

Company Presentation

June 2020



Safe Harbor Statement and Risk Factors

- This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally can be identified by the use of words such as "expect," "plan," "anticipate," "could," "may," "intend," "will," "continue," "future," other words of similar meaning and the use of future dates. These forward-looking statements are based on the current expectations of our management and involve known and unknown risks and uncertainties that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others: risks and uncertainties related to our acquisition of the LAP-BAND® system; our ability to continue as a going concern if we are unable to improve our operating results or obtain additional financing; risks related to ownership of our securities as a result of our delisting from the NASDAQ Capital Market; our proposed ReShape Vest product may not be successfully developed and commercialized; our limited history of operations; our losses since inception and for the foreseeable future; our limited commercial sales experience; the competitive industry in which we operate; our dependence on third parties to initiate and perform our clinical trials; the need to obtain regulatory approval for our ReShape Vest and any modifications to our vBloc system and LAP-BAND system; physician adoption of our products; our ability to obtain third party coding, coverage or payment levels; ongoing regulatory compliance; our dependence on third party manufacturers and suppliers; the successful development of our sales and marketing capabilities; our ability to raise additional capital when needed; international commercialization and operation; our ability to attract and retain management and other personnel and to manage our growth effectively; potential product liability claims; the cost and management time of operating a public company; potential healthcare fraud and abuse claims; healthcare legislative reform; and our ability to obtain and maintain intellectual property protection for our technology and products. These and additional risks and uncertainties are described more fully in the Company's filings with the Securities and Exchange Commission, particularly those factors identified as "risk factors" in our annual report on Form 10-K filed May 16, 2019 and subsequent quarterly reports on Form 10-Q. We are providing this information as of the date of this presentation and do not undertake any obligation to update any forward-looking statements contained in this document as a result of new information, future events or otherwise, except as required by law.

Recent Initiatives & Future Growth Opportunity

Dec. 2018

- New Leadership with Strong Market Knowledge and Relationships
- Acquisition of LAP-BAND®
- ReShape Vest Feasibility Study Complete
- ReShape Vest CE Mark Study Patient Enrollment, April 2019
- Divestment of ReShape Balloon
- Implementation of ERP System
- Cap Table, Litigation and Debt “Clean-up”
- Cost Reductions: Headcount, Recurring Cost and Infrastructure

May 2020

June 2020

Our Growth Opportunity

- Strategically aligned portfolio – bariatric surgeons, laparoscopic procedure focus, R&D pipeline
- Reimbursed obesity product that reached over \$290M in annual gross revenue at its peak
- One year endpoint on ReShape Vest – Target of 2022 for CE Certification
- Large and growing addressable market with a significant unmet need

2020+

Experienced Management Team

BART BANDY – CHIEF EXECUTIVE OFFICER

- Health care executive with over 25 years of experience leading a variety of medical device companies, led original LAP-BAND® growth for 10 years
- Inamed/Allergan (LAP-BAND product), Ethicon Endo-Surgery, Karl Storz Endoscopy, BroadSpot Imaging

THOMAS STANKOVICH – CHIEF FINANCIAL OFFICER

- Over 25 years of executive leadership experience as the CFO for public and private healthcare industry companies
- MP Global Enterprises, MP Biomedicals, Response Genetics, Ribapharm, ICN International AG, ICN Pharmaceuticals (Valeant Pharmaceuticals)

RAJ NIHALANI, MD – CHIEF TECHNOLOGY OFFICER AND BUSINESS DEVELOPMENT

- Medical device executive and physician entrepreneur with 20 + years of experience in small and large medtech companies
- Founder and CEO of BarioSurg (Vest), Onciomed, Medtronic, Endologix, Acufocus, Rox Medical, Mdnook

KEVIN CONDRIN – SENIOR VICE PRESIDENT, COMMERCIAL

- Over 20 years of global marketing, business development and sales experience in the medical device and bariatric industries
- USGI, Medtronic (Covidien), Karl Storz, Circon ACMI and USGI Medical

DOV GAL, BSc, DVM, MBA – VICE PRESIDENT, CLINICAL AND REGULATORY, COMPLIANCE OFFICER

- Over 25 years of executive leadership & consulting experience in medical device regulatory affairs, clinical research, compliance and reimbursement
- ClearFlow, Edwards Lifesciences, Broncus Technologies, Medtronic (AVE), Florence Medical, UltraGuide

VIPUL SHAH – SENIOR VICE PRESIDENT, OPERATIONS AND R&D

- Operations and R&D executive with over 19 years experience in a variety of medical device companies
- Presbia Cooperatief U.A./Presbia PLC, Vistome, Coopervision, Ocular Sciences, Sunsoft

BRENDAN O'CONNELL – VICE PRESIDENT, FINANCE AND CORPORATE CONTROLLER

- Over 20 years of accounting and finance experience, with over 12 years in the medical device space
- Biolase Incorporated, Resources Global Professionals, The Leighton Group, Inc.

