| SEC Form 4 | |
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FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549 STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL

| OMB Number: | 3235-0287 |
|--------------------------|-----------|
| Estimated average burden | |
| hours per response: | 0.5 |

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b). STATEMENT OF CHANGES IN BENEFICIAL OWN Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| 1. Name and Address of Reporting Person [*] Azarbarzin Kurt | | | | | 2. Issuer Name and Ticker or Trading Symbol <u>TELA Bio, Inc.</u> [TELA] | | | | | | | | lationship of F ck all applicab Director Officer (g | 10% Ow |) to Issuer 10% Owner Other (specify | | |
|--|---|--|---------------|---|---|-------------------|---|---------------------------------------|-------------------------|---|------------------------------|--|--|--|--|-------------------------------------|---|
| (Last)(First)(Middle)C/O HIGHCAPE PARTNERS QP, L.P.10751 FALLS ROAD, SUITE 300 | | | | | 3. Date of Earliest Transaction (Month/Day/Year) 11/08/2019 | | | | | | | | below) | | | below) | poony |
| (Street) BALTIM | IORE 1 | | 4. lf Ai | nendmei | nt, Date of O | riginal Fi | iled (I | Month/Day/Y | | 6. Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person Form filed by More than One Reporting Person | | | | | | | |
| (City) | (City) (State) (Zip) | | | | | | | | | | | | | | | | |
| | | | Table I - Nor | n-Deriv | vative | Secur | ities Acq | uired, | Dis | posed of, | or Ben | eficially | Owned | | | | |
| 1. Title of Security (Instr. 3) | | | | 2. Trans Date (Month/I | | r) if any | 2A. Deemed Execution Date, if any (Month/Day/Year) | | iction Instr. | | | (D) (Instr. 3, 4 and 5) | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) | | Direct I ndirect I r. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
| | | | | | | | | Code | e V Amount | | (A) or (D) Price | | (Instr. 3 and 4) | | | | . , |
| Common | Common Stock | | | 11/08 | 3/2019 | | | Р | | 10,220 | A | \$13 | 12,675 ⁽¹⁾ | | I | | By HighCape Partners, L.P. |
| Common | Common Stock | | | 11/08/2019 | | | | Р | | 75,901 | A | \$13 | 260,808 ⁽²⁾ | | Ι | | By HighCape Partners QP, L.P. |
| Common | Common Stock | | 11/13/2019 | | | | С | | 269 | A | (3) | 12,944 | | I | | By HighCape Partners, L.P. | |
| Common | Common Stock | | | 11/13/2019 | | | | С | | 2,931 | A | (4) | 15,875 | | I | | By HighCape Partners, L.P. |
| Common Stock | | 11/13/2019 | | | | С | с 19,982 | | A | (3) | 280,7 | 280,790 | | I | By HighCape Partners QP, L.P. | | |
| Common Stock | | 11/13/2019 | | | | | | 217,810 | | | 498,606 | | | I | By HighCape Partners QP, L.P. | | |
| | | | Table II - | Deriva (e.g., p | tive S uts. c | ecurit alls. v | ies Acqui /arrants. | red, D option |)ispo 1s. c | osed of, o onvertibl | or Benef e securi | icially O ities) | wned | | | | |
| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | Exercise (Month/Day/Year) if any (Month/Day/Year) if any (Month/Day/Year) 8) Code (Instr. Securities Acquired (A) or Disposed of (D) | | er of ve es d (A) or d of (D) | 6. Date Exercisable and Expiration Date (Month/Day/Year) 7. Title and Am Securities Unde Derivative Secu (Instr. 3 and 4) | | | d Amount of Underlying Security | ying Derivative derivat | | ive ties cially ing | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | Beneficial Ownershi (Instr. 4) | | | | |
| | | | | Code | v | (A) | (D) | Date Exercisa | able | Expiration Date | Title | Amount or Number of Shares | | Transa (Instr. 4 | ction(s) | | |
| Series A Preferred Stock | (3) | 11/13/2019 | | С | | | 493,357 | (3) | | (3) | Common Stock | 19,982 ⁽⁵ |) \$0 | | 0 | Ι | By HighCape Partners QP, L.P. |
| Series A Preferred Stock | (3) | 11/13/2019 | | с | | | 6,643 | (3) | | (3) | Common Stock | 269 ⁽⁵⁾ | \$0 | | 0 | I | By HighCape Partners, L.P. |
| Series B Preferred Stock | (4) | 11/13/2019 | | с | | | 5,377,928 | (4) | | (4) | Common Stock | 217,816 | ⁵⁾ \$0 | | 0 | Ι | By HighCape Partners QP, L.P. |
| Series B Preferred Stock | (4) | 11/13/2019 | | С | | | 72,417 | (4) | | (4) | Common Stock | 2,931 ⁽⁵⁾ | \$0 | | 0 | I | By HighCape Partners, L.P. |

| Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities) | | | | | | | | | | | | | | | |
|--|---|--|---|------------------------------|---|---|------------------------------|--|--------------------|--------------------------------|----------------------------------|---|--|--|--|
| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transa Code (8) | | 5. Number Derivativ Securitie Acquired Disposed (Instr. 3, | e s (A) or l of (D) | 6. Date Exerc Expiration Da (Month/Day/) | ate | | | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
| | | | | Code | v | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | Transaction(s) (Instr. 4) | | |
| Warrant (right to buy) | \$1.16 | 11/13/2019 | | C ⁽⁶⁾ | | | 123,653 | 01/18/2017 | 01/18/2027 | Series B Preferred Stock | 123,653 | \$0 | 0 | I | By HighCape Partners QP, L.P. |
| Warrant (right to buy) | \$28.65 | 11/13/2019 | | C ⁽⁶⁾ | | 123,653 | | 11/13/2017 | 01/18/2027 | Common Stock | 5,008 | \$0 | 123,653 | I | By HighCape Partners QP, L.P. |
| Warrant (right to buy) | \$1.16 | 11/13/2019 | | C ⁽⁶⁾ | | | 1,665 | 01/18/2017 | 01/18/2027 | Series B Preferred Stock | 1,665 | \$0 | 0 | I | By HighCape Partners, L.P. |
| Warrant (right to buy) | \$28.65 | 11/13/2019 | | C ⁽⁶⁾ | | 1,665 | | 11/13/2019 | 01/18/2027 | Common Stock | 67 | \$0 | 1,665 | I | By HighCape Partners, L.P. |

Explanation of Responses:

1. Reflects 2,455 shares of common stock received by the reporting person as a payment-in-kind dividend on Series A Preferred Stock and Series B Preferred Stock exempt from reporting under Rule 16a-9(a).

2. Reflects 183,907 shares of common stock received by the reporting person as a payment-in-kind dividend on Series A Preferred Stock and Series B Preferred Stock exempt from reporting under Rule 16a-9(a).

3. Shares of Series A Preferred Stock automatically converted into shares of Common Stock at a 1-for-1 conversion rate upon the closing of the Issuer's initial public offering and had no expiration date.

4. Shares of Series B Preferred Stock automatically converted into shares of Common Stock at a 1-for-1 conversion rate upon the closing of the Issuer's initial public offering and had no expiration date.

5. Reflects 1-for-24.69 reverse stock split which became effective on October 28, 2019.

6. Warrants exercisable for shares of Series B Preferred Stock automatically converted into warrants exercisable for shares of Common Stock upon the closing of the Issuer's initial public offering.

Remarks:

/s/ Nora Brennan as attorney-in-11/13/2019 fact for Matt Zuga ** Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.