

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934  
Date of Report (Date of earliest event reported): March 31, 2021

**UNION ACQUISITION CORP. II**  
(Exact name of registrant as specified in its charter)

Cayman Islands  
(State or other jurisdiction of incorporation)  
1425 Brickell Ave., #57B  
Miami, FL  
(Address of principal executive offices)

001-39089  
(Commission File Number)

N/A  
(I.R.S. Employer Identification No.)  
33131  
(Zip Code)

Registrant's telephone number, including area code: (212) 981-0630

Not Applicable  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)  
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)  
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))  
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Title of each class	Trading Symbol	Name of each exchange on which registered
Units, each consisting of one ordinary share and one redeemable warrant	LATNU	The Nasdaq Stock Market LLC
Ordinary Shares, par value \$0.0001 per share	LATN	The Nasdaq Stock Market LLC
Redeemable warrants, exercisable for ordinary shares at an exercise price of \$11.50 per share	LATNW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

### **Item 1.01 Entry into a Material Definitive Agreement.**

On March 31, 2021, Union Acquisition Corp. II (the “Registrant” or “SPAC”), Crynsen Pharma Group Limited, a private limited liability company registered and incorporated under the laws of Malta (the “Company”), Procaps Group, S.A., a public limited liability company (*société anonyme*) governed by the laws of the Grand Duchy of Luxembourg (“Holdco”) and OZLEM Limited, an exempted company incorporated under the laws of the Cayman Islands entered into a Business Combination Agreement (the “Business Combination Agreement”). As a result of the transactions contemplated by the Business Combination Agreement (the “Transactions”), each of SPAC and the Company will become direct wholly-owned subsidiaries of Holdco and each of the shareholders of the Company and the shareholders of SPAC will become holders of issued and outstanding ordinary shares of Holdco.

Concurrently with the execution of the Business Combination Agreement, SPAC, Union Group International Holdings Limited (“UGI”) and Union Acquisition Associates II, LLC (“UAA” and collectively with UGI, the “Sponsors”), the Company, Holdco, certain shareholders of the Company and certain holders of ordinary shares of SPAC, par value \$0.0001 per share (“SPAC Ordinary Shares”) and warrants to purchase SPAC Ordinary Shares (the “SPAC Investors”) entered into a Transaction Support Agreement (the “Transaction Support Agreement”) pursuant to which, among other things, the Sponsors and the SPAC Investors have agreed to take certain actions to support the Transactions.

Concurrently with the execution of the Business Combination Agreement, SPAC also entered into separate subscription agreements (collectively, the “Subscription Agreements”), dated March 31, 2021, with certain investors (collectively, the “PIPE Investors”), pursuant to, and on the terms and subject to the conditions of which, the PIPE Investors have collectively subscribed for an aggregate of 10,000,000 SPAC Ordinary Shares (the “Subscribed SPAC Ordinary Shares”) for a purchase price of \$10.00 per SPAC Ordinary Share and an aggregate purchase price of \$100,000,000 (the “PIPE Investment”). The PIPE Investment will be consummated, and the Subscribed SPAC Ordinary Shares will be exchanged for ordinary shares of Holdco, substantially concurrently with the closing of the business combination contemplated by the Business Combination Agreement.

A copy of the Business Combination Agreement, the Transaction Support Agreement and the form of the Subscription Agreements will be filed by amendment on Form 8-K/A to this Current Report on Form 8-K (“Current Report”) within four business days of the date hereof, and the foregoing description of each of the Business Combination Agreement, the Transaction Support Agreement and the Subscription Agreements is qualified in its entirety by reference thereto.

### **Item 3.02 Unregistered Sales of Equity Securities.**

The disclosure set forth above in Item 1.01 of this Current Report with respect to the PIPE Investment is incorporated by reference in this Item 3.02. The SPAC Ordinary Shares to be issued in connection with the PIPE Investment will not be registered under the Securities Act of 1933, as amended (the “Securities Act”) in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act and/or Regulation D promulgated thereunder.

### **Item 7.01 Regulation FD Disclosure.**

On March 31, 2021, SPAC and the Company issued a joint press release announcing the execution of the Business Combination Agreement, which is attached hereto as Exhibit 99.1 and incorporated by reference herein. The investor presentation dated March 2021 that SPAC and the Company have prepared for use in connection with the announcement of the Transactions is attached hereto as Exhibit 99.2 and incorporated by reference herein.

The information in this Item 7.01, including Exhibits 99.1 and 99.2, shall not be deemed to be filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise be subject to the liabilities of that section, nor shall it be deemed to be incorporated by reference in any filing under the Securities Act or the Exchange Act.

### **Additional Information and Where to Find It**

In connection with the Transactions, Holdco is expected to file a registration statement on Form F-4 with the SEC that will include a proxy statement of SPAC that will also constitute a prospectus of Holdco. Each of SPAC and Holdco urge investors, stockholders and other interested persons to read, when available, the Form F-4, including the preliminary proxy statement/prospectus and amendments thereto and the definitive proxy statement/prospectus and documents incorporated by reference therein, as well as other documents filed with the SEC in connection with the Transactions, as these materials will contain important information about Holdco, the Company, SPAC and the Transactions. Such persons can also read SPAC’s Annual Report on Form 10-K for the fiscal year ended September 30, 2020, for a description of the security holdings of SPAC’s officers and directors and their respective interests as security holders in the consummation of the Transactions. When available, the definitive proxy statement/prospectus will be mailed to SPAC’s and its shareholder. Shareholders will also be able to obtain copies of such documents, without charge, once available, at the SEC’s website at [www.sec.gov](http://www.sec.gov), or by directing a request to: Union Acquisition Corp. II, 1425 Brickell Ave., #57B, Miami, FL 33131 or Procaps Group, S.A., 9 rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg.

### ***Participants in Solicitation***

SPAC, Holdco and the Company and their respective directors, executive officers and other members of their management and employees, under SEC rules, may be deemed to be participants in the solicitation of proxies of SPAC's shareholders in connection with the Transactions. Investors and security holders may obtain more detailed information regarding the names, affiliations and interests of SPAC's directors and executive officers in SPAC's Annual Report on Form 10-K for the fiscal year ended September 30, 2020, which was filed with the SEC on December 30, 2020. Information regarding the persons who may, under SEC rules, be deemed participants in the solicitation of proxies of SPAC's shareholders in connection with the Transactions will be set forth in the proxy statement/prospectus for the Transactions when available. Information concerning the interests of SPAC's participants in the solicitation, which may, in some cases, be different than those of SPAC's equity holders generally, will be set forth in the proxy statement/prospectus relating to the Transactions when it becomes available.

### ***Forward-Looking Statements***

This Current Report contains certain forward-looking statements within the meaning of the federal securities laws, including statements regarding the benefits of the Transactions, the anticipated timing of the Transactions, the products offered by the Company and the markets in which it operates, and Holdco's projected future results. Forward-looking statements may be identified by the use of words such as "forecast," "intend," "seek," "target," "anticipate," "believe," "expect," "estimate," "plan," "outlook," and "project" and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. Such forward-looking statements also include projected financial information, including Adjusted EBITDA margin and free cash flow; the expected gross cash proceeds from the transaction; expected future capitalization; the expected listing of the shares of Holdco and the closing of the transaction; expectations relating to Holdco's ability to invest in growth and new product categories and capitalize on favorable regional dynamics through organic and inorganic growth; estimated product launches in next three years; belief that Holdco will be sufficiently capitalized to provide innovative solutions and drive growth initiatives; and expected synergies through innovation, economies of scale and lower cost of capital. Such statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and are based on management's belief or interpretation of information currently available. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. Many factors could cause actual future events to differ materially from the forward-looking statements in this document, including, but not limited to: (i) the risk that the transaction may not be completed in a timely manner or at all, which may adversely affect the price of SPAC's securities, (ii) the risk that the transaction may not be completed by SPAC's business combination deadline and the potential failure to obtain an extension of the business combination deadline if sought by SPAC, (iii) the failure to satisfy the conditions to the consummation of the Transactions, including the adoption of the Business Combination Agreement by the stockholders of SPAC and the Company, the satisfaction of the minimum trust account amount following redemptions by SPAC's public stockholders and the receipt of certain governmental and regulatory approvals, (iv) the lack of a third party valuation in determining whether or not to pursue the Transactions, (v) the occurrence of any event, change or other circumstance that could give rise to the termination of the Business Combination Agreement, (vi) the impact of COVID-19 on the Company's business and/or the ability of the parties to complete the Transactions; (vii) the effect of the announcement or pendency of the Transactions on the Company's business relationships, performance, and business generally, (viii) risks that the Transactions disrupt current plans and operations of the Company and potential difficulties in the Company's employee retention as a result of the Transactions, (ix) the outcome of any legal proceedings that may be instituted against the Company, Holdco or SPAC related to the Business Combination Agreement or the Transactions, (x) the ability to maintain the listing of SPAC's securities on the NASDAQ Stock Market, (xi) the price of SPAC's and the post-combination company's securities may be volatile due to a variety of factors, including changes in the competitive and highly regulated industries in which the Company operates, variations in performance across competitors, changes in laws and regulations affecting the Company's business and changes in the combined capital structure, (xii) the ability to implement business plans, forecasts, and other expectations after the completion of the Transactions, and identify and realize additional opportunities, (xiii) the risk of downturns and the possibility of rapid change in the highly competitive industry in which the Company operates, (xiv) the risk that the Company and its current and future collaborators are unable to successfully develop and commercialize the Company's products, or experience significant delays in doing so, (xv) the risk that the post-combination company may never achieve or sustain profitability; (xvi) the risk that the post-combination company will need to raise additional capital to execute its business plan, which may not be available on acceptable terms or at all; (xvii) the risk that the post-combination company experiences difficulties in managing its growth and expanding operations, (xviii) the risk that third-party suppliers and manufacturers are not able to fully and timely meet their obligations; (xix) the risk of product liability or regulatory lawsuits or proceedings relating to the Company's products and services; (xxii) the risk that the Company is unable to secure or protect its intellectual property; and (xxiii) the risk that the post-combination company's securities will not be approved for listing on the NASDAQ Stock Market or if approved, maintain the listing. The foregoing list of factors is not exhaustive. You should carefully consider the foregoing factors and the other risks and uncertainties described in the "Risk Factors" section of SPAC's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, the registration statement on Form S-1 related to SPAC's initial public offering, the proxy statement/prospectus discussed above and other documents filed by SPAC from time to time with the SEC. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and Holdco, the Company and SPAC assume no obligation and do not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise. Neither Holdco, the Company nor SPAC gives any assurance that either Holdco, the Company or SPAC will achieve its expectations.

### ***No Offer or Solicitation***

This Current Report is not a proxy statement or solicitation of a proxy, consent or authorization with respect to any securities or in respect of the Transactions and shall not constitute an offer to sell or a solicitation of an offer to buy the securities of SPAC, the Company or Holdco, nor shall there be any sale of any such securities in any state or jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of such state or jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act, or exemptions therefrom.

**Item 9.01. Financial Statements and Exhibits**

**(d) Exhibits.**

The Exhibit Index is incorporated by reference herein.

**EXHIBIT INDEX**

<b>Exhibit No.</b>	<b>Description</b>
99.1	<a href="#"><u>Joint Press Release of SPAC and the Company, dated March 31, 2021</u></a>
99.2	<a href="#"><u>Investor Presentation of SPAC and the Company, dated March 2021</u></a>

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: March 31, 2021

Union Acquisition Corp. II

By: /s/ Kyle P. Bransfield

Name: Kyle P. Bransfield

Title: Chief Executive Officer



**Procaps Group, a Leading Global Pharmaceutical Technology and Healthcare Company Based in Latin America, Going Public via Merger with Union Acquisition Corp II**

- Procaps Group is a family-owned Latin American pharmaceutical company established over 40 years ago that has grown into a leading integrated pharma company with a presence in 13 countries and product reach in 50 markets modernizing oral drug delivery technology and manufacturing capabilities.
  - Procaps Group's state-of-the-art manufacturing capabilities provide innovative delivery technologies protected by an extensive IP moat and supported by industry accolades such as the first FDA-approved pharmaceutical plant in South America for selling Rx products into the U.S.
  - Procaps Group today is the largest pharmaceutical contract development and manufacturing organization "CDMO" in Latin America and top 3 globally in terms of volume of softgel production capacity.
  - Procaps Group currently employs 5,000 people across 13 countries with a strong history and focus on ESG principles including resource-saving policies, HR and social programs and corporate policies.
  - Procaps Group generated gross revenue of \$388 million and Adjusted EBITDA of \$90 million in 2020 and is on track to reach \$436 million in gross revenue and \$105 million in Adjusted EBITDA in 2021. Procaps Group expects full-year Adjusted EBITDA margin expansion from 22% in 2019 to 26% in 2021 with strong positive free cash flow. Approximately 44% of Procaps Group revenue in 2020 was USD-denominated.
  - Transaction represents the first ever Latin American focused SPAC to include a fully committed and over-subscribed SPAC-related ordinary share PIPE.
  - Transaction is expected to enable further investment in growth and new product categories and positions Procaps Group to capitalize on favorable regional dynamics through organic growth in B2B & B2C segments.
  - Transaction also positions the Company to drive inorganic growth through a roll-up strategy focused on mid-sized companies in the region. The Company's M&A plan will focus on pharma and CDMO targets, as well as the possibility for transformational acquisitions in the future.
  - Transaction represents attractive entry valuation at 10.75X estimated 2021 EV/EBITDA multiple versus global CDMO and pharmaceutical industry comparable companies.
  - Combined Company to have an implied initial enterprise value of approximately \$1.1 billion, and expected to have an estimated \$300 million in gross cash proceeds after closing, including a \$100 million fully committed PIPE.
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- Combined Company strategically positions Procaps Group as a differentiated Latin American integrated pharma company leveraging a proprietary and proven M&A strategy that has the potential to deliver significant Adjusted EBITDA growth and margin expansion.
- The PIPE was raised from a broad group of Latin American investors, healthcare investors and thought leaders. These include pan-regional funds such as Compass Group and Moneda Asset Management, as well as Chilean-based Consorcio Seguros, among several other unnamed global and healthcare investors.
- Transaction is expected to close in the third quarter of 2021, with the Combined Company expected to be listed on the Nasdaq Capital Market under the symbol "PROC."
- A joint investor conference call to discuss the proposed transaction will be conducted today, March 31, 2021, at 11:00 AM Eastern time.

