



ReShape Lifesciences® Provides Update on Merger Agreement With Vyome Therapeutics and Asset Purchase Agreement With Biorad Medisys

January 13, 2025

Transactions Continue to Progress and Remain on Track

IRVINE, Calif. and CAMBRIDGE, Mass., Jan. 13, 2025 (GLOBE NEWSWIRE) -- [ReShape Lifesciences Inc. \(Nasdaq: RSL\)](#), the premier physician-led weight loss and metabolic health-solutions company, and Vyome Therapeutics, Inc. ("Vyome"), a private clinical-stage company targeting immuno-inflammatory and rare diseases, today provided an update on the definitive merger agreement under which ReShape and Vyome will combine in an all-stock transaction. The combined company will focus on advancing the development of Vyome's immuno-inflammatory assets and on identifying additional opportunities between the world-class Indian innovation corridor and the U.S. market. ReShape also provided an update on the asset purchase agreement with Biorad Medisys.

On July 9, 2024, ReShape Lifesciences Inc. entered into a definitive merger agreement with Vyome, under which ReShape and Vyome will combine in an all-stock transaction. At the closing of the merger, ReShape will be renamed Vyome Holdings, Inc. and expects to trade under the Nasdaq ticker symbol "HIND," representing the company's alignment with the U.S.-India relationship. The board of directors of the combined company will be comprised of six directors designated by Vyome and one director designated by ReShape, and executive management of the combined company will consist of Vyome's executive officers.

Simultaneously with the execution of the merger agreement, ReShape entered into an asset purchase agreement with Biorad, which is party to a previously disclosed exclusive license agreement with ReShape for ReShape's Obalon® Gastric Balloon System. Pursuant to the asset purchase agreement, ReShape will sell substantially all of its assets to Biorad (or an affiliate thereof), including ReShape's Lap-Band® System, Obalon® Gastric Balloon System and the Diabetes Bloc-Stim Neuromodulation™ (DBSN™) System (but excluding cash), and Biorad will assume substantially all of ReShape's liabilities. The cash purchase price under the asset purchase agreement will count toward ReShape's net cash for purposes of determining the post-merger ownership allocation between ReShape and Vyome stockholders under the merger agreement.

On October 1, 2024, ReShape filed a Form S-4 registration statement with the U.S. Securities and Exchange Commission (SEC), for the merger with Vyome and on December 6, 2024 ReShape filed an amendment to that Form S-4 registration statement.

On December 20, 2024, ReShape filed a Form S-1 registration statement for the previously announced Equity Line of Credit (ELOC) with Ascent Partners Fund LLC.

"As previously reported, in July, we coordinated a merger agreement with Vyome and a concurrent asset purchase agreement with Biorad, successfully maximizing value for our stockholders. Since entering into the agreement, both the ReShape and Vyome teams have worked diligently to answer comments from the SEC on the S-4. We are currently in the process of responding to comments from the SEC," stated Paul F. Hickey, President and Chief Executive Officer of ReShape Lifesciences®. "Once the S-4 filing is declared effective, we will set the record date for the subsequent shareholder meeting. It is important to note that our board unanimously recommended merging with Vyome and concurrently selling assets to Biorad. We believe this merger will unlock significant value for our shareholders in the newly combined entity. Additionally, we are working to finalize the S-1 resale registration statement for the ELOC, which is intended to provide capital for our general operations and also expenses related to the closing of the merger and asset purchase agreements. I am truly excited about the value we are delivering to our stockholders and the growth potential resulting from these transactions."

"We believe this transaction will allow us to unlock the full potential of Vyome's pipeline as a publicly listed company following the merger with ReShape, as we continue to address the unmet needs of patients suffering from immune-inflammatory diseases and building a broader platform that leverages our comparative advantage in the U.S.-India innovation corridor," added Krishna K. Gupta, current director of Vyome and to be appointed Chairman of the combined company. "Our vision for Vyome is to build a world-class company leveraging the best of talent and capital between the U.S. and India to develop new therapies for unmet chronic immune-inflammatory conditions in a highly-cost efficient manner. We also have a broader vision of augmenting our portfolio along the three pillars of biopharma, medical devices, and healthcare artificial intelligence. It is important to note that we have no debt and a clean capital structure, positioning Vyome for success in the public markets."

About Vyome

Vyome Therapeutics is building a healthcare platform spanning the US-India innovation corridor. Vyome's immediate focus is leveraging its clinical-stage assets to transform the lives of patients with immune-inflammatory conditions. By applying groundbreaking science and its unique positioning across the US-India innovation corridor, Vyome seeks to deliver lasting value to shareholders in a hyper cost-efficient manner while upholding global standards of quality and safety. Based in Cambridge, MA, the company has announced its intent to be listed on the Nasdaq exchange under the ticker 'HIND' pursuant to a reverse merger with ReShape Lifesciences Inc. (Nasdaq: RSL) in early 2025. To learn more, please visit www.vyometx.com.

About Biorad Medisys

Biorad Medisys Pvt. Ltd.® is a rapidly growing med-tech company dedicated to redefining healthcare standards with precision-engineered medical devices backed by rigorous scientific research. It operates three business units – Indovasive, Orthovasive and Neurovasive. Indovasive offers consumables and equipment in Urology and Gastroenterology. The Orthovasive segment sells a complete range of Knee and Hip implants for both Primary and Revision surgeries. It has recently forayed into Neurovascular BU for selling a wide portfolio of products in peripheral vascular, neurovascular and rehabilitation segments. It has two manufacturing facilities in India and is currently exporting to 50+ countries. To realize its global

expansion strategy, it recently acquired a Swiss based company, Marflow, which specializes in commercialization of products in Urology & Gastroenterology.