ReShape Lifesciences Vision Statement

To be the leading minimally invasive medical device company providing cutting-edge technologies for the treatment of obesity and metabolic disorders, which people want to be associated with and where the best employees want to work.
As the preferred partner for bariatric professionals, we will be known for our first priority; helping those who are affected by obesity achieve a better quality of life.

ReShape Lifesciences' Minimally Invasive Portfolio

WHAT'S NOW



PREFERRED ACCESSORIES
FOR BARIATRIC SURGERY

WHAT'S NEXT



NEXT-GEN TREATMENT FOR OBESITY⁽¹⁾

¹ For investigational use only in CE clinical trials

*ReShape Vest is for investigational use only and not approved for use.

Serving the Growing Worldwide Obesity Epidemic

Opportunity

\$1.64 billion/year
global bariatric surgical
device market, with CAGR of
5.7%¹



Market Solution

Safe, laparoscopic and
minimally invasive, anatomy
preserving solutions
with durable outcomes²



ReShape

Highly scalable portfolio of
proven and emerging
products to serve this
obesity market need

¹Global Forecast to 2023, published by MarketsandMarkets; <https://www.marketsandmarkets.com/Market-Reports/bariatric-surgery-device-market-173150134.html>

²The American Journal of Surgery 184 (2002) 51S-54S

ReShape Lifesciences Milestones and Objectives



1

Drive Revenue & Shareholder Value

- Focus commercial organization on strategic markets and accounts for LAP-BAND®
- Drive revenue utilizing new long-term clinical data and patient marketing
- Achieve all financial criteria for NASDAQ listing



2

Differentiate Through Program Development

- Promote LAP-BAND® to consumer market, improve lead management
- Support and expand reimbursement of LAP-BAND® and aftercare (exclusive)
- Practice support and professional education training



3

Grow Pipeline

- Complete clinical investigation for CE certification US approval of ReShape Vest
- Reengage clinicians and patients with updated technologies & “dispelling myths” programs
- Add complementary products and services to portfolio

