UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 7, 2021

TELA Bio, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**001-37526**	**45-5320061**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1 Great Valley Parkway, Suite 24 **Malvern, Pennsylvania** (Address of principal executive offices)	**19355** (Zip Code)

Registrant's telephone number, including area code: (484) 320-2930

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common Stock, par value $0.001 per share	**TELA**	**Nasdaq Global Market**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition.

On May 13, 2021, TELA Bio, Inc. (the "***Company***") issued a press release announcing its financial results for the first quarter ended March 31, 2021. A copy of this press release is furnished as Exhibit 99.1 hereto.

The information furnished pursuant to this Item 2.02, including Exhibit 99.1, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "***Exchange Act***"), or otherwise subject to the liabilities of that section, and shall not be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended (the "***Securities Act***"), or the Exchange Act, except as expressly set forth by specific reference in such filing.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On May 7, 2021, Nora Brennan, the Chief Financial Officer of the Company, notified the Company of her decision to resign effective June 4, 2021, in order to pursue another opportunity. Megan Smeykal, the Company's Vice President and Corporate Controller, will assume the duties of the principal financial officer of the Company on an interim basis until such time as the Company appoints a new Chief Financial Officer.

Ms. Smeykal joined the Company in December 2019 as Vice President of Financial Reporting and became Vice President and Corporate Controller in May 2021. Previously, Ms. Smeykal served as the Vice President of Financial Reporting and Assistant Controller at Nutrisystem, Inc. from 2006 to August 2019. Ms. Smeykal began her accounting career with Arthur Andersen LLP from 1997 to 2002. Ms. Smeykal received a Bachelor of Science degree in Accounting from Villanova University and maintains an active certified public accounting license in the Commonwealth of Pennsylvania.

There are no arrangements or understandings between Ms. Smeykal and any other persons pursuant to which Ms. Smeykal was appointed as interim principal financial officer of the Company. In addition, there are no family relationships between Ms. Smeykal and any director or executive officer of the Company, and there are no transactions involving Ms. Smeykal requiring disclosure under Item 404(a) of Regulation S-K.

Item 7.01 Regulation FD Disclosure.

On May 13, 2021, the Company updated information reflected in a corporate slide deck, which representatives of the Company will use in various meetings with investors from time to time. A copy of the presentation is attached hereto as Exhibit 99.2, and incorporated herein by reference.

The information furnished pursuant to Item 7.01, including Exhibit 99.2, shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, and shall not be deemed to be incorporated by reference in any filing under the Securities Act or the Exchange Act, except as expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

The following exhibits are being furnished herewith:

Exhibit No.	Document
99.1	Press Release of TELA Bio, Inc., dated May 13, 2021.
99.2	Corporate Slide Deck, dated May 13, 2021.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TELA BIO, INC.

By: /s/ Antony Koblish
Name: *Antony Koblish*
Title: *President, Chief Executive Officer and Director*

Date: May 13, 2021

Exhibit 99.1

TELA Bio Announces First Quarter 2021 Financial Results

MALVERN, Pa., May 13, 2021 (GLOBE NEWSWIRE) -- TELA Bio, Inc. ("TELA") (Nasdaq: TELA), a commercial stage medical technology company focused on designing, developing, and marketing innovative tissue reinforcement materials to address unmet needs in soft tissue reconstruction, today reported financial results for the first quarter ended March 31, 2021.

First Quarter 2021 Financial Results and Business Highlights

- Reported revenue of $5.9 million for the first quarter of 2021, increasing 58% over the first quarter of 2020;
- Our OviTex LPR product line continues to experience high utilization in robotic and MIS procedures and the first quarter of 2021 represented our highest volume quarter for LPR products;
- Hosted successful Key Opinion Leader Webinar featuring surgeons speaking on their use of OviTex® Reinforced Tissue Matrix for simple and complex hernia procedures; and
- Published additional positive data, including initial two-year data, from the BRAVO study evaluating OviTex® Reinforced Tissue Matrix for the treatment of ventral hernias showing favorable recurrence rates.

