



Holista CollTech Limited

(ASX:HCT / ABN 24 094 515 992)

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ASX Announcement

30 July 2019

HOLISTA COLLTECH LIMITED APPENDIX 4C QUARTERLY REPORT

Holista CollTech Limited (**Holista**, or **the Company**) (ASX CODE: HCT) is pleased to release the Appendix 4C for the quarter ending 30 June 2019.

Holista subsidiary companies collectively continue their strong sales in local health products, and growing demand for high margin collagen products. This result has reduced demand from subsidiary companies for financial support. The Company's products of food ingredients and collagen have enjoyed an increasing sales profile with no additional costs other than direct inputs with robust margins. This has led to the following:

- The Company expect sales collection of AU\$1,655,000 in the next quarter.
- Holista's supplement business in Malaysia has slightly decreased in last quarter due to stock-out for 2 products. There was also a delay in a product launch. The supply is back to normal so we expected the sales will pick up in the next quarter.
- Corporate overheads have been successfully lowered as a proportion of sales and continue to decline.
- The Company has also been able to negotiate more favorable terms from our suppliers.
- The Company has successfully delivered its first container of low Glycaemic index noodles from US subsidiary to various Chinese parties. We expect deliveries to increase in August and into next calendar year, with an expectation of an annual contract to be signed during this next quarter.
- The Company has secured an order from a buyer of cosmetic ovine collagen worth AU\$345,000, to be delivered in the course of calendar 2019. Holista anticipates shipping AU\$108,000 of this order in the next quarter.

The Company confirms it is in compliance with Listing Rule 3.1 and that it is not aware of any other information that has not already been released to the market.

ENDS

For further information, please contact:

Corporate Affairs & Business Opportunities

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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.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

HOLISTA COLLTECH LIMITED (ASX:HCT)

ABN

24 094 515 992

Quarter ended (Current quarter)

30 June 2019

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 Months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	2,158	3,907
1.2 Payments for:		
(a) research and development	(34)	(58)
(b) product manufacturing and operating costs	(921)	(1,917)
(c) advertising and marketing	(111)	(290)
(d) leased assets	-	-
(e) staff costs	(767)	(1,416)
(f) administration and corporate costs	(146)	(270)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(17)	(35)
1.6 Income taxes (paid) / refunded	(8)	(14)
1.7 Government grants and tax incentives	134	134
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	288	41
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(24)	(68)
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	1	(17)
(e) other non-current assets	-	(2)
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	(4)	73
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material):	-	-
2.6 Net cash from / (used in) investing activities	(27)	(14)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 Months) \$A'000
3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	(41)	(56)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	(41)	(56)
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	112	358
4.2 Net cash from / (used in) operating activities (item 1.9 above)	288	41
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(27)	(14)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(41)	(56)
4.5 Effect of movement in exchange rates on cash held	(1)	2
4.6 Cash and cash equivalents at end of quarter	331	331
5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	331	112
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	331	112
6. Payments to directors of the entity and their associates	Current quarter \$A'000	
6.1 Aggregate amount of payments to these parties included in item 1.2	88	
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3 and 2.5	-	
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2		
In respect to 6.1: Salaries and consulting fees paid to directors and their related parties.		
7. Payments to related entities of the entity and their associates	Current quarter \$A'000	
7.1 Aggregate amount of payments to these parties included in item 1.2	-	
7.2 Aggregate amount of cash flow from loans to these parties included in items 2.3	-	
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2		
Nil		

8. Financing facilities available Add notes as necessary for an understanding of the position	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	488	488
8.2 Credit standby arrangements	276	254
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Loan facilities: This is secured term loan with RHB bank in Malaysia, interest rates ranging from 4.76% to 6.73%.
Credit standby arrangements: This is banker acceptance bears interest of 5.55% with CIMB bank in Malaysia. This is secured loan by pledging fixed deposits.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	41
9.2 Product manufacturing and operating costs	970
9.3 Advertising and marketing	91
9.4 Leased assets	-
9.5 Staff costs	747
9.6 Administration and corporate costs	121
9.7 Other (provide details if material):	-
9.8 Total estimated cash outflows	1,970

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal (\$A'000)	-	-
10.4 Total net assets / (deficiency) (\$A'000)	-	-
10.5 Nature of business	-	-

Compliance statement

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

Signed: _____ Dated: Tuesday, 30 July 2019

Company Secretary

Print name: BRETT FRASER

Notes

- The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
- If this quarterly 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 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.
- 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.