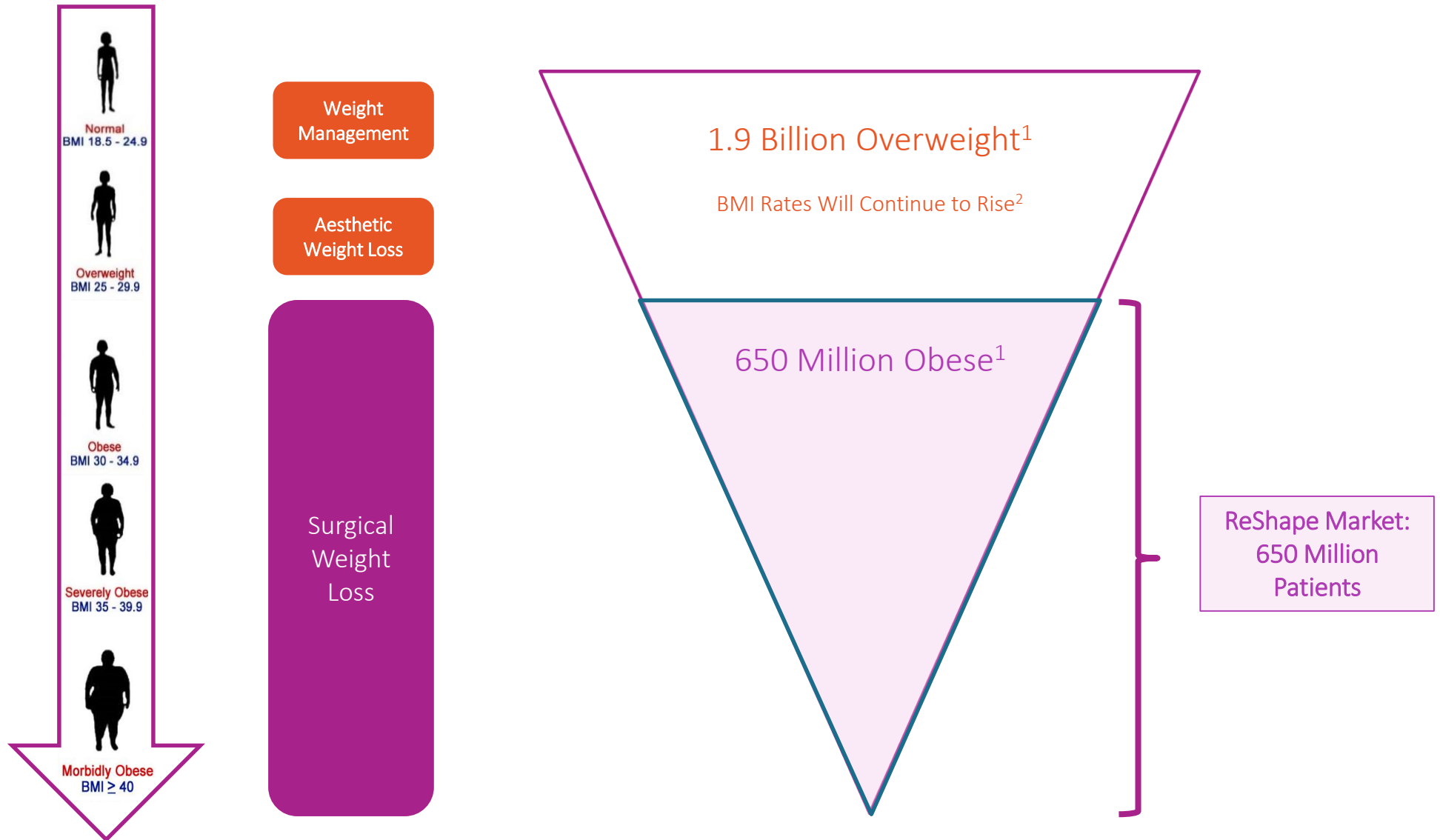


4

Strengthen Position in Market

- Divest non-strategic properties and leverage high margin products
- Utilize strategic partnerships for revenue opportunities and market positioning
- Leverage strong IP & safety profile

Significant Global Opportunity for Today's Obesity Continuum

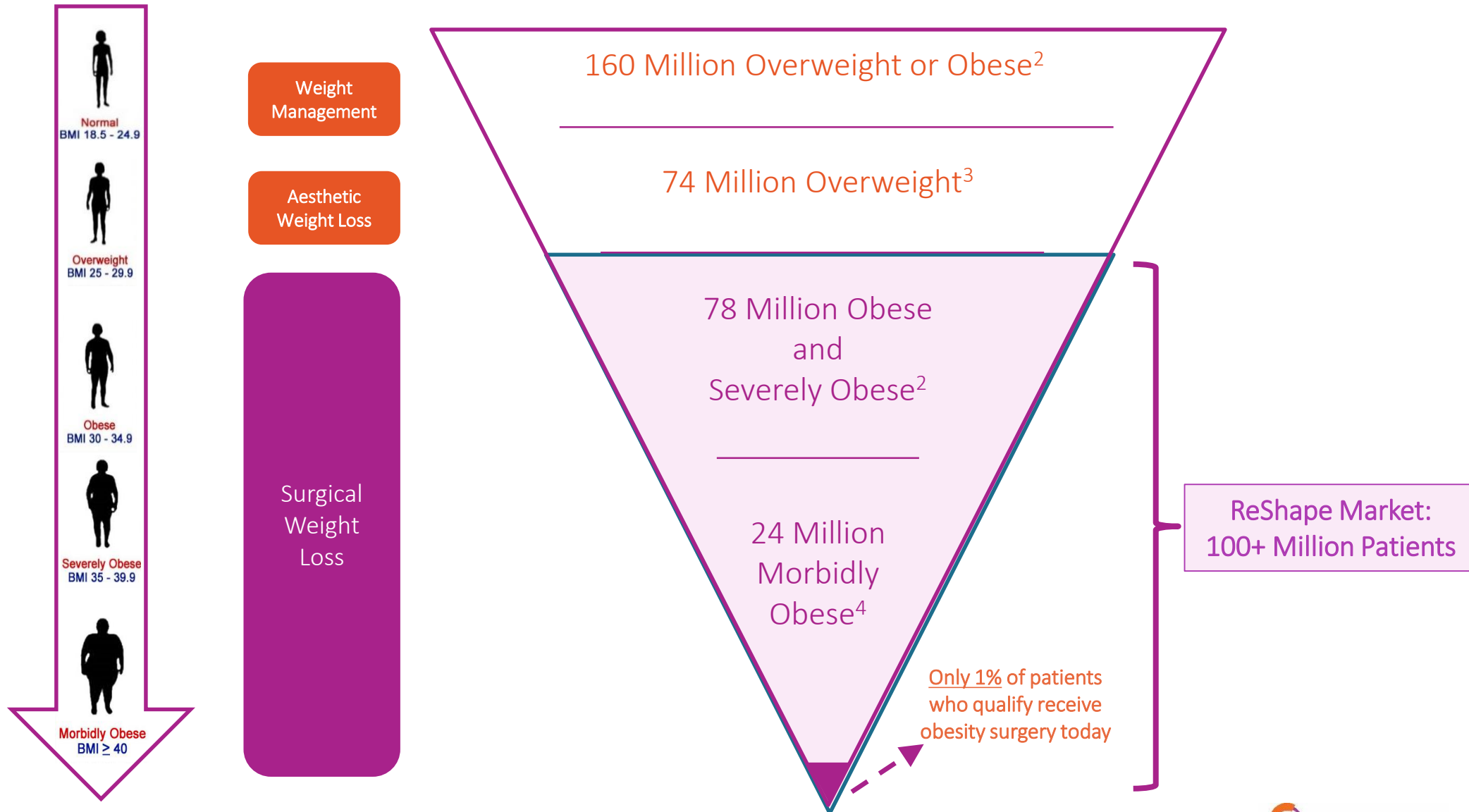


¹; World Health Organization. "Obesity and Overweight" <http://www.who.int/news-room/fact-sheets/detail/obesity-and-overweight> 16 February 2018.