"We are very pleased with our revenue growth in the first quarter despite the ongoing headwinds from COVID-19, and we are encouraged by the increasing demand for our products, particularly our LPR product line, as we head into the second quarter," said Antony Koblish, co-founder, President and Chief Executive Officer of TELA Bio. "Along with the expected improvement of procedure volumes throughout 2021, we anticipate the current litigation surrounding synthetic mesh may increase patient demand for non-synthetic options. OviTex was purposefully designed to provide patients a more natural repair, and we believe TELA Bio is well positioned to experience top-line growth in 2021 as the portfolio is expected to gain increased utilization by general and plastic reconstructive surgeons."

First Quarter 2021 Financial Results

Revenue was $5.9 million for the first quarter of 2021, an increase of 58% compared to the prior year period despite experiencing increased volatility in demand for our products in January due to the COVID-19 resurgence. The increase in revenue was primarily driven by an increase in unit sales of our products due to the expansion of our commercial organization and increased penetration within existing customer accounts.

Gross profit was $3.5 million for the first quarter of 2021, or 59% of revenue, compared to $2.2 million, or 59% of revenue, in the same period in 2020.

Operating expenses were $10.7 million in the first quarter of 2021, compared to $8.7 million in the same period in 2020. The increase was due to the expansion of our commercialization activities, higher personnel costs and increased research and development expenses.

Loss from operations was $7.3 million in the first quarter of 2021, compared to a loss from operations of $6.5 million in the same period in 2020.

Net loss was $8.1 million in the first quarter of 2021, compared to a net loss of $7.2 million in the same period in 2020.

Cash and Cash Equivalents at March 31, 2021 were $65.8 million.

Financial Outlook

For the full year 2021, TELA Bio is maintaining the total revenue guidance to be in the range of $27.0 million to $30.0 million, representing growth of 48% to 65% over the prior year period. Continued uncertainty relating to the dynamic environment with the COVID-19 pandemic could materially impact our estimate.

Conference Call and Webcast Details

The Company will host a live conference call and webcast to discuss these results and provide a corporate update on Thursday, May 13, 2021, at 4:30 PM ET.

To participate in the call, please dial (855) 548-1219 (domestic) or (409) 217-8881 (international) and provide conference ID 7381947. The live webcast will be available on the Events & Presentations page of the Investors section of TELA's website.

About TELA Bio, Inc.

TELA Bio Inc. (NASDAQ: TELA) is a commercial-stage medical technology company focused on designing, developing, and marketing innovative tissue reinforcement materials to address unmet needs in soft tissue reconstruction. The Company is committed to providing patients with advanced, economically effective biologic material repair solutions to minimize long-term exposure to permanent synthetic materials and improve clinical outcomes. TELA Bio’s OviTex® and OviTex PRS Reinforced Tissue Matrix products are purposefully designed to address the shortcomings of existing reinforcement materials in hernia repair, abdominal wall reconstruction and plastic and reconstructive surgery. For more information, visit www.telabio.com.

Caution Regarding Forward-Looking Statements

This press release may contain forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995. Words such as "may," "might," "will," "should," "believe," "expect," "anticipate," "estimate," "continue," "predict," "forecast," "project," "plan," "intend" or similar expressions, or statements regarding intent, belief, or current expectations are forward-looking statements and reflect the current beliefs of TELA's management. Such forward-looking statements include statements relating to our expected revenue and revenue growth for the full year 2021, expected increases in procedure volumes in 2021 and expected increases in the utilization rate of our products by general and plastic reconstructive surgeons. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors that could cause actual results and events to differ materially and adversely from those indicated by such forward-looking statements including, among others: the impact to our business of the ongoing COVID-19 pandemic, including but not limited to any impact on our ability to market our products, demand for our products due to deferral of procedures using our products or disruption in our supply chain, our ability to achieve or sustain profitability, our ability to gain market acceptance for our products and to accurately forecast and meet customer demand, our ability to compete successfully, our ability to enhance our product offerings, development and manufacturing problems, capacity constraints or delays in production of our products, maintenance of coverage and adequate reimbursement for procedures using our products, product defects or failures. These and other risks and uncertainties are described more fully in the "Risk Factors" section and elsewhere in our filings with the Securities and Exchange Commission and available at www.sec.gov, including in our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. Any forward-looking statements that we make in this announcement speak only as of the date of this press release, and TELA assumes no obligation to updates forward-looking statements whether as a result of new information, future events or otherwise after the date of this press release, except as required under applicable law.

