PureTech Health Affiliate Gelesis Secures Over $84 Million in New Capital to Support US Commercialisation of PLENITY™

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Vitruvian Partners leads a $63.4 million equity round, complemented by $21.2 million in new, non-dilutive grant funding and loans to further support commercialisation efforts

PureTech Health plc (LSE: PRTC) ("PureTech"), a clinical stage biotechnology company dedicated to discovering, developing and commercialising highly differentiated medicines for devastating diseases, is pleased to note that its affiliate Gelesis today announced it has secured $84.6 million in new capital. In total, Gelesis has obtained nearly $100 million this year to support the US launch of Plenity™.

"We are pleased that Gelesis continues to attract impressive investor interest as they prepare for the US launch of Plenity," said Eric Elenko, PhD, chief innovation officer at PureTech.

The full text of the announcement from Gelesis is as follows:

Gelesis Secures Over $84 Million in New Capital to Support Commercialisation of PLENITY™

Vitruvian Partners leads a $63.4 million equity round, complemented by $21.2 million in new, non-dilutive grant funding and loans to further support commercialisation efforts

BOSTON, Dec. 9, 2019 — Gelesis, a biotechnology company developing a novel hydrogel platform technology to treat obesity and other chronic diseases related to the gastrointestinal (GI) tract, today announced it secured $84.6 million in new capital. In total, Gelesis has obtained nearly $100 million this year to support the US launch of Plenity™.

This latest round of equity funding totalling $63.4 million was led by private equity firm Vitruvian Partners and included other investors. The proceeds from the financing will be used primarily to support the US launch of Plenity in the second half of 2020.

"We are delighted to begin this partnership with Vitruvian, whose mission of driving rapid growth and change across industries is very much aligned with our approach to launching this first-of-its-kind product that could potentially make a difference in the lives of people struggling with excess weight," said Yishai Zohar, founder and chief executive officer of Gelesis. "With this new capital, we are well-positioned to enhance our strategic launch initiatives and leverage our early commercial experience as we prepare for large scale commercial availability of Plenity™ in the US."

Based upon the Gelesis' proprietary manufacturing facility location, the company was also awarded a grant of $12.9 (€11.7) million from the European Regional Development Fund (ERDF), regulated by the Puglia Region of Italy. This builds on the $10.6 (€9.4) million grant announced in April 2019 and brings the total non-dilutive funds secured this year to $23.5 million. The company also further enhanced its financial flexibility by entering into a long-term, low interest $8.3 million loan agreement.

About PLENITY™

PLENITY™ is an oral, non-systemic, superabsorbent hydrogel which has received FDA clearance as an aid in weight management in overweight and obese adults with a BMI of 25–40 kg/m2, when used in conjunction with diet and exercise. It is made by cross-linking two naturally derived building blocks—modified cellulose and citric acid—that create a three-dimensional matrix. PLENITY™ particles rapidly absorb water in the stomach an homogenously mix with ingested foods. Rather than forming one large mass, it creates thousands of small individual gel pieces with the elasticity (firmness) of solid plant-based foods (e.g., vegetables) without caloric value. The PLENITY™ hydrogel increases the volume and elasticity of the stomach and small intestine contents and induces a feeling of fullness and satiety. Once it arrives in the large intestine, the hydrogel is partially broken down by enzymes and loses its three-dimensional structure along with most of its absorption capacity. The released water is reabsorbed in the large intestine, and the remaining cellulosic material is eliminated through the body's natural digestive processes. PLENITY™ is considered a medical device because it achieves its primary intended purpose through mechanical modes of action consistent with mechanobiology constructs. For more information, visit myplenity.com.

Important Safety Information

- PLENITY™ is contraindicated in patients who are pregnant or are allergic to cellulose, citric acid, sodium stearyl fumarate, gelatin or titanium oxide.
- PLENITY™ may alter the absorption of medications. Read Sections 6 and 8.3 of the Instructions for Use carefully.
- Avoid use in patients with the following conditions: esophageal anatomic anomalies, including webs, diverticuli, and rings; suspected strictures (such as patients with Crohn's disease); or complications from prior gastrointestinal (GI) surgery that could affect GI transit and motility.
- Use with caution in patients with active GI conditions such as gastro-esophageal reflux disease (GERD), ulcers or heartburn.
- Overall, the most common treatment related adverse events (TRAEs) were GI-related with 38% of adults in the PLENITY group and 28% of adults in the placebo group.
- The overall incidence of adverse events (AEs) in the PLENITY™ group was no different from the placebo group.

Rx Only. For the safe and proper use of PLENITY™, refer to the Instructions for Use.

