

## Gelesis, Inc.'s Business Combination with Capstar Special Purpose Acquisition Corp.

JULY 19, 2021

Winston & Strawn LLP represented the placement agents, Citigroup Global Markets Inc. and UBS Investment Bank, in connection with Gelesis, Inc. (Gelesis or the Company), a biotherapeutics company advancing biomimetic superabsorbent hydrogels to treat excess weight and metabolic disorders, and Capstar Special Purpose Acquisition Corp.'s, (NYSE: CPSR) (Capstar) a special purpose acquisition company sponsored by affiliates of Capstar Partners, LLC and certain private funds managed by PIMCO, business combination agreement. Upon completion of the transaction, the combined company's securities are expected to be traded on the NYSE under the symbol "GLS." The transaction values the combined company at an implied enterprise value of approximately US\$1.0B and equity value of approximately US\$1.3B, based on a US\$10.00 per share price of Capstar common stock and assuming no redemptions by Capstar's public shareholders. The transaction will provide up to US\$376M in gross proceeds to the combined company from a combination of a US\$100M common stock PIPE financing at US\$10.00 per share along with US\$276M of cash held in Capstar's trust account (assuming no redemptions by Capstar's public shareholders). The PIPE financing is anchored by a mix of new and existing top-tier investors and partners, including PIMCO private funds, Pritzker Vlock Family Office, China Medical Systems Holdings Ltd. (CMS), and co-founder PureTech Health. Kennedy Lewis Investment Management will invest US\$10M in the PIPE conditioned upon the closing of their US\$100M senior secured credit facility to the Company, which is subject to the completion of due diligence, final documentation, and customary closing conditions. Proceeds from the business combination, PIPE, and credit facility will be primarily used to support the full commercial launch of Plenity for weight management later this year and expanded manufacturing to meet consumer demand. Gelesis' existing shareholders will convert 100% of their ownership stakes into the new company.

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