² OECD Analysis of National Health Survey Data. "Obesity Update 2017" www.oecd.org/health/obesity-update.htm.

Note: Obesity defined as Body Mass Index (BMI) $\geq 30\text{kg/m}^2$. OECD projections assume the BMI will continue to rise as a linear function of time.

U.S. Opportunity for Today's Obesity Continuum



¹Agnihotri, et al. (2018) Real-World Safety and Efficacy of Fluid Filled Dual Intra-gastric Balloon for Weight Loss. *Clinical Gastroenterology and Hepatology Journal* (2018), doi 10.1016/j.cgh.2018.02.026.

²<http://www.healthdata.org/news-release/vast-majority-american-adults-are-overweight-or-obese-and-weight-growing-problem-among>;

³Health, United States, 2016, table 53 [PDF – 9.8 MB] Children and adolescents. May 3, 2017

⁴<https://asmbs.org/resources/obesity-in-America>

Obesity: Epidemic Impact & Large Unmet Need



- More than **2.5 billion** people are overweight or obese
 - **30%** of the global population, **1 in 3 adults** in the U.S.¹
- On current trajectory, **50%** of the population will be overweight or obese by 2030¹
- Global economic impact of obesity is **\$2 trillion** or 2.8% of GDP¹
- Healthcare costs for severely or morbidly obese adults are 81% higher than for healthy weight adults²
- Obesity is responsible for **5% of deaths** worldwide²



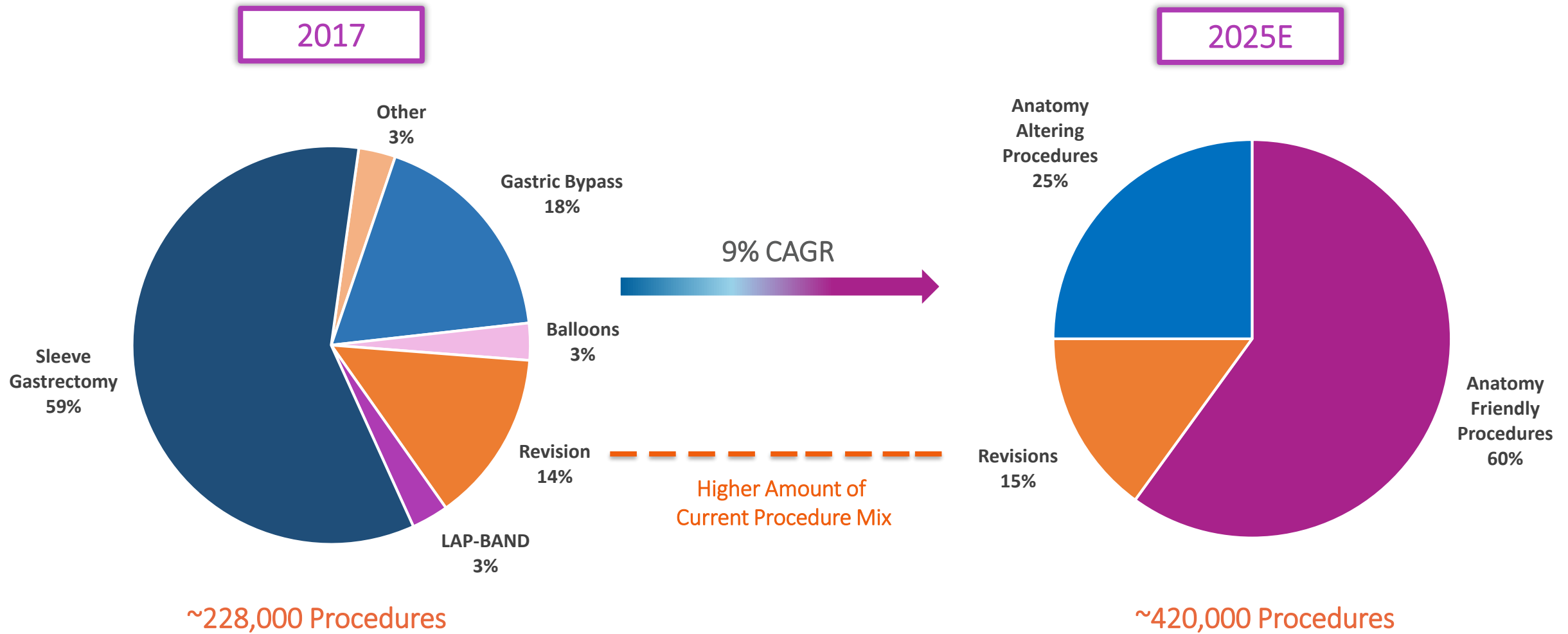
Slightly over 1%
of obese
patients who
qualify for
treatment
have surgery³

¹The State of Obesity: *Better Policies for a Healthier America*, 2016.