**NEW YORK, NY & BARRANQUILLA, COLOMBIA – March 31, 2021** – Union Acquisition Corp. II (NASDAQ: LATN) ("LATN"), a special purpose acquisition company founded by Kyle P. Bransfield, today announced execution of a definitive business combination agreement along with a fully committed PIPE financing agreement with Procaps Group, a leading integrated international healthcare and pharmaceutical company, its newly created wholly-owned subsidiary, Procaps Group, S.A. (the "Company"), and the Company's wholly-owned Cayman Island subsidiary (the "Merger Sub"). Following a series of transactions pursuant to the business combination agreement, Procaps Group and LATN will ultimately become wholly-owned subsidiaries of the Company (the "Combined Company").

The Combined Company will be led by Ruben Minski, Founder, Chairman of the Board and Chief Executive Officer of Procaps Group. The Company's ordinary shares (the "Procaps Ordinary Shares") are expected to be listed on the Nasdaq Capital Market under the ticker symbol "PROC."

A group of leading investors has committed to participate in a PIPE to acquire \$100 million of ordinary shares of LATN at \$10.00 per share that will close simultaneously with the business combination. The Combined Company will also receive up to \$200 million held in LATN's trust account at closing of the transaction, subject to any redemptions by existing LATN shareholders. Additionally, all Procaps Group shareholders' Procaps Ordinary Shares will be subject to a 6-month lock-up, subject to certain exceptions discussed in further detail below.

Alejandro Weinstein is a London-based serial healthcare entrepreneur who will serve as chairman of a newly-formed M&A committee, and take a leadership position in guiding the Combined Company's M&A roll-up strategy.

#### **Procaps Group Highlights**

1. Founded in 1977, Procaps is a leading integrated international healthcare and pharmaceutical company with a successful history of growth and diversification.
  - Largest pharmaceutical integral CDMO ("iCDMO") in Latin America and top 3 preferred supplier globally in terms of volume of softgel production capacity.

- Proprietary portfolio of branded Rx and OTC products and services sold, distributed or provided to over 50 markets with a focus on differentiated, strong margin and high barrier to entry products.
- Extensive scientific expertise and robust pipeline with more than 500 formulations, developing more than 50 products per year with in-house R&D.
- Vertically and horizontally integrated to provide oral drug delivery technology and manufacturing capabilities at premium prices at competitive costs.
- 6 state-of-the-art manufacturing facilities in Latin America including first FDA-approved pharmaceutical plant in South America for selling Rx products into the U.S.
- Employs over 5,000 people across 13 countries with highly accomplished management team.
- Over 30 patents granted (over 50 pending) and over 5,000 trademarks.

## 2. Business Units/Product Lines

- Softigel - iCDMO services specializing in Soft Gelatin Capsules (SGC) and derivative technologies.
- Farma - Formulates, manufactures and markets branded prescription drugs.
- Clinical Specialties - Develops, manufactures and markets high-complexity drugs for hospital use.
- VitalCare - Develops, manufactures and markets OTC consumer healthcare products.
- Diabetics - Provides integrated diabetes solutions.

## 3. A leading regional player with strong diversification by product and geography positioned to drive regional consolidation.

- Approximately 44% of Procaps revenue in 2020 was USD-denominated.
- A leading player in both Colombia and Central America, which combined represents one of the largest pharma markets in Latin America.
- Well positioned in key markets with attractive growth prospects due to favorable regional dynamics.

## 4. Focus on organic and inorganic growth with increased margin expansion through agile business model that identifies and maximizes growth and time-to-market.

- Over 600 new product launches estimated in the next 3 years.
- Working capital investment improves liquidity position to obtain important cost efficiencies.
- Growth from existing portfolio and entrance into new therapeutic areas – products with significant growth potential accelerate the current e-Health platform.
- Internationalization of existing portfolio - on-going efforts to expand footprint of successful products outside of Colombia.



- Development of new, innovative pharma solutions - reliable and recognized track record on the development of new oral delivery technologies.
- Organic growth through capital deployed to capex improvement including:
  - o Capacity expansion of new lyophilization production lines
  - o Plant and operational improvements
  - o Improve automatization processes
- Inorganic growth through established M&A platform with a 43-year proven track record.
- Procaps Group positioned to capitalize on favorable regional dynamics through M&A
  - o Emerging pharma markets are fragmented – 2<sup>nd</sup> & 3<sup>rd</sup> generation families
  - o Synergies through innovation and economies of scale
  - o Sector expertise and technical knowledge
  - o Lower cost of capital and access to capital markets
- Alejandro Weinstein appointed Chairman of M&A Committee to lead roll-up strategy of mid-sized companies in Latin America.
  - o Pharma targets in Mexico, Central America and the Andean Region
  - o CDMO targets in Mexico and Brazil
  - o Key development areas including telehealth and digital health; ophthalmic products and therapeutic areas; and novel and orphan drug portfolios.

“For more than 40 years, Procaps has developed integral pharmaceutical solutions for people’s health, which has led it to become an important player within the Latin American pharmaceutical market,” said Ruben Minski, Procaps Founder, Chairman and Chief Executive Officer. “We are very pleased to have support from top-tier investors, and access to the U.S. capital markets following the closing of this proposed transaction, which we believe will leave Procaps well-capitalized to provide our innovative pharmaceutical solutions to our global customers and drive our growth initiatives. Moreover, a key milestone was achieved in the transaction as it represents the first LatAm SPAC to have an over-subscribed PIPE in place from very sophisticated South American healthcare investors and U.S. based funds. This demonstrates the immense value they see in Procaps Group when you consider our discounted EV to EBITDA multiple versus industry comparables in the global CDMO sector and the combination of our strategic M&A strategy led by Alejandro Weinstein, a proven pharmaceutical rollup expert.

“With our strong history and focus on Environmental, Social and Governance principles, we are confident we can provide shareholders with a multi-pronged investment alternative that supports today’s healthcare needs and accomplishes this utilizing a sustainable footprint that we believe will deliver long-term value to your investment in Procaps. We look forward to opening a new chapter on our story that leverages:

1. Our global reach;
2. In-house R&D capabilities driving attractive growth opportunities;
3. Leading integrated pharmaceutical CDMO specialized in softgels;
4. Our proprietary portfolio of branded Rx and OTC products;
5. Strategic positioning to capitalize on favorable regional dynamics; and
6. A 43-year proven track record of growth and diversification with a strong top-line and free cash flow financial profile,” concluded Minski.



Kyle P. Bransfield, CEO of Union Acquisition Corp. II added, “Procaps has built a strong foundation for growth by its tested business strategy. Our business combination will fuel this expansion, with a significant focus on a strategic roll-up strategy that we believe will drive an accelerated competitive position and value creation. Regional emerging pharma markets are fragmented, and greenfield pharma projects in big emerging markets are slow and expensive. Accretive acquisitions in key development areas will create synergies through innovation and economies of scale and lower the cost of capital through diversification both geographically and by business units,” concluded Bransfield.

Procaps Group has assembled a seasoned team of over 5,000 employees, consisting of scientists, clinical, manufacturing, regulatory and commercial experts. Following the closing of the transaction, Mr. Minski and Mr. Bransfield will be joined by certain board members of Procaps Group to form the Combined Company’s board of directors.

#### **Key Transaction Terms**

- Pursuant to the terms of the business combination agreement: (i) LATN will merge with the Merger Sub and LATN’s ordinary shares and warrants to purchase ordinary shares of LATN will be exchanged for Procaps Ordinary Shares and warrants to purchase Procaps Ordinary Shares, respectively; and (ii) the current shareholders of Crynsen Pharma Group Limited (“Procaps Group”) will contribute all of their shares of Procaps Group to the Company in exchange for Procaps Ordinary Shares and, in the case of the International Finance Corporation (“IFC”), one of Procaps Group’s shareholders, Procaps Ordinary Shares and redeemable B shares of the Company, resulting in Procaps Group becoming a wholly-owned subsidiary of the Company following the consummation of such exchanges (i.e., the Combined Company).
- Under the terms of the proposed transaction, Procaps Group’s shareholders will receive an aggregate of 97.1 million Procaps Ordinary Shares and, in addition to Procaps Ordinary Shares, IFC will receive 6 million redeemable B shares of the Company, in exchange for their existing Procaps Group ordinary shares, as contemplated by the terms of the business combination agreement.
- All Procaps Group shareholders’ Procaps Ordinary Shares will be subject to a 6-month lock-up, with the exception of 4 million Procaps Ordinary Shares held by certain Procaps Group shareholders, which will be subject to a shorter lock-up expiring on the earlier to occur of the date that is 90 days from the date of the consummation of the business combination and the date which the last sale price of the Procaps Ordinary Shares equals or exceeds \$12.00 per share for any 20 trading days within any 30-day trading period.
- Of the Procaps Ordinary Shares issued to the Procaps Group shareholder in the exchange described above, 10,464,612 Procaps Ordinary Shares will be placed into an escrow account at closing of the transaction (the “Procaps Escrowed Shares”). 50% of the Procaps Escrowed Shares will be released to Procaps Group’s shareholders if the last sale price of the Procaps Ordinary Shares equals or exceeds \$12.50 per share for any 20 trading days within any 30-day trading period and the remaining 50% will be released to Procaps Group’s shareholders if the last sale price of the Procaps Ordinary Shares equals or exceeds \$13.00 per share for any 20 trading days within any 30-day trading period.

- As part of the transaction, LATN's founders have agreed to forfeit 2,875,000 of their private warrants. LATN's founders have also agreed to place 2,875,000 of the private warrants of the Combined Company they will receive in the business combination and 1,250,000 Procaps Ordinary Shares into an escrow account (together with the Procaps Ordinary Shares issuable upon exercise of the escrowed private warrants, the "LATN Escrowed Shares"). 50% of the escrowed warrants and 50% of LATN Escrowed Shares will be released to LATN's founder if the last sale price of the Procaps Ordinary Shares equals or exceeds \$12.50 per share for any 20 trading days within any 30-day trading period, and the remaining 50% of the escrowed warrants and LATN Escrowed Shares will be released to the LATN founders if the last sale price of the Procaps Ordinary Shares equals or exceeds \$13.00 per share for any 20 trading days within any 30-day trading period. For the avoidance of doubt, any Procaps Ordinary Shares released from escrow will remain subject to any applicable lock-up. The owners of the Procaps Escrowed Shares and the LATN Escrowed Shares (together, the "Escrowed Shares") will retain their economic interests (such as rights to cash dividends, if any) in, and be able to vote, such Escrowed Shares while they remain in escrow.
- The Combined Company is expected to receive gross proceeds of approximately \$300 million at the closing of the transaction assuming no redemptions by LATN's shareholders. Net proceeds to the Combined Company are expected to be approximately \$215 million after transaction-related expenses and the redemption of the 6 million redeemable B shares of the Company held by IFC for a total cash payment of \$60 million. Use of net proceeds would be to fund organic growth and consummate accretive acquisitions.
- In addition to the \$200 million held in LATN's trust account (assuming no redemptions by LATN's shareholders), an additional group of top-tier healthcare investors has committed to participate in the transaction through an ordinary share PIPE of \$100 million at \$10 per share. As noted, this transaction represents the first ever Latin American focused SPAC to include a fully committed and over-subscribed SPAC-related ordinary share PIPE.
- Assuming no redemptions by LATN's shareholders, excluding the Escrowed Shares and following the redemption of certain Procaps shares held by the IFC, it is estimated that the current shareholders of Procaps will own approximately 71% of the issued and outstanding shares in the Combined Company at closing.
- Transaction value will be 10.75x EV/2021E Adjusted EBITDA, implying an estimated pro forma enterprise valuation of US\$ 1.1 billion based on an estimated Adjusted EBITDA for 2021 of \$105 million and excluding the Escrowed Shares.
- Post-transaction pro forma Net Debt/Adjusted EBITDA reduced from 2X 2020 to minimal net debt 2021, assuming no redemptions and excluding the Escrowed Shares.
- As part of the transaction, the Procaps Group's current management and existing equity holders will roll nearly 100% of their equity into the Combined Company. All shareholders from the families will not have any secondary redemptions from the gross proceeds received. The transaction is expected to close in the third quarter of 2021.



The transaction has been approved by each of LATN's and Procaps Group's Board of Directors. The transaction is subject to the approval of LATN and Procaps shareholders and other customary conditions and is expected to close in the third quarter of 2021.

Additional information about the transaction will be provided in a Current Report on Form 8-K that will contain an investor presentation to be filed by LATN with the Securities and Exchange Commission ("SEC") and will be available at [www.sec.gov](http://www.sec.gov). In addition, LATN intends to file a registration statement on Form F-4 with the SEC, which will also include a proxy statement/prospectus, and will file other documents regarding the proposed transaction with the SEC.

#### **Advisors**

BTG Pactual acted as sole placement agent on the PIPE and financial advisor to LATN. Cantor Fitzgerald acted as capital markets advisor to LATN. Greenhill & Co., LLC acted as financial and capital markets advisor to Procaps Group. Linklaters LLP acted as legal counsel to LATN and Greenberg Traurig, LLP acted as legal counsel to Procaps Group in the transaction.

#### **Conference Call Details**

Procaps Group Chief Executive Officer Ruben Minski, Procaps Group Board Member & Chairman of M&A Committee Alejandro Weinstein and Union Acquisition Corp. II Chief Operating Officer Daniel Fink will host the conference call. The conference call will be accompanied by a presentation, which can be viewed during the webcast or accessed via the investor relations section of Procaps' website [here](#).

To access the call, please use the following information:

Date:	Wednesday, March 31, 2021
Time:	11:00 a.m. EST, 8:00 a.m. PST
Toll Free dial-in number:	1-877-407-9716
Toll/International dial-in number:	1-201-493-6779
Conference ID:	13718102

Please call the conference telephone number 5-10 minutes prior to the start time. An operator will register your name and organization. If you have difficulty connecting with the conference call, please contact MZ Group at +1 (949) 491-8235.

The conference call will be broadcast live and available for replay at <http://public.viavid.com/index.php?id=144110> and via the investor relations section of Procaps' website [here](#).

A replay of the call will be available for one year following the conference.

Toll Free Replay Number:	1-844-512-2921
International Replay Number:	1-412-317-6671
Replay ID:	13718102



### **About Procaps Group**

Procaps Group is a developer of pharmaceutical and nutraceutical solutions, medicines, and hospital supplies that reach more than 50 countries in all five continents. Procaps has a direct presence in 13 countries in Latin America and has more than 5,000 collaborators working under a sustainable model. Procaps develops, manufactures, and markets over-the-counter (OTC) and prescription drugs, nutritional supplements and high-potency clinical solutions. For more information, visit [www.procapsgroup.com](http://www.procapsgroup.com) or the Company's investor relations website [investor.procapsgroup.com](http://investor.procapsgroup.com).

