



ReShape Lifesciences Enters into Warrant Exercise Transaction for \$2.5 Million in Gross Proceeds

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SAN CLEMENTE, Calif., June 17, 2022 (GLOBE NEWSWIRE) -- ReShape Lifesciences Inc. (Nasdaq: RSLI), the premier physician-led weight loss and metabolic health solutions company, announced today that it has entered into a warrant exercise agreement with an existing accredited investor to exercise outstanding warrants to purchase up to an aggregate of 3.7 million shares of the company's common stock. In consideration for the immediate exercise of the existing warrants for cash, the exercising holder received new unregistered warrants to purchase up to an aggregate of 3.7 million shares (equal to 100% of the shares of common stock issued in connection with the exercise) of the company's common stock. In connection with the exercise, the company also agreed to reduce the exercise price of the 3.7 million exercised warrants and 1.6 million remaining unexercised warrants to \$0.6665, which is equal to the most recent closing price of the company's common stock on The Nasdaq Capital Market prior to the execution of the warrant exercise agreement.

The new warrants are exercisable immediately upon issuance at an exercise price of \$0.6665 per share and have a term of exercise equal to seven and one-half years. The company agreed to file a resale registration statement on Form S-3 within 30 days with respect to the new warrants and the shares of common stock issuable upon exercise of the new warrants. The warrant exercise agreement and the new warrants each include a beneficial ownership limitation that prevents any of the investors from owning more than 4.99% of the company's outstanding common stock at any time.

"This financing, executed in a challenging capital markets environment, extends our cash runway through 2023," stated Bart Bandy, President and Chief Executive Officer of ReShape Lifesciences. "As important, these funds enable us to continue our direct-to-consumer marketing campaign, which, statistics, thus far, show is driving patient traffic to bariatric surgeons, resulting in increased demand for Lap-Band® procedures and increased sales for the Company."

The gross proceeds to the company from the exercise of the existing warrants was approximately \$2.5 million, prior to deducting placement agent fees and estimated offering expenses. The company intends to use the net proceeds for commercial growth, working capital and general corporate purposes.

Maxim Group LLC acted as the exclusive warrant inducement agent and financial advisor for the transaction.

About ReShape Lifesciences Inc.

ReShape Lifesciences™ is America's premier weight loss and metabolic health-solutions company, offering an integrated portfolio of proven products and services that manage and treat obesity and metabolic disease. The FDA-approved Lap-Band® Program provides minimally invasive, long-term treatment of obesity and is an alternative to more invasive surgical stapling procedures such as the gastric bypass or sleeve gastrectomy. The ReShape Vest™ System is an investigational (outside the U.S.) minimally invasive, laparoscopically implanted medical device that wraps around the stomach, emulating the gastric volume reduction effect of conventional weight-loss surgery. It helps enable rapid weight loss in obese and morbidly obese patients without permanently changing patient anatomy. reshapecare™ is a virtual weight-management program that supports lifestyle changes for all weight-loss patients led by board certified health coaches to help them keep the weight off over time. The recently launched ReShape Marketplace™ is an online collection of quality wellness products curated for all consumers to help them achieve their health goals.

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