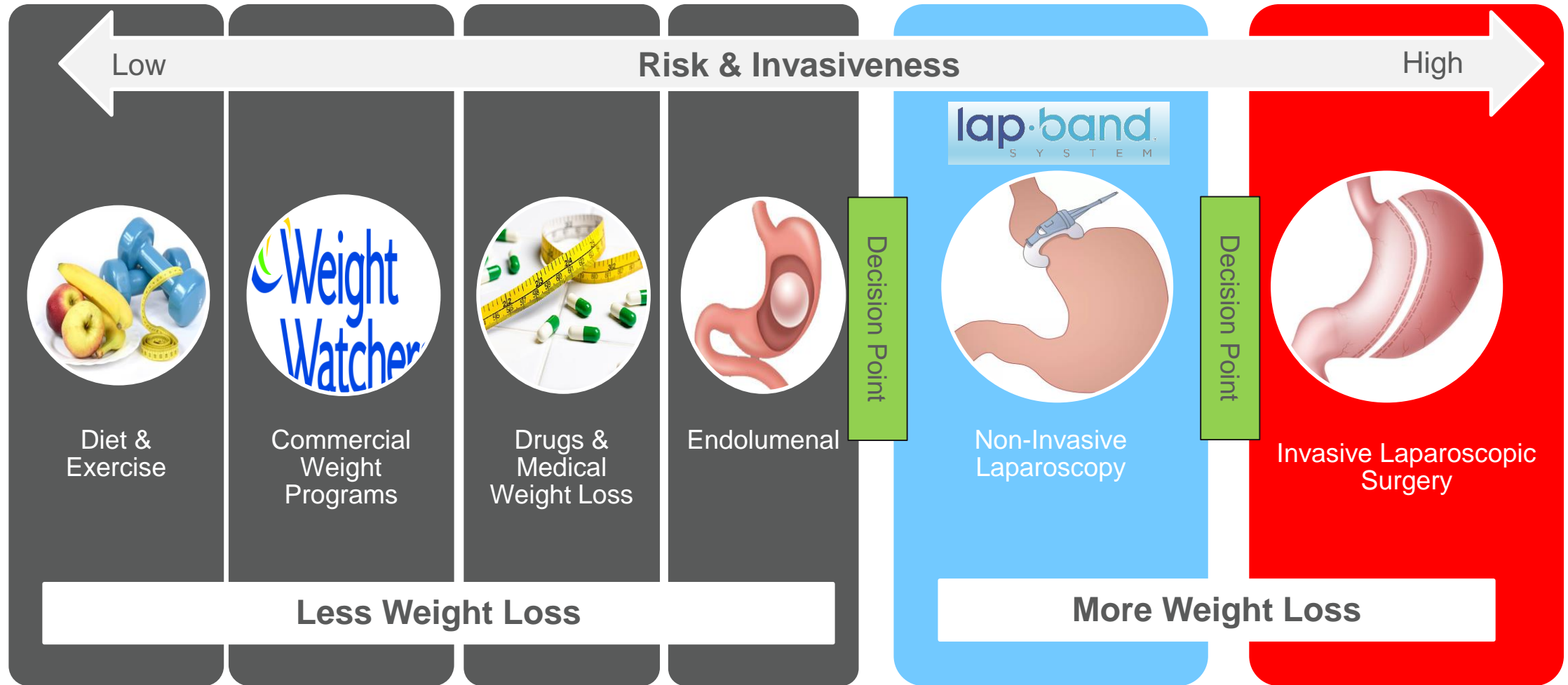
²McKinsey & Company Report (2014). Overcoming obesity: An initial economic analysis. Retrieved from https://www.mckinsey.com/~media/McKinsey/Business%20Functions/Economic%20Studies%20TEMP/Our%20Insights/How%20the%20world%20could%20better%20fight%20obesity/MGI_Overcoming_obesity_Full_report.ashx

³ASMBS estimates.

U.S. Obesity Procedure Mix⁽¹⁾



Weight Loss Options are a Continuum of Risk vs. Efficacy



Gastric Stapling Procedures are Not the Answer

No Agreed Upon Standard of Care

Invasive, anatomy-changing and life-altering

Long-term analysis demonstrates complications & weight regain

Gastric Bypass Complications

1 out of 10 gastric bypass patients experience a non-life-threatening complication at some point¹

The most common complications include:

- Stomal Stenosis – 5/100 patients
- Wound Infection – 3/100 patients
- Bowel Obstruction – 3/100 patients
- Gastrointestinal bleeding – 2/100 patients
 - Leak – 2/100 patients

¹Dayer-Jankechova, A., Fournier, P., Allemann, P. et al. (2016) Complications After Laparoscopic Roux-en-Y Gastric Bypass in 1573 Consecutive Patients: Are There Predictors? OBES SURG (2016) 26: 12.