### **About Union Acquisition Corp. II.**

Union Acquisition Corp. II, led by Kyle Bransfield, is a Cayman Islands exempted company incorporated as a blank check company for the purpose of entering into a merger, share exchange, asset acquisition, share purchase, recapitalization, reorganization or other similar business combination with one or more businesses or entities. For more information, please click [here](#).

### **Important Information About the Merger and Where to Find It**

In connection with the proposed transaction, the Company, a subsidiary of Procaps Group that will become the holding company of LATN and Procaps Group as of the closing of the proposed transaction, is expected to file a registration statement on Form F-4 (the "Form F-4") with the U.S. Securities and Exchange Commission (the "SEC") that will include a proxy statement of LATN that will also constitute a prospectus of the Company. LATN, Procaps Group and the Company urge investors, stockholders and other interested persons to read, when available, the Form F-4, including the preliminary proxy statement/prospectus and amendments thereto and the definitive proxy statement/prospectus and documents incorporated by reference therein, as well as other documents filed with the SEC in connection with the proposed transaction, as these materials will contain important information about Procaps Group, the Company, LATN and the proposed transaction. After the registration statement is declared effective, the definitive proxy statement/prospectus to be included in the registration statement will be mailed to shareholders of LATN as of a record date to be established for voting on the proposed business combination. Once available, shareholders will also be able to obtain a copy of the Form F-4, including the proxy statement/prospectus, and other documents filed with the SEC without charge, by directing a request to: BTG Pactual US Capital, LLC, Attention: Prospectus Department, Email: [OL-BTGPactual-ProspectusDepartment@btgpactual.com](mailto:OL-BTGPactual-ProspectusDepartment@btgpactual.com). The preliminary and definitive proxy statement/prospectus to be included in the registration statement, once available, can also be obtained, without charge, at the SEC's website ([www.sec.gov](http://www.sec.gov)).

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## Forward-Looking Statements

This press release contains “forward-looking statements.” Forward looking statements may be identified by the use of words such as “forecast,” “intend,” “seek,” “target,” “anticipate,” “believe,” “expect,” “estimate,” “plan,” “outlook,” and “project” and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. Such forward-looking statements include projected financial information, including Adjusted EBITDA margin and free cash flow; the expected gross cash proceeds from the transaction; expected future capitalization; the expected listing of the Ordinary Shares and the closing of the transaction; expectations relating to Procaps Group’s ability to invest in growth and new product categories and capitalize on favorable regional dynamics through organic and inorganic growth; estimated product launches in next three years; belief that Procaps Group will be sufficiently capitalized to provide innovative solutions and drive growth initiatives; and expected synergies through innovation, economies of scale and lower cost of capital. Such forward-looking statements with respect to revenues, earnings, performance, strategies, synergies, prospects, and other aspects of the businesses of LATN, Procaps Group, or the Combined Company after completion of any proposed business combination are based on current expectations that are subject to risks and uncertainties. A number of factors could cause actual results or outcomes to differ materially from those indicated by such forward-looking statements. These statements involve risks, uncertainties and other factors that may cause actual results, levels of activity, performance or achievements to be materially different from the information expressed or implied by these forward-looking statements. Although we believe that we have a reasonable basis for each forward-looking statement contained in this press release, we caution you that these statements are based on a combination of facts and factors currently known by us and our projections of the future, about which we cannot be certain. Forward-looking statements in this press release include, but are not limited to: (1) the inability to complete the transactions contemplated by the proposed business combination; (2) the inability to recognize the anticipated benefits of the proposed business combination, which may be affected by, among other things, competition, and the ability of the combined business to grow and manage growth profitably; (3) the inability to successfully retain or recruit officers, key employees, or directors following the proposed business combination; (4) effects on Union’s public securities’ liquidity and trading; (5) the market’s reaction to the proposed business combination; (6) the lack of a market for LATN’s securities; (7) LATN’s and Procaps Group’s financial performance following the proposed business combination; (8) costs related to the proposed business combination; (9) changes in applicable laws or regulations; (10) the possibility that LATN or Procaps Group may be adversely affected by other economic, business, and/or competitive factors; and (11) other risks and uncertainties indicated from time to time in documents filed or to be filed with the SEC by LATN. We cannot assure you that the forward-looking statements in this press release will prove to be accurate. These forward-looking statements are subject to a number of significant risks and uncertainties that could cause actual results to differ materially from expected results, including, among others, the ability to complete the business combination due to the failure to obtain approval from LATN shareholders or satisfy other closing conditions in the Business Combination Agreement, the occurrence of any event that could give rise to the termination of the Business Combination Agreement, the ability to recognize the anticipated benefits of the business combination, the outcome of any legal proceedings that may be instituted against LATN or Procaps Group following announcement of the proposed business combination and related transactions, the impact of COVID-19 on Procaps Group’s business and/or the ability of the parties to complete the business combination, the ability to obtain or maintain the listing LATN’s ordinary shares on Nasdaq following the proposed business combination, costs related to the proposed business combination, changes in applicable laws or regulations, the possibility that LATN or Procaps Group may be adversely affected by other economic, business, and/or competitive factors, and other risks and uncertainties, including those to be included under the header “Risk Factors” in the Form F-4 to be filed with the SEC and those included under the header “Risk Factors” in the final prospectus of LATN related to its initial public offering, as well as LATN’s other filings with the SEC. Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws. Accordingly, you should not put undue reliance on these statements.



**Non-Solicitation**

This press release is not a proxy statement or solicitation of a proxy, consent or authorization with respect to any securities or in respect of the proposed business combination and shall not constitute an offer to sell or a solicitation of an offer to buy any securities nor shall there be any sale of securities in any state or jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of the Securities Act.

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Chief Executive Officer  
Union Acquisition Corp. II  
(305) 306-2522



# Integrated Pharma Company Well Positioned to Drive Regional Consolidation

Procaps and Union Acquisition Corp.  
Present:

A Business Combination  
Between Procaps Group and  
Union Acquisition Corp. II

March 2021





# Disclaimer

## Use of Projections

This presentation was prepared for informational purposes only by Union Acquisition Corp. II ("Union," "UAC II," or "LATN") and Crynnsea Pharma Group Limited, a Maltese private limited liability company ("Procaps" or "Procaps Group") and contains financial forecasts with respect to certain financial metrics of Procaps. Neither Union's independent auditors, nor the independent registered public accounting firm of Procaps, audited, reviewed, compiled, or performed any procedures with respect to the projections for the purpose of their inclusion in this presentation, and accordingly, neither of them expressed an opinion or provided any other form of assurance with respect thereto for the purpose of this presentation. The financial forecasts and projections in this presentation were prepared by the management of Procaps, and these financial forecasts and projections should not be relied upon as being necessarily indicative of future results. Neither Union nor Procaps undertakes any commitment to update or revise the projections, whether as a result of new information, future events, or otherwise. In this presentation, certain of the above-mentioned projected information has been repeated (in each case, with an indication that the information is an estimate and is subject to the qualifications presented herein), for purposes of providing comparisons with historical data. The assumptions and estimates underlying the prospective financial information are inherently uncertain and are subject to a wide variety of significant business, economic, and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the prospective financial information. Accordingly, there can be no assurance that the prospective forecasts are indicative of the future performance of Union, Procaps or the combined company after completion of any proposed business combination or that actual results will not differ materially from those presented in the prospective financial information. Inclusion of the prospective financial information in this presentation should not be regarded as a representation by any person that the results contained in the prospective financial information will be achieved.

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## IFRS Audit and Financial Information

The financial statement information and data contained in this presentation for the fiscal years 2019 and 2020 have been derived from the financial statements of Procaps audited in accordance with the International Standards on Auditing (ISA) generally accepted in Colombia and prepared for a special purpose under modified International Financial Reporting Standards ("Modified IFRS"), and are subject to review as such financial statement are currently subject to a re-audit by Procaps' independent registered public accounting firm under the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and in accordance with the rules of the Public Company Accounting Oversight Board ("PCAOB"), and may be updated or modified in the final audited financial statements in the proxy statement with respect to the meeting of Union's stockholders relating to Union's business combination with Procaps and the related registration statement on Form F-4. While Union and Procaps do not anticipate that there will be material differences in the fiscal year 2019 and 2020 historical financial data presented for Procaps from the re-audited historical financial data prepared in accordance with IFRS as issued by the IASB and PCAOB standards, no assurance can be given that there will be any differences, material or otherwise. Accordingly, such information and data may not be included in or may be presented differently in any proxy statement/prospectus or registration statement to be filed by Union or Procaps with the SEC. The financial statement information and data contained in this presentation for the fiscal year 2018 has been derived from the financial statements of Procaps prepared and audited in accordance with Modified IFRS. The 2018 financial statements will not be re-issued under IFRS as issued by the IASB or re-audited in accordance with the rules of the PCAOB and will not be included in any proxy statement/prospectus or registration statement to be filed by Union or Procaps with the SEC. As a result, the 2018 financial information and data contained in this presentation may not be comparable to the 2019 and 2020 financial information that is included in any proxy statement/prospectus or registration statement to be filed by Union or Procaps with the SEC.

## Use of Non-IFRS Financial Measures

This presentation includes non-IFRS financial measures, including EBITDA and Adjusted EBITDA. Management believes that these non-IFRS measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to Procaps' financial condition and results of operations. Union believes that the use of these non-IFRS financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends. Management does not consider these non-IFRS measures in isolation or as an alternative to financial measures determined in accordance with IFRS. Other companies may calculate non-IFRS measures differently, and therefore the non-IFRS measures that Procaps included in this presentation may not be directly comparable to similarly titled measures of other companies.

## U.S. Dollar Amounts

Certain amounts related to the transaction described herein have been expressed in U.S. dollars for convenience and, when expressed in U.S. dollars in the future, such amounts may be different from those set forth herein.

## Industry and Market Data, Trademarks and Trade Names

In this presentation, Union and Procaps rely on and refer to information and statistics regarding the sectors in which Procaps competes and other industry data. Union and Procaps obtained this information and statistics from third-party sources, including reports by market research firms. Neither Union nor Procaps have independently verified the accuracy or completeness of the data contained in these third-party sources and other publicly available information. Accordingly, none of Union, Procaps nor their respective affiliates and advisors makes any representations as to the accuracy or completeness of these data. Union and Procaps have supplemented this information where necessary with information from Procaps' own internal estimates, taking into account publicly available information about other industry participants and Procaps' management's best view as to information that is not publicly available. Union and Procaps also own or have rights to various trademarks, service marks and trade names that they use in connection with the operation of their respective businesses. This presentation also contains trademarks, service marks and trade names of third parties, which are the property of their respective owners. The use or display of third parties' trademarks, service marks, trade names or products in this presentation is not intended to, and does not imply, a relationship with Union or Procaps, or an endorsement or sponsorship by or of Union or Procaps. All rights to the trademarks, copyrights, logos and other intellectual property listed herein belong to their respective owners and Union or Procaps use thereof does not imply an affiliation with, or endorsement by the owners of such trademarks, copyrights, logos and other intellectual property. Solely for convenience, the trademarks, service marks and trade names referred to in this presentation may appear without the ®, TM or SM symbols, but such references are not intended to indicate, in any way, that Union or Procaps will not assert, to the fullest extent under applicable law, their rights or the right of the applicable licensor to these trademarks, service marks and trade names.

## No Offer or Solicitation

This presentation is for informational purposes only and is neither an offer to purchase, nor a solicitation of an offer to sell, subscribe for or buy any securities or the solicitation of any vote in any jurisdiction pursuant to the proposed transactions or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act and applicable regulations in the Cayman Islands.

## Confidentiality

All recipients agree that they will keep confidential all information contained herein and not already in the public domain and will use this presentation solely for evaluation purposes. Recipient will maintain all such information in strict confidence, including in strict accordance with any underlying contractual obligations and all applicable laws, including United States federal and state securities laws. This presentation is not intended to form the basis of any investment decision by the recipient and does not constitute and should not be construed as investment advice and does not constitute investment, tax, or legal advice.

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# Procaps & Union Acquisition Group

## Team Members Presenting Today

### Ruben Minski

Procaps | Founder + Chairman of the Board + Chief Executive Officer



### Alejandro Weinstein

Procaps | Board Member + Chairman of M&A Committee + Shareholder



### Sergio Mantilla

Procaps | Chief Financial Officer



### Daniel Fink

Union Acquisition Group | Chief Operating Officer



Owners / President Management Program



Founder, President and Director (43 years)



Business Administration



Owners / President Management Program



Co-Founder



Board member for several healthcare companies in US and Europe



Co-Founder Olive Tree ventures and Vanterra accelerator fund



CEO (US\$ 370mm IPO in 2011 and sold to Abbott Lab. for US\$ 2.9bn in 2014)



MBA



Industrial Engineering



Chief Financial Officer



Investment Committee Member for Media for Equity Fund



Corporate Finance Director



Director, Investment Banking



Associate, Investment Banking



Associate, Investment Banking



MBA



B.A. in Economics



Vice President of Finance & Business Planning



Managing Principal



Principal, Private Equity



Vice President, Private Equity



Partner



Senior Associate, Private Equity

## Procaps' Transaction Process

### Transaction Summary / Process Overview

- Procaps is a leading pharmaceutical and healthcare company based in Latin America with global reach and well positioned to drive regional consolidation
- Union Acquisition Corp. II ("UAC II" – NASDAQ: LATN) is a US\$200 mm listed-SPAC and brings deep experience in Consumer and Packaged Goods operating and investing throughout the Americas
- Procaps and UAC II signed a definitive business combination agreement along with a fully-committed PIPE financing agreement
- The transaction values Procaps at US\$1.1 bn on a post-merger basis, representing an attractive 10.75x multiple on expected 2021 EBITDA of US\$105 mm
- Use of proceeds are three-fold: i) to fund organic growth, ii) consummate accretive acquisitions, and iii) there'll be a secondary component in the form of a redemption of certain shares held by the IFC
- A group of leading investors has committed to participate in a common stock PIPE of US\$100 mm at \$10.00 per share that will close simultaneously with the business combination
  - In a recently challenging SPAC PIPE market, we were able to complete this process one-week ahead of schedule and over-subscribed, which we believe validates the Company and its unique growth prospects

# Procaps' Transaction Process

## Use of Proceeds

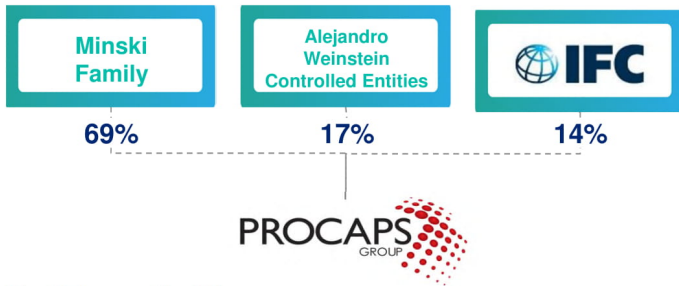


Source: Procaps  
 Note: (1) \$300 mm in sources, no warrants redemption, \$60 mm secondary sale

# Procaps' Transaction Process

## Shareholder Structure

### Pre-Transaction



### Post Transaction<sup>1,2</sup>



Source: Procaps

Note: (1) \$300 mm in sources, no warrants redemption, \$60 mm secondary sale; (2) The post-transaction ownership figures set forth herein do not take into account certain shares owned by UAC II shareholders and Procaps shareholders that will be placed into escrow and subject to release upon satisfaction of certain conditions. As part of the transaction, 10,464,612 shares will be issued to the shareholders of Procaps and placed into an escrow account at closing of the transaction. 50% of these shares will be released if the last sale price of the shares equals or exceeds \$12.50 per share for any 20 trading days within any 30-day trading period and the remaining 50% will be released if the last sale price of the shares equals or exceeds \$13.00 per share for any 20 trading days within any 30-day trading period. In addition, UAC II shareholders have agreed to place 2,875,000 of their private warrants and 1,250,000 of their shares into an escrow account at closing of the transaction. 50% of the escrowed shares will be released if the last sale price of the shares equals or exceeds \$12.50 per share for any 20 trading days within any 30-day trading period and the remaining 50% will be released if the last sale price of the shares equals or exceeds \$13.00 per share for any 20 trading days within any 30-day trading period. Any shares released from these escrow arrangements will remain subject to any applicable lock-up. Both the Procaps and UAC II shareholders that own these escrowed shares will retain their economic interests in, and be able to vote, such escrowed shares while they remain in escrow.



