

Why the Holista CollTech share price is climbing higher today

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The **Holista CollTech Limited** (ASX: HCT) share price is bucking the wider market sell-off today after the company announced the acquisition of an advanced skin ingredient.

Holista CollTech is a natural wellness company that operates across 3 main divisions: dietary supplements and personal care, food ingredients, and ovine (sheep) collagen.

In the recent **COVID-19** environment, the company's personal care division has been in the spotlight.

Holista has a global collaboration with Path-Away, a plant-based solution that has been proven to kill a broad spectrum of microbes. The solution is an active ingredient in Holista's proprietary sanitiser, NatShield, which is also being developed as a nasal balm.

Back in April, Holista announced that Path-Away had been tested in the UK and was found to be more than 99.99% effective against the feline coronavirus, a surrogate of COVID-19.

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This morning, Holista announced it has fully acquired the technology of Protectene from Global Infection Control Consultants (GICC), the same company that develops Path-Away.

Protectene is a skin stabiliser for cosmetic applications that maintains all the basic features of Path-Away. However, it is a special formulation that reportedly lasts longer and is more gentle on the skin.

Additionally, Protectene has been developed to sanitise the human skin, including nasal membranes. This makes it relevant for Holista's nasal balm which is currently under development.

As such, Protectene will be included in all future formulations of NatShield for personal use, including the nasal sanitising balm.

Under the agreement, Holista will now own the trademark Protectene and all the rights to use it, including the domains. In terms of production, however, Protectene will still be manufactured by GICC at its exclusive facility in South Carolina.

As part of the deal, Holista intends to grant GICC two million options with an exercise price of 20 cents each, expiring 31 December 2020. However, this is subject to shareholder approval at Holista's upcoming AGM which is likely to be held in the last week of July.

Management commentary

Speaking to the differences between Path-Away and Protectene, Dr Arthur Martin, president of GICC, said:

"While Path-Away has applications for a myriad of uses – human, veterinary, agricultural and environmental – and spans many industries, Protectene is designed specifically for human skin, making it ideal for those with sensitive skin or part of the human body such as nasal membranes."

And as for Holista's plans for Protectene, CEO Dr Rajen Manicka said:

"We intend to offer Protectene™ as a more specialised ingredient that uses it exclusively for the NatShield™ brand . We are confident that Protectene will be a unique differentiator."

At the time of writing, the Holista CollTech share price has jumped 3.70% to 14 cents per share. This rise takes the company's current market capitalisation to around \$38 million, while year-to-date gains are sitting at 77.22%.