Gastric Sleeve Weight Regain

After two years, **1 out of 20** gastric sleeve patients have gained back weight from their low point

At 5 years, the average gastric sleeve patient **regains as much as 50%** of the weight they lost¹

Weight regain ranges from **5.7%** at two years to **75.6%** at six years²

¹Golomb, Inbal & Ben David, Matan & Glass, Adi & Kolitz, Tamara & Keidar, Andrei. (2015). Long-term Metabolic Effects of Laparoscopic Sleeve Gastrectomy. JAMA surgery. 150. 10.1001/jamasurg.2015.2202.

²Lauti, M., Kularatna, M., Hill, A.G. et al. (2016) Weight Regain Following Sleeve Gastrectomy—a Systematic Review OBES SURG (2016) 26: 1326.

Focused Commercial Development

We are the only marketable FDA approved bariatric device with reimbursement coverage

Targeting 75 – 100 committed US Lap-Band accounts

- Experienced field representation, strong relationships and practice development knowledge
- More procedures per site, better systems and outcomes

Pursuing additional products and services to support multiple procedures **“THE Weight Loss Company”**

- Internal development, acquisitions and distribution
- High margin, low in-servicing

Providing program solutions, not simply products or procedures

- Patient engagement, lead processing and pre-qualification
- New aftercare partnership with reimbursement for new and “orphaned” patients (all procedures)
- Practice development and professional education services

Marketing

SEO: named searches now on page 1, organic traffic up 12% CAGR month/month May through January

Social Media: Facebook organic impressions up from 62 in May 2019 to 7,934 in January 2020

Direct Media Regional Metrics (6 weeks):

- 210,000 impressions, 60% in LA and 40% in Chicago
- 268 leads through 1/27/20, up from 130 average per month in 2019
- Procedure conversions take 3-4 months and are being monitored



- Acquired in December 2018
- Global regulatory approval
- Only obesity device reimbursed in U.S.
- High-margin product, maintained ASP

\$15+ M

2019 Annualized Revenue, USA ↑

18% TWL (5 yrs.)¹
(n=383)

~1,000,000
Patients Implanted²

48.9 EWL* (20 yrs.)³
(n=7264)

22% TWL (20 yrs.)**
(n=35)

650+

Physicians Implanting

Low removal and
complication rates^{1,4}

*EWL: Excess Weight Loss, The Percentage of Weight Lost From The Difference of Beginning Body Weight and Ideal Body Weight

**TWL: Total Weight Loss, The Percentage of Weight Lost From The Total Beginning Weight of Patients

¹Dixon JB, Eaton LL, Curry T, et al. "Health Outcomes and Explant Rates After Laparoscopic Adjustable Gastric Banding: A Phase 4, Multicenter Study over 5 years", Obesity (2018) 26, 45-52

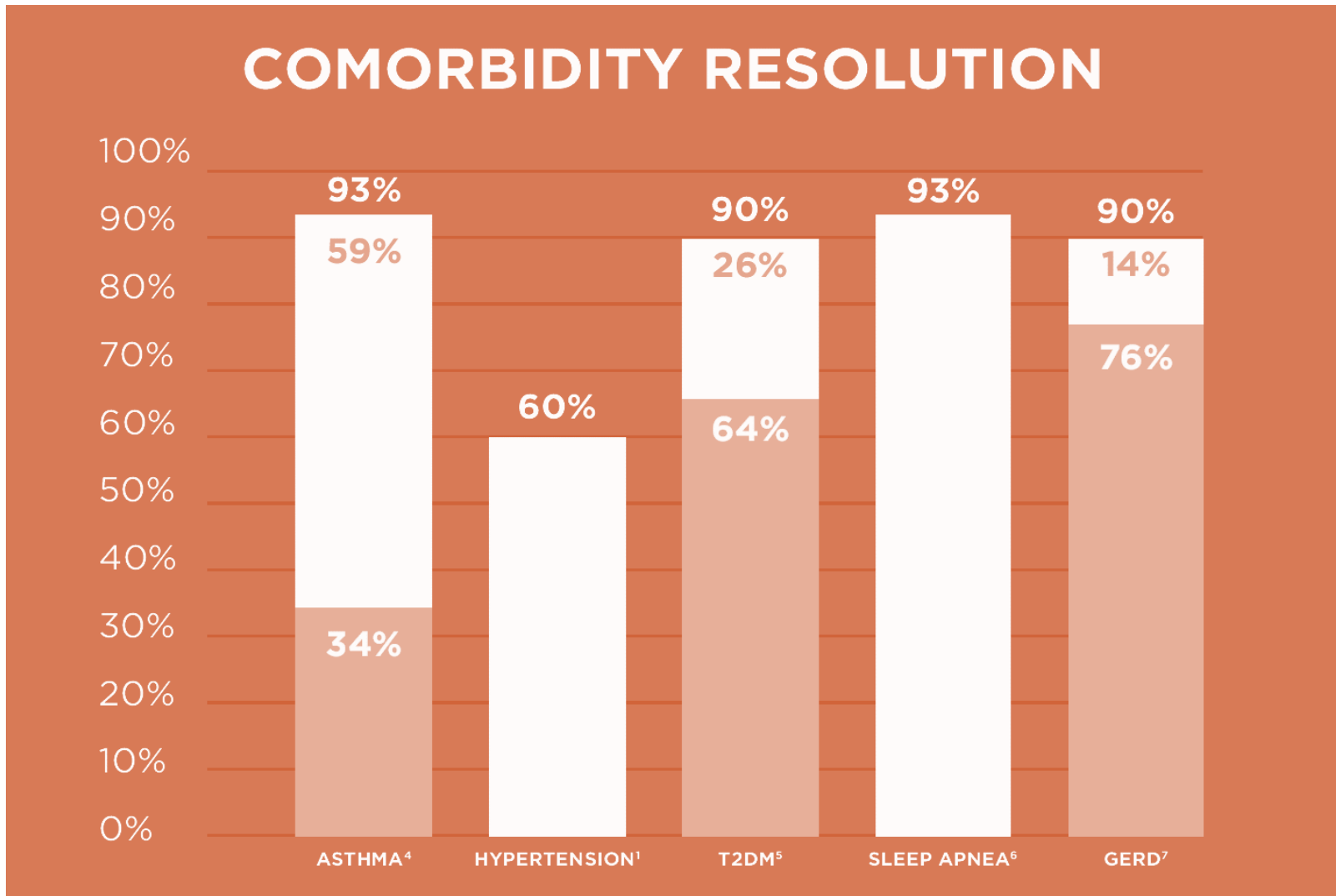
²Data on file. ReShape Lifesciences Inc.

