

# Holista receives maiden orders from Costanzo's Bakery for US launch

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**Holista Colltech Limited's (ASX:HCT)** US subsidiary, Holista Foods Inc., has received initial purchase orders for GI Lite Bread Premix as Costanzo's Bakery, Inc prepares to launch the world's lowest low Glycemic Index (GI) clean label white bread using Holista's technology in the North American market.

The orders, which total ~US\$220,000 were placed by Caldic Canada Inc. which is managing the supply chain and blending for Costanzo's.

Costanzo's is a leading baked goods supplier to supermarkets and bakeries in the US and Canada, and it plans to sell the healthier clean label all natural low GI bread from January 2021.

Holista expects to deliver around a third of the purchase orders before the end of calendar 2020 with the balance scheduled for delivery by the first quarter of next year.

The company said it expects a ramp-up in subsequent orders as Costanzo's is committed to ordering 165 tons of GI Lite, worth approximately US\$1.9 million, in the first year of its three-year exclusive license and commercial agreement with Holista.

The annual minimum order will increase by 33% to 220 tons (circa US\$2.5 million) in the second and third years of the agreement, which was announced to the market on October 1, 2020.

"We have received very good early feedback on our soon to be released low GI clean label all natural white bread. Given the rising incidences of diabetes and obesity worldwide, we are excited to bring this healthy option to the North American market," said Costanzo's chief executive officer, Angelo Costanzo III.

"With our successful scientific and taste tests, we are confident that this product will be well-received by the consumers."

Dr Rajen Manicka, CEO of Holista Colltech, said clean label all natural white bread made with GI Lite recorded a GI score of 46, according to independent testing by the University of Sydney. This is significantly lower than the reading of 70 for most white breads.

GI is a measure by which food products are ranked according to their impact on blood sugar levels. The lower the GI, the more time it takes for the glucose to be digested and absorbed into the bloodstream. The higher the GI, the faster it digests, which causes a spike in blood sugar levels and is a known contributor to diabetes.

GI Lite is made from a blend of okra, barley, lentils and fenugreek. It does not affect taste, mouthfeel or food production methods. When mixed with white flour, it lowers the GI reading of the final product without compromising taste or texture.

“ Using our technology, Costanzo’s is able to manufacture the world’s lowest GI clean label all natural white bread that is made 100% from natural ingredients,” said Dr Manicka said.

"We are elated to be partnering with Costanzo's given their 87-year track record in the North American market and their extensive network of customers. The feedback we have received so far gives us confidence that we can successfully expand our sales in Australia and internationally."