# Table of Contents

- I. Procaps at a Glance**
- II. What Makes Us a Unique Investment Case?
- III. Growth Strategy
- IV. Financials
- V. Transaction Overview
- VI. Appendix

## Procaps at a Glance

Integrated Pharma Company Well Positioned to Drive Regional Consolidation



Source: Procaps, QYR Research

Note: (1) Adjusted by Severance & Other Non-Recurring Items, One-Time Trade Days Stabilization Impact, Synergies & Cost Savings and COVID Expenses; (2) QYR Research market report as of 2020

# Procaps at a Glance

## Successful History of Growth and Diversification Over 43-years

Development of Differentiated Platform

Vertical Integration + Inorganic Growth

Industry Consolidation and Building Scale Through Inorganic Growth



MHRA certification and FDA re-certification



Acquisition of Rymco for single-use injectables



Developing 200+ new products to drive future expansion



Expansion of 5 key plants



Acquisitions of Lab Lopez and Biokemical expand CenAm presence and scales consumer health



IFC and Alejandro Weinstein become investors

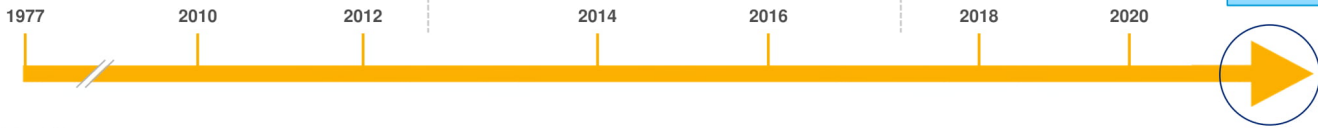


FDA approval to manufacture pharmaceuticals marketed in USA



Acquisition of Eye-zul strengthens OTC eye-care portfolio

Regional Consolidation



Source: Procaps





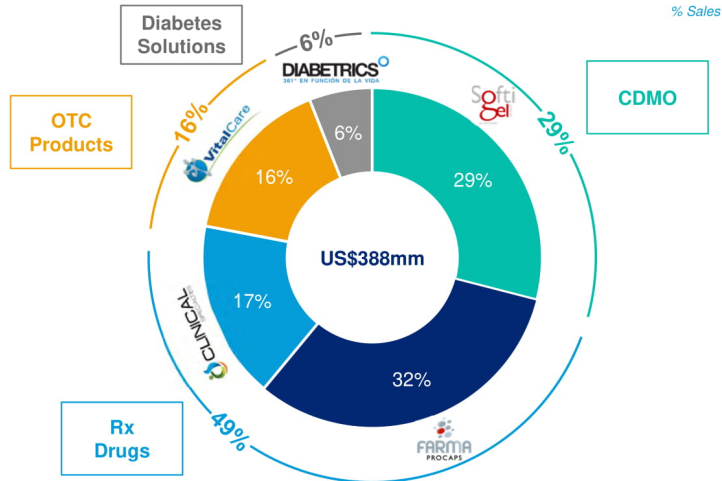
# Procaps at a Glance

## Regional Leader with Strong Diversification by Product and Geography

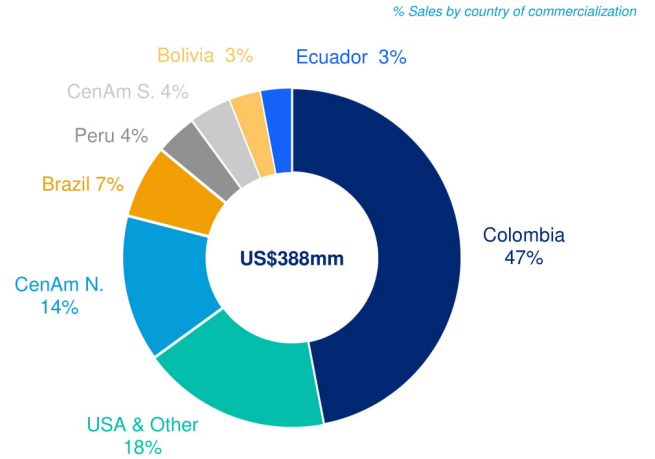
### Key Highlights

- ~44% of Procaps' revenue is USD-denominated
- Leader in both Colombia and Central America, which combined represents **one of the largest pharma markets** in LatAm<sup>1</sup>
- Well positioned in key markets with **attractive growth prospects**

Gross Revenue by Product Line (2020)



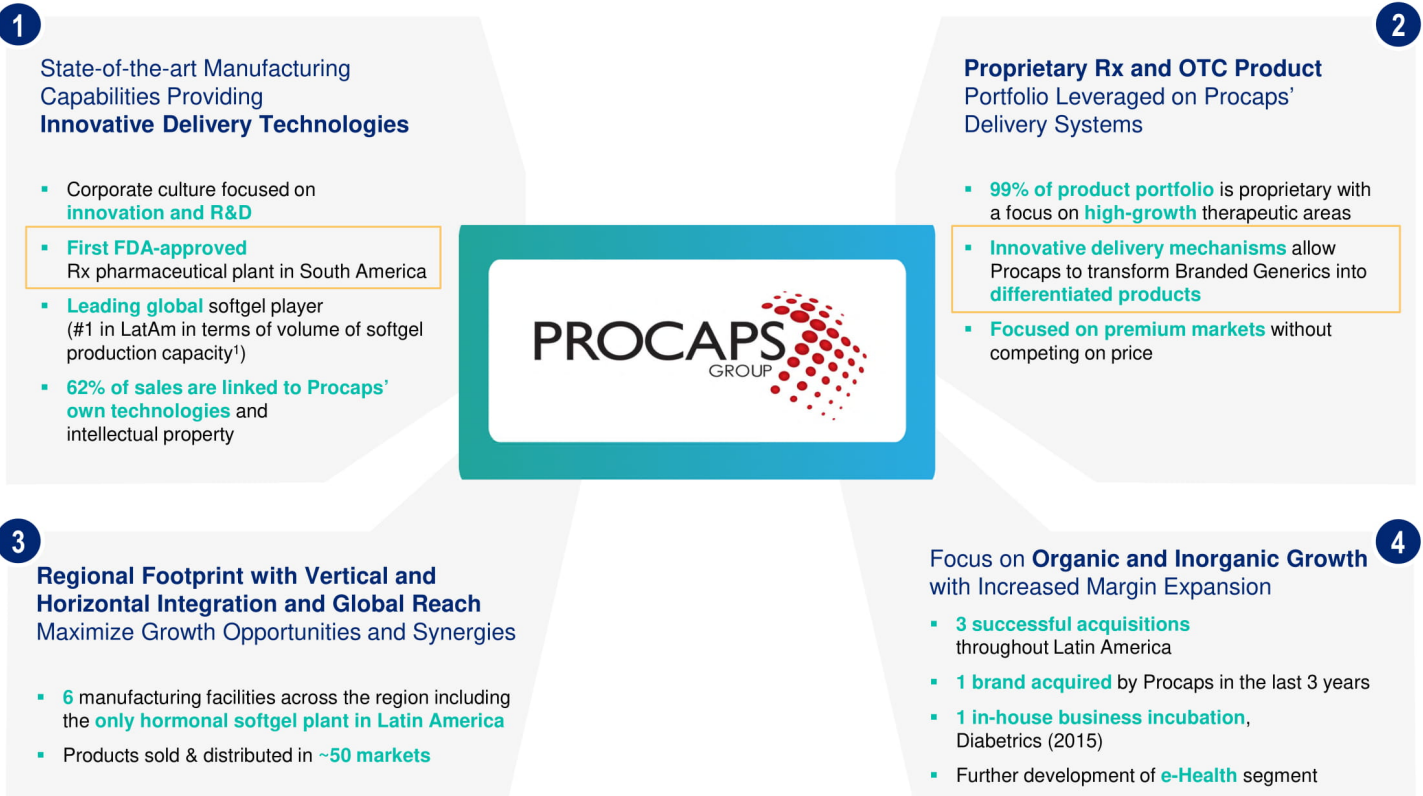
Gross Revenue by Geography (2020)



Source: Procaps, Fitch Solutions  
 Note: (1) Colombia and Central America on a combined basis have approximately the same amount of pharma sales as Mexico. Fitch Solutions market reports as of 2020

# Procaps at a Glance

## Foundations for Growth by a Tested Business Strategy



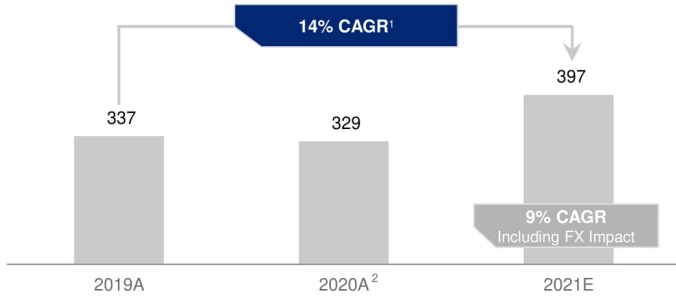
Source: Procaps, QYR Research  
 Note: (1) QYR Research market report as of 2020

# Procaps at a Glance

## Track Record of Strong Growth, Margin Expansion and High ROIC

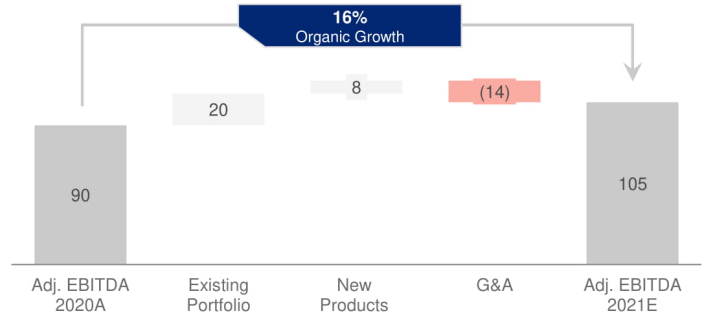
### Outstanding Net Revenue Growth

USD mm



### Robust Adjusted EBITDA Growth

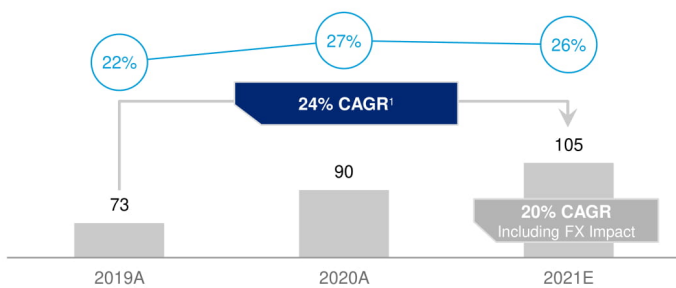
USD mm



### Strong Adjusted EBITDA<sup>3</sup> Evolution Expanding Profitability

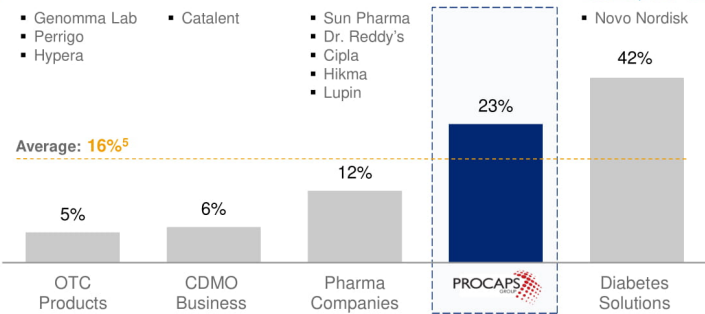
USD mm

Net Revenues / Adj. EBITDA (%)



### Leading Capital Returns vs. Comps Universe Medians

Return on invested capital<sup>4</sup>, 2020



Source: Capital IQ, Forbes, Bloomberg, public information from the companies and Procaps analysis

Note: (1) Constant Prices 2020 (AoP); (2) In 2020, the Company implemented a strategic plan to reduce the number of trade days by deliberately drawing down the amount billed to distributors. While sales decreased to adjust the inventory levels, the growth trend with the final consumer is trending positively; (3) Adjusted by Severance & Other Non-Recurring Items, One-Time Trade Days Stabilization Impact, Synergies & Cost Savings and COVID Expenses; (4) ROIC = ((EBIT) x (1 - eff. tax rate)) / (fixed assets + intangible assets + WK (exc. cash-like items)); (5) Market avg. excludes Procaps



## Table of Contents

- I. Procaps at a Glance
- II. What Makes Us a Unique Investment Case?**
- III. Growth Strategy
- IV. Financials
- V. Transaction Overview
- VI. Appendix