³O'Brien, Annemarie Hindle, Leah Brennan, Stewart Skinner, Paul Burton, et al. "Long-Term Outcomes After Bariatric Surgery: a Systematic Review and Meta-Analysis of Weight Loss at 10 or More Years for All Bariatric Procedures and a Single-Centre Review of 20-Year Outcomes After Adjustable Gastric Banding." Obesity Surgery. The Journal of Metabolic Surgery and Allied Care. Published online: 06 October 2018. <https://doi.org/10.1007/s11695-018-3525-0>

⁴DeMaria E, Pate V, Warthen M, et al. Baseline data from American Society for Metabolic and Bariatric Surgery-designated Bariatric Surgery Centers of Excellence using the Bariatric Outcomes Longitudinal Database. Surg Obes Relat Dis. 2010 Jul-Aug;6(4):347-55.

LAP-BAND® Value Add: Decreased Comorbidities & Healthcare Cost Savings

Improved
Resolved



¹Michaelson, et. al. Obesity (2013) 21:1148-1158

²Ray et. al. "Safety, Efficacy, and Durability of Laparoscopic Adjustable Gastric Banding in a Single Surgeon U.S. Community Practice." Surgery for Obesity and Related Diseases 7 (2011) 140-144

³O'Brien, Annemarie Hindle, Leah Brennan, Stewart Skinner, Paul Burton, et al. "Long-Term Outcomes After Bariatric Surgery: A Systematic Review and Meta-Analysis of Weight Loss at 10 or More Years for All Bariatric Procedures and a Single-Centre Review of 20-Year Outcomes After Adjustable Gastric Banding." Obesity Surgery. The Journal of Metabolic Surgery and Allied Care. Published online: 06 October 2018. <https://doi.org/10.1007/s11695-018-3525-0>

⁴Dixon et. al. "Marked Improvement in Asthma after LAP-BAND Surgery for Morbid Obesity." Obesity Surgery, 9, 385-389

⁵Dixon et.al. "Health Outcomes of Severely Obese Type 2 Diabetic Subjects 1 Year After Laparoscopic Adjustable Gastric Banding." Diabetes Care 25:358-363, 2002

⁶Dixon et. al. "Sleep Disturbance and Obesity. Changes Following Surgically Induced Weight Loss." Arch Intern Med 2001;161:102-106

⁷Dixon et. al. "Gastroesophageal Reflux in Obesity: The Effect of LAP-BAND Placement." Obesity Surgery, 9, 527-531



- Currently investigational use
- EU clinical trial underway
- Physically restrictive, non-anatomy altering and reversible

35-50

Patient BMI Range

Wraps around stomach to restrict amount of food eaten; emulates standard of care weight loss surgery

85.5%

Excess Weight Loss (1 Year)¹

12 point drop in BMI

15" Waist Reduction¹

CE Certification study initiated Q2 / 2019
initial results in-line with feasibility study

One-year End Point
Post Enrollment for
CE Certification

¹Juan López-Corvalá MD, Fernando Guzmán-Cordero MD, Cleysa Hermosillo-Valdez MD, Janine Rosales-Landgrave MD, "Gastric Vest System: Initial Results of a Novel Restrictive Bariatric Procedure"



