Income tax refund due	<u>91,735</u>	<u>68,204</u>

Note 9. Other current assets

	Consolidated	
	2023	2022
	\$	\$
<i>Current assets</i>		
Prepayments	160,927	365,093
Security deposits	130,971	94,904
Other deposits	21,371	15,048
Loan to a related party	542,339	547,542
Right-of-return assets	<u>136,956</u>	<u>124,193</u>
	<u>992,564</u>	<u>1,146,780</u>

Holista Colltech Limited
Notes to the consolidated financial statements
31 December 2023

Note 10. Property, plant and equipment

	Consolidated	
	2023	2022
	\$	\$
<i>Non-current assets</i>		
Freehold land and buildings	1,000,876	1,051,694
Less: Accumulated depreciation and impairment	<u>(365,258)</u>	<u>(364,159)</u>
	635,618	687,535
Plant and equipment	2,080,207	2,089,353
Less: Accumulated depreciation	<u>(1,998,853)</u>	<u>(1,878,527)</u>
	81,354	210,826
Total property, plant and equipment	<u>716,972</u>	<u>898,361</u>

Reconciliations

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

Consolidated	Freehold land and buildings \$	Plant and equipment \$	Total \$
Balance at 1 January 2022	697,773	312,490	1,010,263
Additions	-	76,971	76,971
Exchange rate differences	9,406	420	9,826
Depreciation expense	<u>(19,644)</u>	<u>(179,055)</u>	<u>(198,699)</u>
Balance at 31 December 2022	687,535	210,826	898,361
Additions	-	4,386	4,386
Exchange rate differences	(33,222)	(2,196)	(35,418)
Depreciation expense	<u>(18,695)</u>	<u>(131,662)</u>	<u>(150,357)</u>
Balance at 31 December 2023	<u>635,618</u>	<u>81,354</u>	<u>716,972</u>

Note 11. Intangible assets

	Consolidated	
	2023	2022
	\$	\$
<i>Non-current assets</i>		
Goodwill	<u>-</u>	<u>-</u>
Patents and licences	123,908	224,032
Less: Accumulated amortisation	<u>(116,465)</u>	<u>(119,422)</u>
	7,443	104,610
	<u>7,443</u>	<u>104,610</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:

Consolidated	Patents and licences \$	Total \$
Balance at 1 January 2022	134,157	134,157
Exchange differences	(14,147)	(14,147)
Amortisation expense	(15,400)	(15,400)
	<hr/>	<hr/>
Balance at 31 December 2022	104,610	104,610
Exchange differences	(5,674)	(5,674)
Transfers (out)	(77,644)	(77,644)
Amortisation expense	(13,849)	(13,849)
	<hr/>	<hr/>
Balance at 31 December 2023	<u>7,443</u>	<u>7,443</u>

Note 12. Trade and other payables

	Consolidated	
	2023	2022
	\$	\$
<i>Current liabilities</i>		
Trade payables	1,456,524	1,128,239
Accruals	639,689	416,745
Dividends payable	25,177	25,419
Refund liability	495,902	516,158
Other payables	107,580	182,788
	<hr/>	<hr/>
	<u>2,724,872</u>	<u>2,269,349</u>

Note 13. Contract liabilities

	Consolidated	
	2023	2022
	\$	\$
<i>Current liabilities</i>		
Advance deposits and deferred revenue	59,867	52,851
	<hr/>	<hr/>
	<u>59,867</u>	<u>52,851</u>

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

	Consolidated	
	2023	2022
	\$	\$
<i>Current liabilities</i>		
Term loan	32,513	32,888
Banker's acceptance	882,035	434,812
Loan from a third parties	15,241	15,387
	<u>929,789</u>	<u>483,087</u>
	-	
<i>Non-current liabilities</i>		
Term loan	408,073	457,562
	<u>1,337,862</u>	<u>940,649</u>

Note 15. Leases

	Consolidated	
	2023	2022
	\$	\$
<i>Current liabilities</i>		
Current	32,668	37,050
<i>Non-current liabilities</i>		
Non-current	196,895	242,218
	<u>229,563</u>	<u>279,268</u>

Note 16. Issued capital

	Consolidated			
	2023	2022	2023	2022
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>278,800,067</u>	<u>278,800,067</u>	<u>21,787,478</u>	<u>21,787,478</u>

Note 17. Reserves

	Consolidated	
	2023	2022
	\$	\$
Foreign currency reserve	(95,559)	(99,952)
	<u>(95,559)</u>	<u>(99,952)</u>

Note 18. Dividends

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