About ReShape Lifesciences®

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® System 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 investigational Diabetes Bloc-Stim Neuromodulation™ (DBSN™) system utilizes a proprietary vagus nerve block and stimulation technology platform for the treatment of type 2 diabetes and metabolic disorders. The Obalon® balloon technology is a non-surgical, swallowable, gas-filled intra-gastric balloon that is designed to provide long-lasting weight loss. For more information, please visit www.reshapelifesciences.com.

Additional Information

In connection with the proposed Merger and Asset Sale, ReShape has filed with the Securities and Exchange Commission (the "SEC") and plans to mail or otherwise provide to its stockholders a joint proxy statement/prospectus and other relevant documents. Before making a voting decision, ReShape's stockholders are urged to read the joint proxy statement/prospectus and any other documents filed by ReShape with the SEC in connection with the proposed Merger and Asset Sale or incorporated by reference therein carefully and in their entirety when they become available because they will contain important information about ReShape, Vyome and the proposed transactions. Investors and stockholders may obtain a free copy of these materials (when they are available) and other documents filed by ReShape with the SEC at the SEC's website at www.sec.gov, at ReShape's website at www.reshapelifesciences.com, or by sending a written request to ReShape at 18 Technology Drive, Suite 110, Irvine, California 92618, Attention: Corporate Secretary.

Participants in the Solicitation

This document does not constitute a solicitation of proxy, an offer to purchase or a solicitation of an offer to sell any securities of ReShape and its directors, executive officers and certain other members of management and employees may be deemed to be participants in soliciting proxies from its stockholders in connection with the proposed Merger and Asset Sale. Information regarding the persons who may, under the rules of the SEC, be considered to be participants in the solicitation of ReShape's stockholders in connection with the proposed Merger and Asset Sale will be set forth in joint proxy statement/prospectus if and when it is filed with the SEC by ReShape and Vyome. Security holders may obtain information regarding the names, affiliations and interests of ReShape's directors and officers in ReShape's Annual Report on Form 10-K for the fiscal year ended December 31, 2023, which was filed with the SEC on April 1, 2024. To the extent the holdings of ReShape securities by ReShape's directors and executive officers have changed since the amounts set forth in ReShape's proxy statement for its most recent annual meeting of stockholders, such changes have been or will be reflected on Statements of Change in Ownership on Form 4 filed with the SEC. Additional information regarding these individuals and any direct or indirect interests they may have in the proposed Merger and Asset Sale has been set forth in the joint proxy statement/prospectus filed with the SEC in connection with the proposed Merger and Asset Sale, at ReShape's website at www.reshapelifesciences.com.

Forward-Looking Statements

Certain statements contained in this filing may be considered forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding the Merger and Asset Sale and the ability to consummate the Merger and Asset Sale. These forward-looking statements generally include statements that are predictive in nature and depend upon or refer to future events or conditions, and include words such as "believes," "plans," "anticipates," "projects," "estimates," "expects," "intends," "strategy," "future," "opportunity," "may," "will," "should," "could," "potential," or similar expressions. Statements that are not historical facts are forward-looking statements. Forward-looking statements are based on current beliefs and assumptions that are subject to risks and uncertainties. Forward-looking statements speak only as of the date they are made, and ReShape undertakes no obligation to update any of them publicly in light of new information or future events. Actual results could differ materially from those contained in any forward-looking statement as a result of various factors, including, without limitation: (1) ReShape may be unable to obtain stockholder approval as required for the proposed Merger and Asset Sale; (2) conditions to the closing of the Merger or Asset Sale may not be satisfied; (3) the Merger and Asset Sale may involve unexpected costs, liabilities or delays; (4) ReShape's business may suffer as a result of uncertainty surrounding the Merger and Asset Sale; (5) the outcome of any legal proceedings related to the Merger or Asset Sale; (6) ReShape may be adversely affected by other economic, business, and/or competitive factors; (7) the occurrence of any event, change or other circumstances that could give rise to the termination of the Merger Agreement or Asset Purchase Agreement; (8) the effect of the announcement of the Merger and Asset Purchase Agreement on the ability of ReShape to retain key personnel and maintain relationships with customers, suppliers and others with whom ReShape does business, or on ReShape's operating results and business generally; and (9) other risks to consummation of the Merger and Asset Sale, including the risk that the Merger and Asset Sale will not be consummated within the expected time period or at all. Additional factors that may affect the future results of ReShape are set forth in its filings with the SEC, including ReShape's most recently filed Annual Report on Form 10-K, subsequent Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other filings with the SEC, which are available on the SEC's website at www.sec.gov, specifically under the heading "Risk Factors." The risks and uncertainties described above and in ReShape's most recent Annual Report on Form 10-K are not exclusive and further information concerning ReShape and its business, including factors that potentially could materially affect its business, financial condition or operating results, may emerge from time to time. Readers are urged to consider these factors carefully in evaluating these forward-looking statements, and not to place undue reliance on any forward-looking statements. Readers should also carefully review the risk factors described in other documents that ReShape files from time to time with the SEC. The forward-looking statements in these materials speak only as of the date of these materials. Except as required by law, ReShape assumes no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future.

CONTACTS:

ReShape Lifesciences Contact:

Paul F. Hickey
President and Chief Executive Officer
949-276-7223
ir@ReShapelifesci.com

Investor Relations Contact:

[Rx Communications Group](#)

Michael Miller
(917)-633-6086
mmiller@rxir.com



Source: ReShape Lifesciences Inc