69.2% vs. 8%

Patients who achieved weight loss with 12-week telemedicine-based program compared to control group with only initial instructions⁽¹⁾

ReShapeCare™ Program Launch

- Launched ReShapeCare™ in partnership with inHealth Lifestyle Therapeutics
- New telehealth-based coaching program tailored to patients under treatment for obesity or related comorbidities, in addition to patients pursuing weight loss surgery, medically supervised weight loss programs or have lost continuity of care post-surgery
 - Must be prescribed by a physician and is *covered by most insurance plans*
- Dedicated, certified health professionals provide online weight loss coaching and lifestyle therapy with one-on-one sessions and validated educational resources
 - Published clinical studies demonstrate that virtual health coaching leads to more adherent patients and more successful weight loss outcomes
- Enables bariatric surgeons and physicians to optimize management of their patients while reducing administrative encumbrances
- Enhances patient engagement between required practice visits and is adaptable to their daily lives

A Virtual Health Program Focused on Patient Outcomes

What is ReShapeCare

Reimbursed, Customized Virtual (Telehealth) Weight Management Program
Encourages Weight Loss and Provides Increased Accountability and Support



Telehealth is Here to Stay

HCP Strategic Fit



RSLS Strategic Fit

- New revenue stream
- Improved patient outcomes
- Competitive differentiation (increased company value)
- Expands ReShape into full obesity management company
- Perfect for Lap-Band aftercare to minimize unnecessary visits

Value Proposition

REIMBURSED



Revenue Generating

ALL PATIENTS



Surgical, Non-Surgical & Medical

EVIDENCE BASED



Clinically Proven

CONVENIENT & CUSTOMIZED



Telehealth

FREE



No Cost to Patient or Provider

ReShape Lifesciences: THE Weight Loss Company

Strategic Verticals

PRODUCTS



SERVICES



MARKETPLACE



Broad Intellectual Property



ReShape LAP-BAND®

- Comprehensive U.S. and foreign patent portfolio
- **101** Total U.S. and foreign patents and applications
- **22** U.S. patents in seven families
- **54** Patents in European countries
- **226** Total U.S. and foreign trademark and applications



ReShape Vest

- Intellectual property for gastric restriction device to treat obesity
- **6** U.S. patents
- **4** Foreign patents in China, Israel, Canada and Australia



Bioelectronic Neuroregulation

- Broad coverage for neuroregulation of bioelectronic systems and methods related to neuroblocking, neuromodulation, and neurostimulation technology
- Coverage of vagus nerve applications including obesity, bulimia, pancreatitis, heart rate regulation, glucose regulation
- **45** U.S. patents, additional pending
- **45** foreign patents in Australia, Europe, China and Japan, additional pending

LAP-BAND® Revenue Recognition Summary

- Acquisition completed in December 2018
- US revenue recognition commenced in January 2019
 - >70% of global sales
 - Highest ASP and margins globally
 - Direct sales strategy, reimbursement in place
 - Consumer marketing enablement
 - Very experienced salesforce with strong relationships
- Australia revenue recognition commenced in April 2019
 - Sales agent model
- Europe revenue recognition commenced in October 2019
 - Transition from retail revenue recognition (direct model) to wholesale revenue recognition (distributor model)
 - Tenders in Italy and France were handled through Apollo due to contractual requirements
- Transition impairments
 - Transfer of customer data (sales reporting delays)
 - Integration of ERP systems
 - Market and customer transfer coordination

Sales Improvement Under New Management

2019 Revenue by Quarter and YTD

Region	Q1 2019	Q1 2018	Change	%	Q1 2017	Change	%
US	2,592,000	2,938,039	(346,039)	-11.8%	4,238,000	(1,299,961)	-30.7%

Region	Q2 2019	Q2 2018	Change	%	Q2 2017	Change	%
US	2,863,000	2,630,702	232,298	8.8%	4,910,000	(2,279,298)	-46.4%

Region	Q3 2019	Q3 2018	Change	%	Q3 2017	Change	%
US	2,580,000	2,790,250	(210,250)	-7.5%	4,555,000	(1,764,750)	-38.7%

Region	Q4 2019 Prelim	Q4 2018	Change	%	Q4 2017	Change	%
US	3,089,000	2,435,753	653,247	26.8%	4,016,000	(1,580,247)	-39.3%

Region	YTD 2019	YTD 2018	Change	%	YTD 2017	Change	%
US	11,124,000	10,794,745	329,255	3.1%	17,719,000	(6,924,255)	-39.1%

2018 Annual Revenue for ReShape Lifesciences: \$0.6M

ReShape Lifesciences Milestones and Objectives



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Grow Pipeline

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Strengthen Position in Market

- Divest non-strategic properties and leverage high margin products
- Utilize strategic partnerships for revenue opportunities and market positioning
- Leverage strong IP & safety profile



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