

ASX Announcement

16 January 2019

TWO MALAYSIAN COMPANIES TO DEVELOP BREAKTHROUGH LOW GI ROTI CANAI

- Australia-listed Holista Colltech and Malaysia-listed Kawan Food Berhad to develop a range of low-GI range Indian flatbreads for Malaysia and international markets
- The healthy low-GI *roti canai* to be available during second quarter 2019
- Order size of low GI ingredient for this range up to AU\$4 million expected in Year 1

PERTH/KUALA LUMPUR, 16 JANUARY 2019 – Food ingredient specialist Holista CollTech Ltd (ASX:HCT, “Holista”) has partnered Bursa Malaysia-listed Kawan Food Berhad (“Kawan Food”) to produce healthy Asian flatbreads, including *roti canai*, *roti* and *chappati*, for local and international markets.

Holista, which is listed in Australia and headquartered in Petaling Jaya, will use its proprietary mix of ingredients trademarked as GI Lite to develop a range of low-glycemic index (“low-GI”) Indian flatbreads with Kawan Food - Malaysia’s largest manufacturer and leading exporter of frozen Asian delicacies worldwide.

GI Lite added to Kawan Food range of products is expected to add up to AU\$4 million to Holista’s top line this year. The low-GI *roti canai* will be sold in Malaysia by April 2019, while sales to U.S. consumers are expected to commence in June 2019.

GI Lite has had a favorable sensory testing by Kawan Food, and Kawan Food is now starting low GI testing. The GI indicates the rate at which foods containing carbohydrates raise human blood sugar levels, with a lower score indicating healthier food. A diet high in carbohydrates is linked to diabetes, heart disease, obesity, poor energy levels, food cravings and drowsiness.

Based on Holista’s previous laboratory trials, the companies expect to produce *roti canai* with a GI range. Holista is targeting the same results it achieves with flatbread, levels being about 40% lower than the current global average reading of 70 for flatbreads. The low-GI *roti canai* will also have lower fat content. Research and product trials are planned to begin this month. The testing will be done in the University of Sydney as per international standards for Glycemic Index.

Kawan Food is a major supplier of frozen ethnic food with main product categories such as bakery, bun, chapatti, dessert, finger food, frozen vegetable, paratha and spring roll pastry. It currently exports to approximately forty (40) countries including US, Canada, UK, France, Australia and United Arab Emirates (“UAE”). Kawan Food is listed on the Malaysian Stock Exchange. It has been since 2005.

Roti canai, a breakfast favorite and staple food in Malaysia, contains significant amounts of calories and fats, exacerbating the existing problem of obesity in the country. According to the Economic Intelligence Unit, Malaysia is Asia’s most obese nation with a 13.3% obesity rate.

Dato' Dr. Rajen Manicka, Managing Director and CEO of Holista, said: "We are excited to announce our partnership with Kawan Food, a home-grown producer and supplier of some of Malaysia's favourite food. Our low-GI versions of this popular staple food will help to address the growing problem of obesity and diabetes in Malaysia and abroad."

Holista's clean-label (all-natural) formula comprises 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 or texture.

Mr. Timothy Tan, Managing Director of Kawan Food, said, "We are proud to work with Holista to be the first in the world to offer healthy flatbreads such as *roti canai*, effectively carving out a new niche in the food ingredients sector in Malaysia and beyond."

END OF PRESS RELEASE

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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,

**HOLISTA
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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.