# What Makes Us a Unique Investment Case?

## Compelling Investment Case



Source: Procaps, QYR Research  
Note: (1) Top 3 Player Globally for Softgel Production Capacity. QYR Research market report as of 2020

## What Makes Us a Unique Investment Case?



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Source: Procaps, QYR Research  
Note: (1) Top 3 Player Globally for Softgel Production Capacity. QYR Research market report as of 2020

# Leading Regional Pharmaceutical Player with Global Reach and Highly Accomplished Management Team

## Presence in 13 Countries with Product Reach Across ~50 Markets

### Highlights

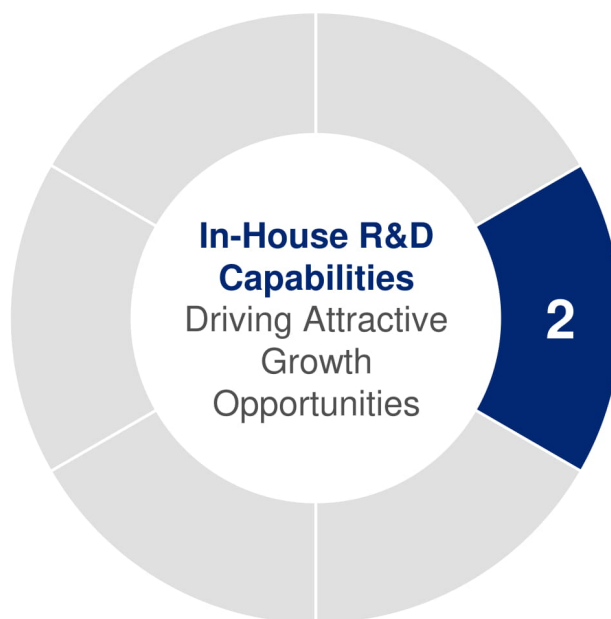
- **Global reach through Softgel CDMO** business with other products to follow similar internationalization
- **6 production facilities** in Colombia, Brazil and El Salvador
- **First FDA-approved** Rx pharmaceutical plant in South America
- One of the **only 5 Hormonal Softgel** plants in the world
- **Vertically and horizontally integrated** to deliver formulations at **premium prices at competitive costs**
- Average Management team **experience of ~30 years**

### Geographical Footprint





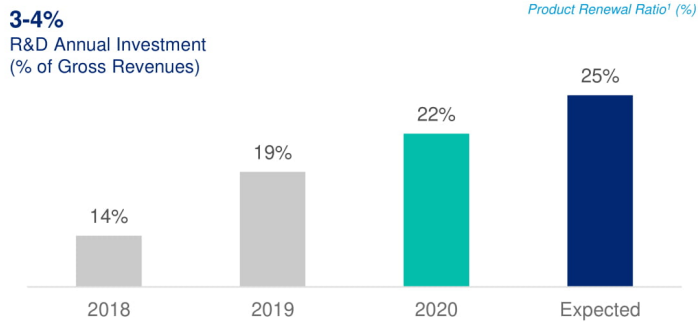
## What Makes Us a Unique Investment Case?



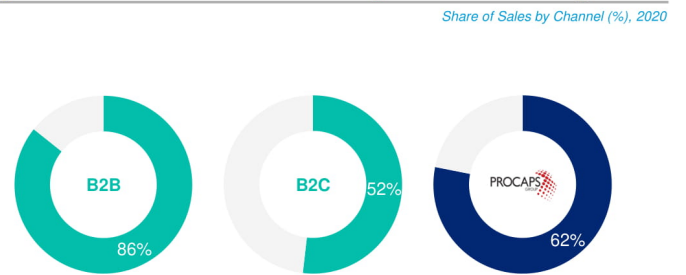
# In-House R&D Capabilities Driving Attractive Growth Opportunities

Clear Avenues for Growth Given a Robust Pipeline and a High Product Renewal Rate

## High Product Renewal Rate



## High Share of Sales Linked to Procaps' Own Technologies



## Strong New Development Capacity



## Robust Pipeline

Category	Granted	Pending Approval
Patents	34	51
Trademarks	5,335	372
Drug Registration	3,472	1,632

Source: Procaps  
Note: (1) Gross revenues of new products (products launched within the last 36 months) / total gross revenues

## In-House R&D Capabilities Driving Attractive Growth Opportunities

Unparalleled Expertise and Innovation with 500+ Formulations, 50+ New Products per Year



**funxtrition™**

Delivering easy nutrition with a variety of formulations in nutritional gummies



**Chewable soft capsules technology** is a new solution for children and consumers who have difficulty swallowing

**Chew gels™**



**unigel™**  
by Procaps

The Smart Softgel for multi-dose therapies, multi-purpose products



**SoftGels**

Consumers' preferred dosage form



**VersaGel™**

Versatile **plant based** softgel  
(Big seller in USA, Europe and Middle East)

Innovative delivery mechanisms allow Procaps to transform **Branded Generics** into differentiated products

# In-House R&D Capabilities Driving Attractive Growth Opportunities

## Focus on Differentiated, Strong Margin, and High Barrier-to-entry Products



## What Makes Us a Unique Investment Case?



# Leading Pharmaceutical Integral CDMO Specialized in Softgels

## A Preferred Supplier to the Global Pharmaceutical Companies

### Business Model Features

- **5–10-year contracts;** ~70% of which are US\$-denominated
- **Over 126 clients** in more than 32 countries; strong US presence
- **Over 639 SKUs** across ~300 product lines
- **86% of B2B sales are linked to Procaps' own technologies** and intellectual property

### Selected CDMO Players<sup>1</sup>

EV/EBITDA 2021E Multiple  
2020-2022E Net Revenue Growth / 2020 EBITDA Margin

Soft capsules comparables

 Softigel <sup>2</sup> - 13% / 24%	 Catalent 18.6x 17% / 24%
 Patheon <sup>3</sup> 20.4x 5% / 18%	 Siegfried 16.9x 12% / 17%
 Recipharm <sup>4</sup> 17.0x 49% / 18%	 Lonza 27.6x -8% / 28%
 Consort Medical <sup>5</sup> 13.7x -8% / 15%	 Cambrex <sup>6</sup> 16.7x -2% / 27%



### Selected Procaps Partners



BAUSCH Health



Source: Procaps; Capital IQ as of March 26<sup>th</sup>, 2021.

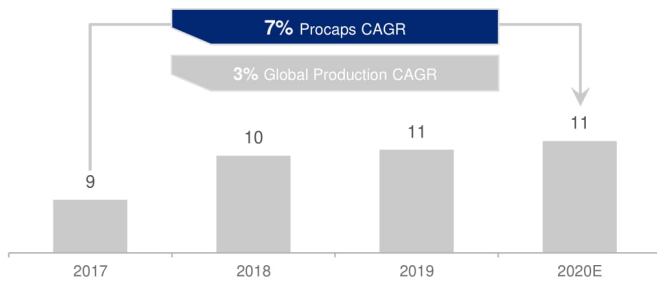
Note: (1) Data as of March 26<sup>th</sup>, 2021; (2) Softigel 2020E-2022E Revenue Growth and 2021E EBITDA Margin are based on adjusted Company projections. Softigel's EBITDA margin is an estimated considering the allocation of a % of total indirect expenses; (3) EV refers to transaction value as per announcement, Revenue growth is 1Q17 LTM, EV/EBITDA calculated as transaction value over EBITDA 1Q17 LTM, and EBITDA margin calculated with 1Q17 LTM figures; (4) EV refers to transaction value as per announcement, EV/EBITDA calculated as transaction value over 2020 Adj. EBITDA, Revenue growth is 2019-2020, and EBITDA margin calculated with 2020 figures; (5) EV refers to transaction value as per announcement, EV/EBITDA calculated as transaction value over 3Q19 LTM EBITDA, Revenue growth is 3Q19 LTM, and EBITDA margin calculated with 3Q19 LTM figures; (6) EV refers to transaction value as per announcement, EV/EBITDA calculated as transaction value over 2Q19 LTM EBITDA, Revenue growth is 2Q19 LTM, and EBITDA margin calculated with 2Q19 LTM figures

# Leading Pharmaceutical Integral CDMO Specialized in Softgels

## Top 3 Global Player<sup>1</sup> with Growth and Long-standing Reputable Clients

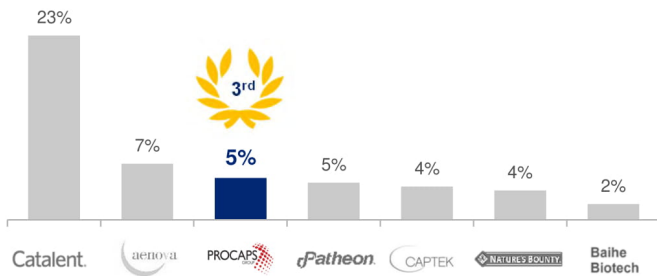
### Softgel Production is 2x Global Production Rate

Procaps' Softgel production evolution (billion capsules)



### Top 3 Player Globally for Softgel Production Capacity

Global Market Share by Volume of Softgel Production Capacity 2019



### Client Base of Global and Regional Blue-Chip Companies

	% Softigel Sales 2020	Relationship (Avg. Years) <sup>2</sup>	Selected Clients
<b>Big Pharma</b>	<b>33%</b>	<b>~18</b>	
<b>Regional Pharma</b>	<b>50%</b>	<b>~8</b>	
<b>Big Supp. Players</b>	<b>17%</b>	<b>~9</b>	

Source: Procaps; QYR Research  
 Note: (1) Top 3 Player Globally for Softgel Production Capacity. QYR Research market report as of 2020; (2) Revenue weighted average

## What Makes Us a Unique Investment Case?

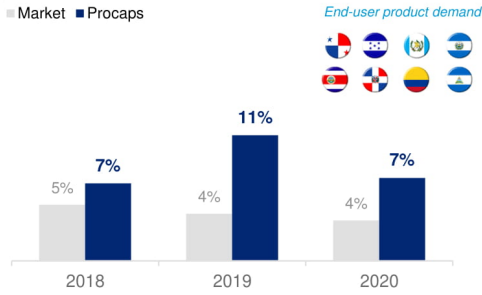




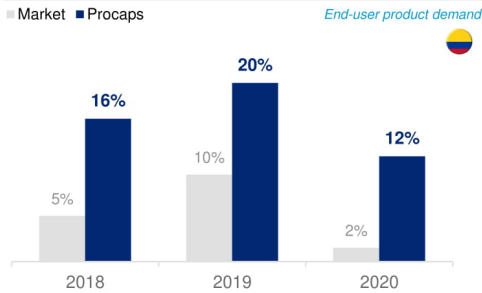
# Proprietary Portfolio of Branded Rx and OTC Products

## Robust Proprietary Portfolio with Strong Growth Rates

### Portfolio Growth Benchmark<sup>1</sup> (Region)



### Portfolio Growth Benchmark<sup>1</sup> (Colombia)



### Portfolio of Brands Leveraging Procaps' Innovative Softgel Technologies

B2C	SPL	Selected Therapeutic Areas		
		FARMA PROCAPS	CLINICAL SPECIALTIES	VitalCare
Rx Drugs	FARMA PROCAPS	✓ Feminine Care	✓ Pain Relief	✓ Skin Care
		✓ Digestive Health	✓ Growth & Development	✓ Cardiology
		✓ Vision Care	✓ CNS	✓ Respiratory
OTC Products	CLINICAL SPECIALTIES	✓ Blood Clots	✓ Antibiotics	✓ Oncology
		✓ Personal Protective Equipment (PPE)	✓ Immunosuppressants	✓ Analgesics
Diabetes Solutions	DIABETRICS	✓ Gastro-intestinal	✓ Cough & Cold	✓ Urological
		✓ Skin Care	✓ Analgesics	✓ VMS
			✓ Diabetes Solutions	

**99% of product portfolio is proprietary**

Source: Procaps, IMS, Close-Up  
 Note: (1) Pharma retail sales (excluding infant milk). IMS, Close-up market reports as of November 2020

## What Makes Us a Unique Investment Case?

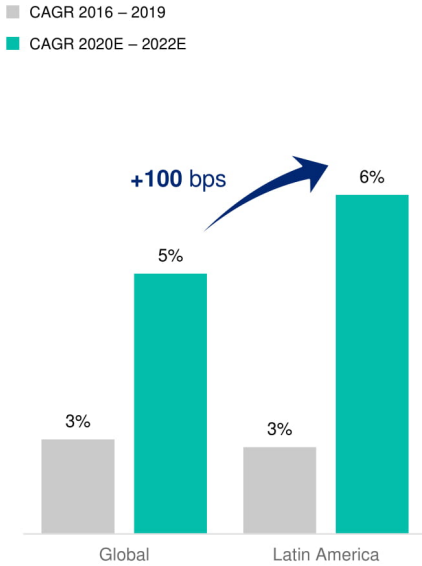


# Positioned to Capitalize on Favorable Regional Dynamics

## “Right Place, Right Time”

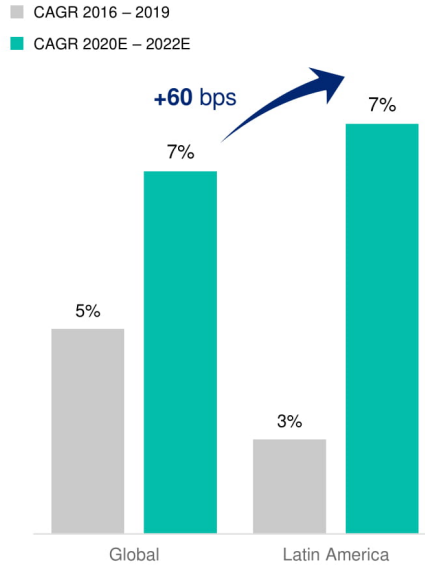
### Pharma Sales

Historical & Expected CAGR by Region (%)



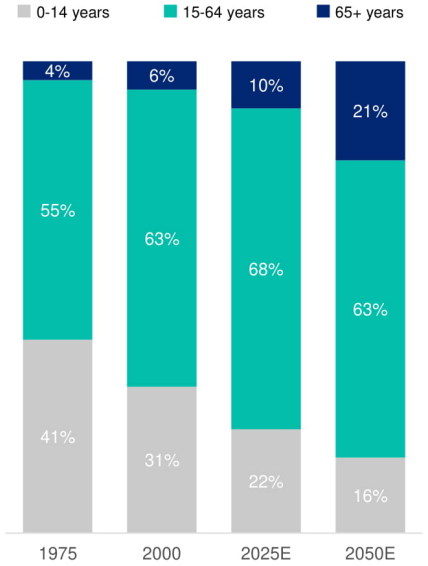
### Healthcare Expenditure

Historical & Expected CAGR by Region (%)