About Vitruvian Partners

Vitruvian is an international private equity firm headquartered in London with offices across London, Stockholm, Munich, Luxembourg, San Francisco and Shanghai. Vitruvian focuses on dynamic situations characterised by rapid growth and change across industries spanning information technology, financial services, life sciences & healthcare, media, and business and consumer services. Vitruvian is currently investing from its third fund, the €2.4 billion Vitruvian Investment Partnership III, which is among the largest pools of capital in Europe supporting innovative and higher growth companies. Vitruvian Funds have backed over 45 companies and have assets under management of approximately $5.5 billion. Notable investments to date include global market leaders in their field such as Just Eat, FarFetch, Darktrace, Trustpilot, Snow Software, TransferWise, Skyscanner and others. The Firm's previous investments in life science innovators include companies such as doctari, CRF Health, ADA Health, Dental Monitoring. More information can be found at: www.vitruvianpartners.com

About Gelesis

Gelesis is developing a novel hydrogel platform technology to treat overweight and obesity and chronic diseases related to the GI pathway. Gelesis' proprietary approach is designed to act mechanically in the GI pathway to potentially alter the course of certain chronic diseases. In April 2019, Gelesis received FDA clearance for its lead product candidate, Plenity™, as an aid for weight management in overweight and obese adults with a Body Mass Index (BMI) of 25-40 kg/m2, when used in conjunction with diet and exercise. Gelesis anticipates Plenity will be available by prescription in the US in the second half of 2020. Additionally, Gelesis is developing its second investigational candidate, Gelesis200, a hydrogel optimised for weight loss and glycaemic control in patients with type 2 diabetes and prediabetes. This novel Gelesis hydrogel technology is also being advanced in other GI conditions, such as non-alcoholic steatohepatitis (NASH) and Chronic Idiopathic Constipation (CIC).

The Gelesis executive and advisory team includes some of the world's leading experts in obesity, materials science, chronic disease research, and commercialisation. Gelesis was co-founded by PureTech Health (LSE: PRTC), a clinical-stage biotechnology company dedicated to discovering, developing and commercialising highly differentiated medicines for devastating diseases. For more information, visit gelesis.com or connect with us on Twitter @GelesisInc.

About PureTech Health

PureTech is a clinical stage biotechnology company dedicated to discovering, developing and commercialising highly differentiated medicines for devastating diseases, including intractable cancers, lymphatic and gastrointestinal diseases, central nervous system disorders, and inflammatory and immunological diseases, among others. The Company has created a broad and deep pipeline through the expertise of its experienced research and development team and its extensive network of scientists, clinicians and industry leaders. This pipeline, which is being advanced both internally and through PureTech's affiliates, is comprised of 24 product candidates and one product that has been cleared by the US Food and Drug Administration (FDA). All of the underlying programmes and platforms that resulted in this pipeline of product candidates were initially identified or discovered and then advanced by the PureTech team through key validation points based on the Company's unique insights into the biology of the brain, immune, and gut, or BIG, systems and the interface between those systems, referred to as the BIG Axis.

For more information, visit www.puretechhealth.com or connect with us on Twitter @puretechh.

Ownership Information

PureTech's percentage ownership of Gelesis following the financing is approximately 22.3% on a diluted basis. This calculation of PureTech's holding includes issued and outstanding shares as well as options and warrants to purchase shares, but excludes unallocated shares authorised to be issued pursuant to equity incentive plans. PureTech Health also has a right to low single-digit royalty payments as a percentage of net sales of certain Gelesis products. Of the $63.4 million equity raised in this financing by Gelesis, Invesco Asset Management subscribed for 949,623 preferred shares for an aggregate purchase price of $16.4 million. Invesco is a substantial shareholder of PureTech pursuant to the Listing Rules, and thus this transaction is a smaller related party transaction falling within the scope of Listing Rule 11.1.10R. Invesco was a shareholder of Gelesis prior to this financing and its percentage ownership is substantially the same before and after the financing.

Forward Looking Statement

This press release contains statements that are or may be forward-looking statements, including statements that relate to the company's future prospects, developments, and strategies. The forward-looking statements are based on current expectations and are subject to known and unknown risks and uncertainties that could cause actual results, performance and achievements to differ materially from current expectations, including, but not limited to, those risks and uncertainties described in the risk factors included in the regulatory filings for PureTech Health plc. These forward-looking statements are based on assumptions regarding the present and future business strategies of the company and the environment in which it will operate in the future. Each forward-looking statement speaks only as at the date of this press release. Except as required by law and regulatory requirements, neither the company nor any other party intends to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise.