

**Viscofan SA**

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RELEVANT INFORMATION

**Comisión Nacional del Mercado de
Valores
(Att. Director de Mercados Secundarios)
Edison, 4.
28006 Madrid.**

Viscofan acquires Nitta Casings for 13.5 million US\$.

Tajonar, 19th December 2019

Dear sirs,

Viscofan Group (VIS:SM) has reached an agreement to acquire the casing collagen division from the Japanese Group Nitta Gelatin Inc. (4977:JP), a public company listed in Tokyo Stock Market specialized in the production and distribution of collagen products for the pharmaceutical, food and industrial sectors.

This agreement includes the cash acquisition of 100% of Nitta Casings Inc. in United States and 100% of Nitta Casings (Canada) Inc. in Canada for an Enterprise Value of 13.5 million US\$ equivalent to 9.0x estimated annual EBITDA. An additional payment of 1.5 million US\$ could be paid in 2021 if EBITDA for 2020 reaches 1.8 million US\$ (8,3x EBITDA). Viscofan has paid 2.8 million US\$ in cash and incorporated 10.7 million US\$ as debt and pensions liabilities.

Nitta Casings has been owned by Nitta Gelatin Group since 1996 and has become one of the leading brands in the production of collagen casings for the North American market with annual sales of 40 million US\$. The acquired companies have an extrusion manufacturing center of collagen in New Jersey (United States) and a converting center in Ontario (Canada) with a product portfolio that includes collagen casings, collagen gel and biomedical products based in collagen.

Sincerely yours,
José Antonio Canales
CEO
Viscofan Group

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This document may contain additional non-compulsory forward-looking statements on intentions or expectations of the Company as of the date of its publication whose only purpose is to provide further information on perspectives on future performance.

Such forward-looking statements do not constitute any guarantee of future performance and involve risks and uncertainties as well as other important factors that could cause actual developments or results to differ essentially from those expressed in our forward-looking statements.

Analysts and investors in particular as well as any other persons or entities who must take decisions or give advice on investments in the Company should not place undue reliance on those forward-looking statements.

The financial information contained in this document has been prepared under International Financial Reporting Standards (IFRS). This financial information is unaudited and, therefore, subject to potential future modifications.