### Aging Population in LatAm

Population by Age (1975 – 2050E)



**LatAm’s pharma sales expected to outperform global growth...**



**...healthcare expenditure expected to reach a 7% CAGR from 2020 – 2022...**



**...LatAm’s aging population will increase boosting demand for pharma**

## What Makes Us a Unique Investment Case?



## Strong History and Focus on ESG Principles

Resource Saving Policies, Social Programs & Governance are Important to Us

### Environmental

#### Resource Saving Policies

- ✓ Production policies focused on **rational use of raw material**

Process Optimization  
7 Plants



- ✓ **Green culture** committed to innovating startup projects and **improvement** of the existing capacities

Environmental Campaigns



International Environmental Standards



### Social

#### HR and Social Programs

- ✓ **Corporate social management policy and robust training program**, creating a harmonious environment

5,000+ Employees



Campus virtual



- ✓ Management and execution of **sustainable projects and programs** that contribute to social development in the Caribbean region

126,000+ Children and teenagers  
3,740+ Expectant mothers  
5,500+ Elderly population  
179,000+ Health Days



- ✓ Corporate volunteers **actively participate in social work** through contribution of resources, time and knowledge

2,300+ Volunteers



### Governance

#### Corporate Policies



- ✓ Corporate governance that leads efforts towards **strategic objectives, monitoring integrity, transparency and internal processes** carried out by the Corporation

'Egosto' Campaign

3,250+ trained employees  
120+ training sessions  
60+ internal communications

PNS Ethics Line

Outsourced line aimed at **attending inquires** about behaviors that go against the Corporate values



## Table of Contents

- I. Procaps at a Glance
- II. What Makes Us a Unique Investment Case?
- III. Growth Strategy**
- IV. Financials
- V. Transaction Overview
- VI. Appendix

## Growth Strategy

### Latin American Pharmaceutical Company with Large Growth Potential

Agile business model to identify and maximize growth and time-to-market through the following pillars:



# 1

## Organic Growth: B2B & B2C Segments

### Clear Strategy to Propel Strong Organic Growth in a Diversified Portfolio

#### Main Avenues of Growth

##### B2B Segment

- Increase market share with current multinational clients
- Capture new customers
- Commercialization of new proprietary formulations
- Develop new patented technologies

##### B2C Segment

- Growth from existing portfolio
- New products on current therapeutic areas
- Roll-out of successful products in Colombia to other countries
- Enter new therapeutic areas
- Expansion into new markets

#### New Product Launches

		Number of Products 2021E – 2023E	Sales Forecast from New Product Launches <sup>1</sup> (USD mm)		
			2021E	2022E	2023E
B2B	CDMO Services	52	44.0	50.6	57.2
	Rx Drugs	402	23.7	34.6	49.0
B2C	OTC Products	90	6.8	9.4	11.8
	Diabetes Solutions	28	6.1	8.1	9.5
	CLINICAL SPECIALTIES	51	10.9	8.5	6.3

Source: Procaps  
 Note: (1) Products launched within the last 36 months



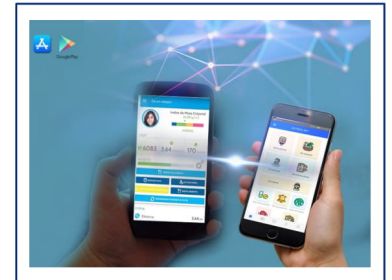
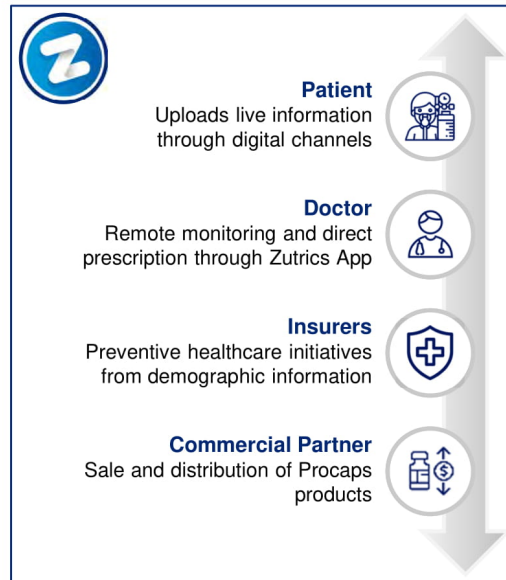
1

## Organic Growth: e-Health Platform

We understand the future importance of e-Health in LatAm and want to accelerate its growth within Procaps

### Zutrics App

- **Digital health platform** that helps patients/doctors/insurers to manage **chronic diseases**
- **Already operational for Diabetics** and upcoming migration to **other chronic diseases in 4Q21**
- **Collects information from wearable devices**
  - Glucometer for diabetes and Smartwatch for other chronic diseases
- **50k expected downloads in 2021 and 200k+ in 2023** (Diabetics, Colombia)
  - **Additional exponential growth** coming from migration to **other chronic diseases** and **countries**
- Launch of **e-shop platform, services at demand, premium services subscription** (monthly fee)
- Direct medical prescriptions to **e-pharmacy** for home delivery



## Inorganic Growth: M&A

### Established M&A Platform with Proven Track Record

#### Successfully Demonstrated in-house M&A Consolidation

Company / Brand	Country	Year	EBITDA Increase <sup>1</sup>
Eye-zul		2017	~63%
Biokemical		2016	~106%
Laboratorios López <small>¡Comprometidos con la Vida!</small>		2014	
RymcoMedical <small>Single-Use Innovative Solutions</small>		2015	~356%

Source: Procaps  
 Note: (1) Calculated as the EBITDA increase between the acquisition year and 2021 estimated figures

#### Key Highlights

##### Attributes of historic M&A Targets

- LatAm-focused targets with **high-growth potential**
- Business lines centered on **high-growth therapeutic areas**
- Holders of **proprietary pharma products**

##### Selected Case Studies

###### Laboratorios Lopez

- Top manufacturer with a solid **OTC and Rx basis**
- **Commercial synergy** with Procaps
- **High margins** of its premium portfolio of Rx drugs
- Potential expansion of the **OTC portfolio** to neighboring countries

###### Biokemical

- Strong **OTC brands based on softgels**
- Increasing margins **by at least 20 bps**

## 2 Inorganic Growth: M&A Pillars Behind Procaps' M&A Strategy



### Why is now the time to execute?

- Big Pharma in **developed countries is already consolidated**
- **Emerging pharma markets are fragmented** (many targets are now managed by 2<sup>nd</sup> and 3<sup>rd</sup> generation family members)
- **Greenfield pharma projects** in big emerging markets are **slow and expensive**



### How do we create value?

- **Accretive** acquisitions
- **Synergies** through innovation and economies of scale
- **Lower the cost of capital through diversification** both geographically and by business units
- **Sector expertise** and technical knowledge
- **Respect** targeted cultures



### How to fund this strategy?

- Access to **capital markets**



## Inorganic Growth: M&A Regional Strategy

### Geographical Focus

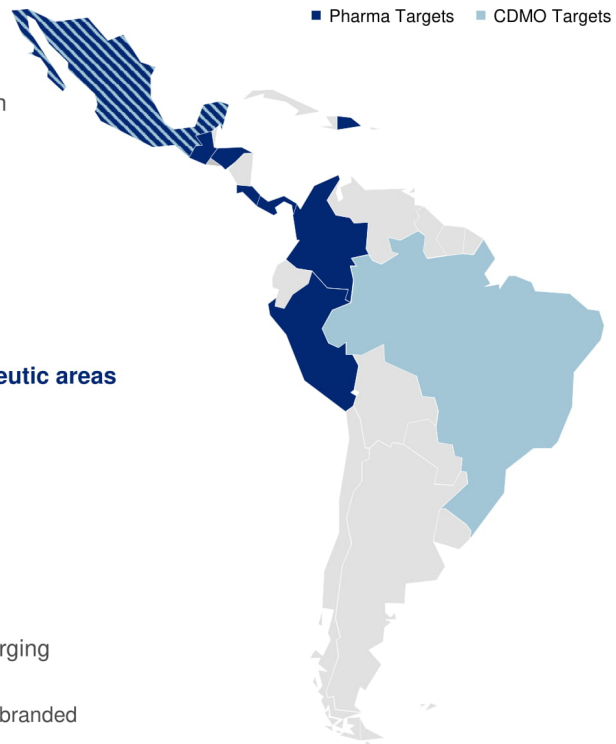
- **Pharma targets** in Mexico, CenAm and the Andean Region
- **CDMO targets** in Mexico and Brazil

### Key Development Areas

- **Telehealth** and **digital health**
- **Expand ophthalmic** products line and other select **therapeutic areas**
- **Novel and orphan drug** portfolios

### Consolidation Strategy

- **Roll-up strategy** of mid-sized companies in the region
- **Potentially transformational merger** with a player in emerging markets, defined broadly
  - Innovative delivery mechanisms allow Procaps to transform branded generics into differentiated products





## Table of Contents

- I. Procaps at a Glance
- II. What Makes Us a Unique Investment Case?
- III. Growth Strategy
- IV. Financials**
- V. Transaction Overview
- VI. Appendix

## Financials

### Key Financial Highlights



#### Robust top-line growth with forecasted net revenue growth of 21% in 2021E

- Driven by strategic new product launches, new market entry and market share gains



#### Strong Adj. EBITDA margin expansion, from 22% in 2019A to 26% by 2021E

- Decisive actions taken to manage gross margins and raw material spend
- Benefiting from fixed cost leverage of higher revenue on indirect SG&A expenses



#### Strong cash flow generation

- Adj. EBITDA to **free cash flow conversion of ~50%** over the forecast period



#### Conservative balance sheet

- Net Debt / Adj. EBITDA 2020: **~2x** (post transaction proforma Net Debt / Adj. EBITDA: **~0x**)





## Table of Contents

- I. Procaps at a Glance
- II. What Makes Us a Unique Investment Case?
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- IV. Financials
- V. Transaction Overview**
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# Procaps Fits Perfectly with UAC II's Targeted Acquisition Profile

## Strong Sponsor with Proven Track Record

### Directors and Officers



**Juan Sartori**  
Chairman, Co-Founder



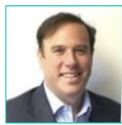
- Uruguayan businessman and entrepreneur, Founder and Executive Chairman of Union Group, a company that started as a blueberry farming business, branched into additional crops, and today is a diversified investment firm
- Former Uruguayan Presidential Candidate
- Deep expertise in the cannabis space, and experience bringing high growth cannabis businesses public. Successfully completed IPOs for Union Agriculture Group in 2011, and ICC Labs Inc. in 2018
- Owner of Sunderland A.F.C and Director at Charlotte's Web



**Kyle Bransfield**  
CEO, Co-Founder



- Founder of Union Acquisition Group
- CEO and Director of Union Acquisition Corp. II
- 14 years of experience in direct equity and debt private markets principal investing, capital raising, and IBD
- Former CEO and Director of UAC I until merger with Bioceres Crop Solutions; Current Member of Audit, Compensation and Nominating and Gov. Committees
- Former Partner at Exos Technology Financial Partners
- Former Part. at Atlantic Pacific and VP at Sagent Advisors
- B.S. in Business Administration from American University



**Dan Fink**  
COO



- COO and Director of UAC II
- Managing Principal at Blue Moose
- Former Director of UAC I from 2017 from inception until merger with Bioceres
- Former Partner at PTW Capital and VP Finance at Bacardi
- Experience in investment banking and private equity, including working at Morgan Stanley, J.W. Childs Associates, Stone Tower Equity Partners and Centerview
- BA in Economics from Yale and an MBA from Harvard



**Joseph Schena**  
Director



- Director, and served the same role for UAC I
- Independent Director of Conyers Acquisition Corp II
- Chief of Staff, C&S Grocers (14'-19')
- CFO Bacardi (12'-14')
- Operating Partner at Centerview Capital (07'-12')
- CFO, Gillette (05'-07') (NYSE: PG)
- Former executive roles at Nabisco and Kraft
- Former Chairman at Richelieu Foods and former Director of Warehouse Technologies and Welch's Grape



**Gerald Haddock**  
Director



- Director, and served the same role for UAC I
- Investing experience, primarily focused on oil & gas and real estate
- Haddock Enterprises, CEO & Founder
- Meritage Homes Corp, Director
- Crescent Real Estate, CEO & COO
- ENSCO PLC, Director
- Baylor University, B.A. & J.D.
- Dallas Baptist University, M.B.A.

### Strategic Advisors



**Tarkan Gurkan**  
Senior Advisory Board



- Head of Global M&A at PepsiCo (2010-Current) 100+ transactions
- Former Head of Corp. Dev. at Campbell's and Nabisco
- Former SVP, I Banking, Global CRG at Lehman Brothers
- Director of Boxed.com and Beyond Meat JV



**Federico Trucco**  
Senior Advisory Board



- CEO and Director, Bioceres Crop Solutions, a fully-integrated global provider of advanced biotechnologies enabling carbon neutral agriculture
- Former CEO and Head of Dev at Indear, Bioceres' services provider for product and tech development for biotech platforms
- PhD, Crop Sciences and CBA, University of Illinois



**Larry Bodner**  
Senior Advisory Board



- CEO of Bulletproof 360 and Co Founder of Sovos Brands
- Independent Director of Hostess Brands (NYSE: TWNK)
- Senior Advisor, Advent Int'l (16'-17')
- Board of Hearthside Foods (15'-18')
- Former EVP, CFO, and Treasurer, Big Heart Pet Brands (formerly: Del Monte Foods) (11'-15') (NYSE: SJM FDP)
- Former Finance Director, Global Cons. Prod. Division at Disney
- Former Group Finance Manager at P&G




## Procaps Fits Perfectly with UAC II's Targeted Acquisition Profile

UAC II is a US\$200 mm NASDAQ SPAC Focused on LatAm Economy

### UAC II Investment Criteria

### Procaps

Targeting minimum \$1BN+ EV	\$1BN+ EV	
Focus on large, growing, and well understood sectors	Fast Growing Healthcare Sector	
Targeting businesses with attractive future growth profile	Adj. EBITDA <sup>1</sup> 17% CAGR '20A – '22E	
Seeking to partner with best-in-class management team	43-year History with Excellent Reputation and Blue-Chip Investors (IFC & Alejandro W.)	
Focusing on companies with public-ready infrastructure and systems	Capabilities accelerated by Union to capture growth opportunities	

Note: (1) Adjusted by Severance & Other Non-Recurring Items, One-Time Trade Days Stabilization Impact, Synergies & Cost Savings and COVID Expenses

# Transaction Overview

## Transaction Structure

### Highlights

- Transaction value at 10.75x EV/2021E Adj. EBITDA, implying US\$ 1,125 mm. Adjusted EBITDA<sup>1</sup> of \$105mm
  - Paid to Procaps by the Surviving Company by issuance of 114.4 mm ordinary shares of the Surviving Company (which would each be valued at \$10.00 per share)
  - Incentives aligned giving current Procaps shareholders up to an additional 10.5mm restricted shares on a pro-rata basis (50% of which will vest at a PPS of \$12.50 and 50% at a PPS of \$13.00)
  - Union will forgo 5.75m warrants, with the ability to recoup half based on the Procaps Restricted Shares' vesting schedule, and which will not be on more favorable terms than those that apply to the public warrants
- Union cash, net of fees and any redemptions, will be available to the surviving company and used for:
  - Cash in the company to facilitate:
    - Organic growth (capex for capacity expansion, plant improvements, working capital investments, e-Health platform improvements, R&D investments)
    - Inorganic growth via accretive acquisitions
  - Secondary sale to the IFC
- Transaction expected to close in early 3Q21; Union's shares to remain listed on the NASDAQ

### Transaction Structure

Pro-forma Valuation (\$ in millions, except per share values)	300 mm Proceeds	Illustrative Pro-forma Ownership <sup>3</sup>																				
UAC illustrative share price	\$10.00																					
Pro-forma shares outstanding (mm)	114.4 <sup>2</sup>																					
<b>Total equity value</b>	<b>\$1,144</b>																					
(+) Debt	196																					
(-) Cash Outlay for Growth Plan	(215)																					
<b>Pro-forma enterprise value</b>	<b>\$1,125</b>																					
Pro-forma Enterprise Value / PF Adj. EBITDA		Sources & Uses (in millions)																				
2021E Adj. EBITDA <sup>1</sup>	10.75x	<table border="1"> <thead> <tr> <th colspan="2">Sources</th> <th colspan="2">Uses</th> </tr> </thead> <tbody> <tr> <td>SPAC Cash-in-Trust<sup>4</sup></td> <td>200</td> <td>Cash to Balance Sheet</td> <td>215</td> </tr> <tr> <td>Common Equity PIPE</td> <td>100</td> <td>Secondary Sale</td> <td>60</td> </tr> <tr> <td></td> <td></td> <td>Transaction Fees &amp; Expenses</td> <td>25</td> </tr> <tr> <td><b>Total Sources</b></td> <td><b>300</b></td> <td><b>Total Uses</b></td> <td><b>300</b></td> </tr> </tbody> </table>	Sources		Uses		SPAC Cash-in-Trust <sup>4</sup>	200	Cash to Balance Sheet	215	Common Equity PIPE	100	Secondary Sale	60			Transaction Fees & Expenses	25	<b>Total Sources</b>	<b>300</b>	<b>Total Uses</b>	<b>300</b>
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2022E Adj. EBITDA <sup>1</sup>	9.1x																					
2023E Adj. EBITDA <sup>1</sup>	7.7x																					

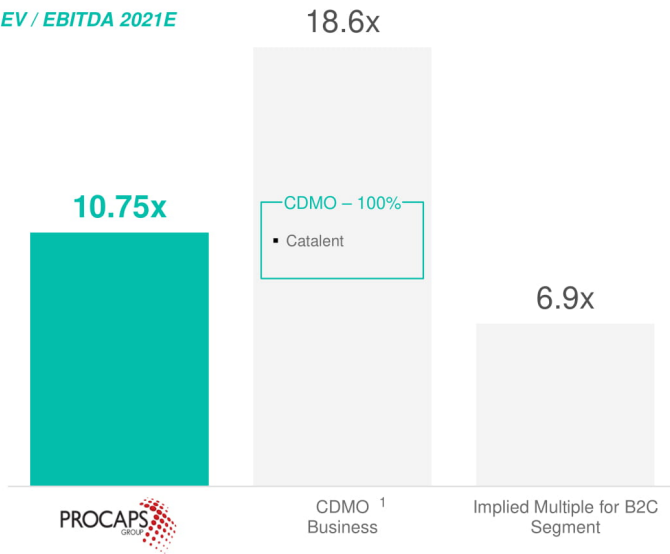
Source: Procaps

Note: (1) Adjusted by Severance & Other Non-Recurring Items, One-Time Trade Days Stabilization Impact, Synergies & Cost Savings and COVID Expenses; (2) Pro forma share count includes 20.0mm public common shares, 3.75mm sponsor shares, 10.0mm shares from PIPE, and 80.7mm shares issued to Procaps existing shareholders; (3) Pro forma ownership table excludes impact of all out-of-the-money warrants; (4) Cash-in-trust assumes no redemptions in connection with business combination. Actual results in connection with the business combination may differ

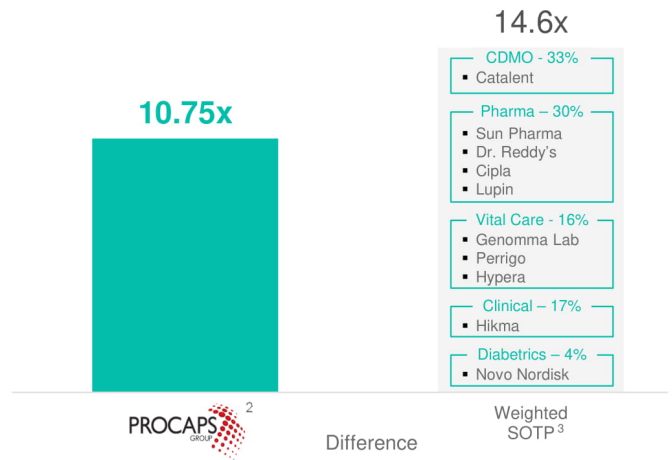
# Valuation Benchmarking

## SOTP Comps Analysis Indicates Attractive Entry Valuation

EV / EBITDA 2021E



EV / EBITDA 2021E



### Key Highlights

- Procaps **does not have a direct comparable** company
- When comparing comps by SPL, Procaps' valuation **represent an attractive discount**

	'19A-'21E	Difference	'20A-'22E
<b>Revenue CAGR</b>	<b>14%</b>	<b>+1%</b>	<b>13%</b>
	<b>16%</b>	<b>+5%</b>	<b>11%</b>
<b>EBITDA CAGR</b>	<b>24%</b>	<b>+3%</b>	<b>21%</b>
	<b>17%</b>	<b>+1%</b>	<b>16%</b>
<b>EBITDA Margin</b>	<b>26%</b>	<b>+1%</b>	<b>25%</b>

Source: CapitalIQ as of March 26th, 2021

Note: (1) Does not include: i) Recipharm which was acquired in march 2021 at 17.0x EV / EBITDA and ii) Patheon which was acquired in 2017 at 20.5x EV / EBITDA; (2) Procaps' CAGRs and EBITDA margin figures are in constant Prices 2020 (AoP); (3) Calculated as a weighted avg. of Procaps' contribution profit mix structure and the medians of its comp. companies for each SPL

## Transaction Overview

### Significant Intrinsic Value Upside Potential



#### Key Assumptions

#### Fully Diluted Shares and Enterprise Value Assuming No M&A

WACC (US\$)	11%	Share Price	\$10.00	\$12.00	\$14.00	\$16.00
Terminal Growth	4%	Fully Diluted Shares <sup>3</sup>	114.4	115.3	130.3	132.7
Assumes first acquisition in 2022E and second acquisition in 2023E, contributing \$20-40mm on a combined basis <sup>2</sup>		Equity Value	\$1,144	\$1,383	\$1,824	\$2,123
Acquisitions pipeline according to Company's track record of multiples paid and consistent with net cash position		Enterprise Value	\$1,125	\$1,364	\$1,805	\$2,104
Base date	6/30/2021	EV / EBITDA 2021E	10.8x	13.0x	17.2x	20.1x
		EV / EBITDA 2022E	9.1x	11.1x	14.6x	17.1x
		EV / EBITDA 2023E	7.7x	9.3x	12.3x	14.4x

Notes: (1) Includes funding cost optimization with the access to DCM, overdraft cost savings, factoring savings, financial discounts to clients; (2) For the calculation of implied share prices, analysis assumes the midpoint of total EBITDA contribution range of \$20-40mm; (3) Analysis includes 20.5mm warrants outstanding, with a strike price of \$11.50 per share and 10.5mm Restricted Shares to Procaps (1/2 received at \$12.50 and \$13.00, respectively)

## Transaction Overview

### Key Public Market Changes in Connection with the Transaction



#### Board of Directors

- **7-member board**
  - **Ruben Minski** as Chairman
  - **Jose Minski**
  - **Alejandro Weinstein** with enhanced M&A responsibilities
  - 2 Directors from **UAC II**
  - 2 **value added members**



#### Stock Ownership Plan

- Align management team with public markets via **equity compensation**



#### Human Capital Policies

- **Employee independence and succession planning** will be key initiatives



#### Capital Optimization

- Board will focus on **optimizing resource** management and capital structure
- **Over US\$ 10 mm of immediate financial synergies** as a result of the transaction<sup>1</sup>



Notes: (1) Funding cost optimization with the access to DCM, overdraft cost savings, factoring savings, financial discounts to clients

## Closing

# Procaps Group Investment Summary



Source: Procaps, QYR Research  
Note: (1) Top 3 Player Globally for Softgel Production Capacity. QYR Research market report as of 2020



## Thank You

### **Procaps Group Investor Contact:**

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### **Union Acquisition Corp. II Contact:**

Kyle P. Bransfield  
Chief Executive Officer  
Union Acquisition Corp. II  
(305) 306-2522

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## Table of Contents

- I. Procaps at a Glance
- II. What Makes Us a Unique Investment Case?
- III. Growth Strategy
- IV. Financials
- V. Transaction Overview
- VI. Appendix**

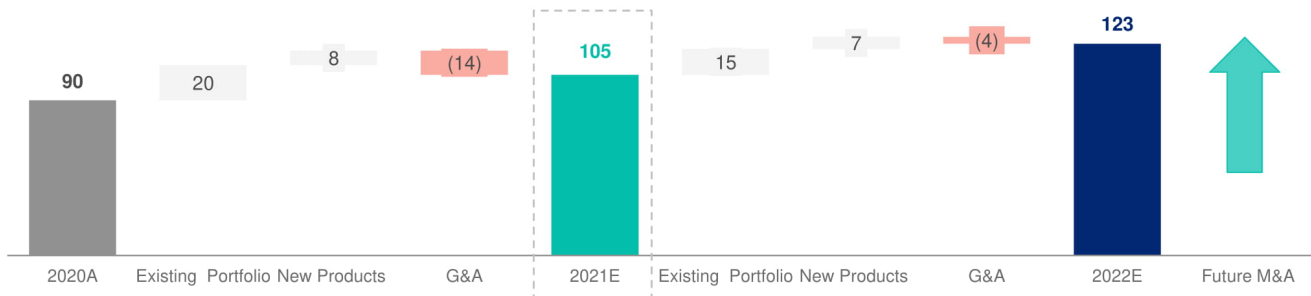


## Financials

### Year-over-Year Adjusted EBITDA Bridges (exc. M&A)

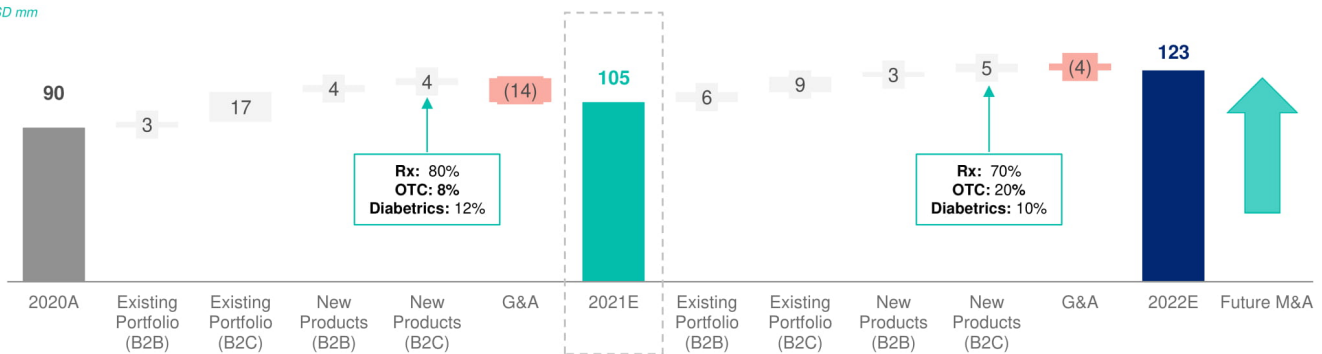
#### Split Between Existing and New Products

USD mm



#### Detail by Business Segment

USD mm



Note: New products are products have been launched in the past 36 months

## Financials

### Income Statement

Income Statement (USD m m)	2018A	2019A	2020E	2021E	2022E	2023E	CAGR '20E-'22E	CAGR '20E-'23E
Gross Revenue	\$417	\$413	\$388	\$436	\$487	\$545	12%	12%
Net Revenue	344	337	329	397	445	499	16%	15%
Cost of Revenue	(131)	(127)	(126)	(146)	(164)	(184)	14%	13%
<b>Gross Profit</b>	<b>\$213</b>	<b>\$210</b>	<b>\$203</b>	<b>\$251</b>	<b>\$282</b>	<b>\$316</b>	<b>18%</b>	<b>16%</b>
Direct Expenses	(\$103)	(\$95)	(\$77)	(\$97)	(\$105)	(\$113)	17%	14%
Indirect Expenses	(50)	(49)	(44)	(54)	(54)	(56)	11%	8%
Pro Forma EBITDA	60	66	82	100	123	146	22%	21%
<b>Memo: Adjusted EBITDA<sup>1</sup></b>	<b>\$66</b>	<b>\$73</b>	<b>\$90</b>	<b>\$105</b>	<b>\$123</b>	<b>\$146</b>	<b>17%</b>	<b>17%</b>
Provisions	(\$15)	(\$6)	(\$8)	(\$6)	(\$6)	(\$6)	(13%)	(9%)
D&A	(14)	(15)	(16)	(16)	(20)	(20)	10%	6%
<b>EBIT</b>	<b>\$30</b>	<b>\$45</b>	<b>\$58</b>	<b>\$78</b>	<b>\$97</b>	<b>\$120</b>	<b>30%</b>	<b>28%</b>
Interest Expense	--	--	(\$17)	(\$17)	(\$15)	(\$11)	(6%)	(13%)
Other Financial Costs	(28)	(29)	(10)	(10)	(7)	(4)	(15%)	(25%)
FX Adjustments	(8)	(2)	(6)	(5)	--	--	--	--
Other Non-Operational	(22)	(5)	(3)	(5)	--	--	--	--
<b>Income (Loss) Before Taxes</b>	<b>(\$28)</b>	<b>\$9</b>	<b>\$22</b>	<b>\$42</b>	<b>\$75</b>	<b>\$105</b>	<b>84%</b>	<b>68%</b>
Income Tax (Expense) / Benefit	(\$12)	(\$6)	(\$6)	(\$19)	(\$23)	(\$32)	95%	74%
<b>Net Income (Loss)</b>	<b>(\$39)</b>	<b>\$3</b>	<b>\$16</b>	<b>\$22</b>	<b>\$53</b>	<b>\$74</b>	<b>80%</b>	<b>65%</b>

Source: Procaps

Note: (1) Adjusted by Severance & Other Non-Recurring Items, One-Time Trade Days Stabilization Impact, Synergies & Cost Savings, COVID Expenses, VAT Exemption, and Expenses Related to Discontinued Businesses

# Financials

## Balance Sheet

Balance Sheet (USD mm)	2018A	2019A	2020E	2021E	2022E	2023E
<b>Current Assets</b>						
Cash and Equivalents	\$3	\$2	\$4	\$251	\$230	\$263
Accounts Receivable	114	117	119	136	152	170
Current Tax Assets	6	7	8	10	11	12
Other Current Assets	0	0	0	0	0	0
Inventory	64	63	63	66	68	72
<b>Total Current Assets</b>	<b>\$187</b>	<b>\$188</b>	<b>\$194</b>	<b>\$463</b>	<b>\$461</b>	<b>\$518</b>
<b>Non Current Assets</b>						
PP&E	\$108	\$112	\$110	\$115	\$111	\$108
Goodwill	7	7	7	7	7	7
Other Financial Assets	2	1	1	1	1	1
Other Intangible Assets	25	28	30	33	34	35
Equity Investments	1	1	2	2	2	2
Deferred Tax Assets	9	12	11	13	14	16
Other Non-Current Assets	2	3	5	4	4	5
<b>Total Non Current Assets</b>	<b>\$154</b>	<b>\$166</b>	<b>\$166</b>	<b>\$174</b>	<b>\$173</b>	<b>\$174</b>
<b>Total Assets</b>	<b>\$341</b>	<b>\$354</b>	<b>\$360</b>	<b>\$637</b>	<b>\$635</b>	<b>\$691</b>
<b>Current Liabilities</b>						
Accounts Payable	\$138	\$146	\$139	\$156	\$172	\$191
Current Tax Liabilities	8	8	9	10	11	12
Other Current Liabilities	0	--	--	--	--	--
<b>Current Liabilities</b>	<b>\$145</b>	<b>\$154</b>	<b>\$148</b>	<b>\$166</b>	<b>\$183</b>	<b>\$203</b>
<b>Non Current Liabilities</b>						
Financial Debt	\$198	\$198	\$200	\$220	\$147	\$109
Retirement Benefit Liabilities	1	2	1	1	1	1
Deferred Tax Liabilities	1	2	3	2	3	3
Other Non-Current Liabilities	5	5	3	5	6	7
<b>Non Current Liabilities</b>	<b>\$206</b>	<b>\$206</b>	<b>\$207</b>	<b>\$229</b>	<b>\$157</b>	<b>\$120</b>
<b>Total Liabilities</b>	<b>\$351</b>	<b>\$360</b>	<b>\$355</b>	<b>\$395</b>	<b>\$340</b>	<b>\$323</b>
<b>Total Equity</b>	<b>(\$10)</b>	<b>(\$6)</b>	<b>\$5</b>	<b>\$242</b>	<b>\$295</b>	<b>\$368</b>
<b>Total Liabilities and Equity</b>	<b>\$341</b>	<b>\$354</b>	<b>\$360</b>	<b>\$637</b>	<b>\$635</b>	<b>\$691</b>

Source: Procaps

## Financials

### Historical Cash Flow Statement

Cash Flow Statement (USD mm)	2018A	2019A	2020E
<b>Net Income</b>	(\$39)	\$3	\$16
<b>Adjustments:</b>			
Depreciation	\$9	\$10	\$10
Amortization of Intangibles	5	5	6
Income Tax Expense	12	6	6
Financial Costs	25	27	27
Bad Debt Expense	1	3	1
Provisions (AR/Inventory)	11	3	8
Equity Method Investments	0	0	--
Disposal of PPE	0	(0)	--
<b>Total</b>	<b>\$24</b>	<b>\$58</b>	<b>\$73</b>
<b>Change in Other Assets &amp; Liabilities:</b>			
Bad Debt	(\$5)	(\$5)	\$5
Inventory	(12)	(2)	(6)
Other Assets	(1)	(1)	(0)
Accounts Payable	9	13	(1)
Taxes, Liens and Fees	3	(3)	(0)
Estimated Labor and Other Liabilities	(4)	0	(3)
<b>Cash Provided by Operating Activities</b>	<b>\$13</b>	<b>\$60</b>	<b>\$69</b>
Interest Expense	(\$26)	(\$27)	(\$26)
Taxes Paid on Gains	(9)	(6)	(15)
<b>Net Cash Flow per Operating Activities Plus Interest and Tax Paid:</b>	<b>(\$23)</b>	<b>\$27</b>	<b>\$28</b>
<b>Cash from Investing Activities:</b>			
Purchase of PP&E <sup>(1)</sup>	(\$14)	(\$11)	(\$6)
Sale of PP&E	--	0	0
Sale of Intangibles	1	0	--
Purchase of Intangibles <sup>(2)</sup>	(10)	(8)	(10)
<b>Cash Used in Investing Activities:</b>	<b>(\$23)</b>	<b>(\$19)</b>	<b>(\$16)</b>
<b>Cash Flows from Financing Activities:</b>			
Funds Received from Financial Obligations	\$113	\$90	\$90
Payments of Financial Obligations	(123)	(95)	(92)
Non-Controlling Interests	0	0	0
Economic Interests	13	(5)	(7)
Capitalizations	39	--	0
<b>Net Cash (Used) / Provided by Financing Activities</b>	<b>\$42</b>	<b>(\$9)</b>	<b>(\$9)</b>
Net Increase / (Increase) in Cash and Cash Equivalents	(\$4)	(\$1)	\$2
Cash and Cash Equivalents at Beginning of Period	7	3	2
<b>Cash and Cash Equivalents at End of Period</b>	<b>\$3</b>	<b>\$2</b>	<b>\$4</b>

Source: Procaps

Note: (1) Projected capex (21E'-23E') is \$14.3mm, \$8.3mm, and \$8.3mm, respectively; (2) Projected purchase of intangibles (21E'-23E') is \$8.7mm, \$9.0mm, and \$9.2mm, respectively

## Financials

### Quarterly Revenue and Adjusted EBITDA Figures

#### Quarterly Performance (2020) and Budget (2021)

(USD mm)	2020				2021				Annual	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2021	2022
Net Revenue	\$59	\$77	\$84	\$110	\$70	\$94	\$106	\$127	\$329	\$397
% YoY Growth					18%	23%	26%	16%	(2%)	21%
Adjusted EBITDA <sup>(1)</sup>	\$5	\$22	\$27	\$37	\$6	\$26	\$32	\$41	\$90	\$105
% YoY Growth					16%	21%	19%	10%	24%	16%
% Margin	8%	28%	32%	34%	8%	28%	30%	32%	27%	26%

#### Q1 2021 Net Revenue Performance vs. Budget

(USD mm)	Actual	Old Budget	Revised Budget <sup>(2)</sup>
	Q1 2020	Q1 2021	Q1 2021
Net Revenue	\$59	\$70	\$78
% YoY Growth		18%	32%
Difference			+\$8

Source: Procaps

Note: (1) Adjusted by Severance & Other Non-Recurring Items, One-Time Trade Days Stabilization Impact, Synergies & Cost Savings, COVID Expenses, VAT Exemption, and Expenses Related to Discontinued Businesses; (2) Revised forecast includes updated actual sales from January and February of 2021. The company is expected to exceed its previous budget forecast for Q1 2021

## Valuation Perspectives

### Trading Comparable Companies

Company	Market Cap. US\$ mm	ADTV US\$ mm	EBITDA Margin 21E	CAGR Revenues (LC)		CAGR EBITDA (LC)		EV / Revenues			EV / EBITDA		
				19A-21E	20A-22E	19A-21E	20A-22E	2020A	2021E	2022E	2020A	2021E	2022E
<b>CDMO</b>													
Catalent, Inc.	17,584	128	25%	24%	17%	36%	22%	7.3x	4.9x	4.5x	33.1x	18.6x	16.7x
<b>Pharma</b>													
Sun Pharma	19,412	68	25%	8%	7%	15%	13%	4.4x	3.8x	3.5x	21.3x	15.3x	13.8x
Dr. Reddy's	10,072	3	24%	11%	13%	19%	22%	5.1x	3.5x	3.1x	21.0x	14.4x	12.1x
Cipla Limited	8,750	57	23%	9%	11%	21%	20%	3.8x	3.0x	2.8x	18.3x	13.2x	11.7x
Lupin Limited	6,122	2	17%	2%	5%	1%	18%	2.5x	2.6x	2.3x	15.4x	13.7x	11.5x
<b>Median</b>	<b>9,411</b>	<b>30</b>	<b>24%</b>	<b>9%</b>	<b>9%</b>	<b>17%</b>	<b>19%</b>	<b>4.1x</b>	<b>3.3x</b>	<b>3.0x</b>	<b>19.7x</b>	<b>14.1x</b>	<b>11.9x</b>
<b>Vital Care</b>													
Perrigo Company	5,611	56	16%	-7%	-8%	-8%	-11%	1.9x	2.1x	2.0x	10.0x	12.8x	12.0x
Genomma Lab	1,028	2	22%	8%	7%	14%	14%	1.9x	1.7x	1.6x	9.4x	8.0x	6.9x
Hypera S.A.	3,587	20	34%	32%	24%	27%	26%	6.8x	3.7x	3.4x	37.0x	11.1x	9.8x
<b>Median</b>	<b>3,587</b>	<b>20</b>	<b>22%</b>	<b>8%</b>	<b>7%</b>	<b>14%</b>	<b>14%</b>	<b>1.9x</b>	<b>2.1x</b>	<b>2.0x</b>	<b>10.0x</b>	<b>11.1x</b>	<b>9.8x</b>
<b>Clinical Specialties</b>													
Hikma	7,063	18	29%	6%	7%	10%	7%	3.7x	3.1x	2.9x	13.7x	10.8x	9.9x
<b>Diabetics</b>													
Novo Nordisk A/S	155,028	169	47%	4%	6%	4%	6%	7.9x	7.3x	6.8x	16.7x	15.8x	14.4x
<b>Blended Multiples Build-up</b>													
<b>Blended 1 – % of Contribution Profit</b>													
CDMO – 33%			25%	24%	17%	36%	22%	7.3x	4.9x	4.5x	33.1x	18.6x	16.7x
Pharma – 30%			24%	9%	9%	17%	19%	4.1x	3.3x	3.0x	19.7x	14.1x	11.9x
Vital Care – 16%			22%	8%	7%	14%	14%	1.9x	2.1x	2.0x	10.0x	11.1x	9.8x
Clinical Specialties – 17%			29%	6%	7%	10%	7%	3.7x	3.1x	2.9x	13.7x	10.8x	9.9x
Diabetics – 4%			47%	4%	6%	4%	6%	7.9x	7.3x	6.8x	16.7x	15.8x	14.4x
<b>Median</b>			<b>25%</b>	<b>13%</b>	<b>11%</b>	<b>21%</b>	<b>16%</b>	<b>4.9x</b>	<b>3.7x</b>	<b>3.4x</b>	<b>21.4x</b>	<b>14.6x</b>	<b>12.9x</b>

Source: CapitalIQ as of March 26th, 2021

## Transaction Overview

### PIPE Transaction Term Sheet

<b>Issuer</b>	<ul style="list-style-type: none"> <li>Union Acquisition Corp. II ("Union" or "UAC II")</li> </ul>
<b>Security</b>	<ul style="list-style-type: none"> <li>Ordinary Shares</li> </ul>
<b>Listing</b>	<ul style="list-style-type: none"> <li>NASDAQ / (Ticker LATN)</li> </ul>
<b>Aggregate Amount</b>	<ul style="list-style-type: none"> <li>US\$ 100 mm</li> </ul>
<b>Price</b>	<ul style="list-style-type: none"> <li>US\$ 10 per share</li> </ul>
<b>Structure</b>	<ul style="list-style-type: none"> <li>Private Placement pursuant to Section 4(a)(2), to close concurrently with the business combination</li> </ul>
<b>Use of Proceeds</b>	<ul style="list-style-type: none"> <li>Organic growth, consummate accretive acquisitions and a secondary component to the IFC</li> </ul>
<b>Key Conditions to Commitment</b>	<ul style="list-style-type: none"> <li>Completion of confirmatory due diligence</li> </ul>
<b>Timing of Funding</b>	<ul style="list-style-type: none"> <li>Investor will deposit funds in an escrow three (3) business days prior to the closing of the acquisition of Procaps (the "Closing") with funds to be released upon the Closing</li> </ul>
<b>Registration Statement</b>	<ul style="list-style-type: none"> <li>Union will file, within 60 calendar days after the Closing, a registration statement to register the Ordinary Shares issued in the transaction and will use commercially reasonable efforts to have such registration declared effective</li> </ul>
<b>Confidentiality</b>	<ul style="list-style-type: none"> <li>Investor agrees to keep the existence and contents of this term sheet confidential in accordance with the previously executed Confidentiality Agreement between Union and Investor</li> </ul>
<b>Governing Law</b>	<ul style="list-style-type: none"> <li>This Term Sheet and any disputes relating hereto will be governed by the laws of the State of Delaware</li> </ul>
<b>Binding Effect</b>	<ul style="list-style-type: none"> <li>Except for the section "Confidentiality," which is intended to be legally binding, this Term Sheet is not, and is not intended to be, a binding agreement between the parties and no party shall have any liability to the other party if such party fails to execute definitive agreements for any reason</li> </ul>