Investor Contact
Greg Chodaczek
347-620-7010
ir@telabio.com

TELA Bio, Inc.
Consolidated Balance Sheets
(In thousands, except share and per share amounts)
(Unaudited)

	March 31, 2021	December 31, 2020
Assets		
Current assets:		
Cash and cash equivalents	$ 65,829	$ 74,394
Accounts receivable, net	2,795	2,683
Inventory	4,688	3,907
Prepaid expenses and other assets	1,892	2,241
Total current assets	75,204	83,225
Property and equipment, net	584	626
Intangible assets, net	2,531	2,607
Total assets	$ 78,319	$ 86,458
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 965	$ 652
Accrued expenses and other current liabilities	4,673	5,953
Total current liabilities	5,638	6,605
Long-term debt with related party	30,982	30,827
Other long-term liabilities	8	—
Total liabilities	36,628	37,432
Stockholders' equity:		
Preferred stock; $0.001 par value: 10,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock; $0.001 par value: 200,000,000 shares authorized; 14,440,411 and 14,437,289 shares issued and 14,440,275 and 14,437,107 shares outstanding at March 31, 2021 and December 31, 2020, respectively	14	14
Additional paid-in capital	246,548	245,736
Accumulated other comprehensive loss	(82)	(71)
Accumulated deficit	(204,789)	(196,653)
Total stockholders' equity	41,691	49,026
Total liabilities and stockholders' equity	$ 78,319	$ 86,458

TELA Bio, Inc.
Consolidated Statements of Operations and Comprehensive Loss
(In thousands, except share and per share amounts)
(Unaudited)

	Three months ended March 31,	
	2021	**2020**
Revenue	$ 5,877	$ 3,726
Cost of revenue (excluding amortization of intangible assets)	2,336	1,450
Amortization of intangible assets	76	76
Gross profit	3,465	2,200
Operating expenses:		
Sales and marketing	6,299	5,269
General and administrative	2,756	2,518
Research and development	1,679	912
Total operating expenses	10,734	8,699
Loss from operations	(7,269)	(6,499)
Other (expense) income:		
Interest expense	(889)	(879)
Other income	22	158
Total other expense	(867)	(721)
Net loss	$ (8,136)	$ (7,220)
Net loss per common share, basic and diluted	$ (0.56)	$ (0.63)
Weighted average common shares outstanding, basic and diluted	14,438,405	11,406,783
Comprehensive loss:		
Net loss	$ (8,136)	$ (7,220)
Foreign currency translation adjustment	(11)	27
Comprehensive loss	$ (8,147)	$ (7,193)

Exhibit 99.2


TELA BIO INC
SURGICAL RECONSTRUCTION COMPANY
Advancing Soft Tissue Reconstruction
Investor Presentation
May 2021

Forward Looking Statements

This presentation contains forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts contained in this document, including but not limited to statements regarding possible or assumed future results of operations, business strategies, development plans, regulatory activities, market opportunity competitive position, potential growth opportunities, and the effects of competition, are forward-looking statements. These statements involve known and unknown risks, uncertainties and other important factors that may cause TELA Bio, Inc.'s (the "Company") actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expect," "plan," "aim," "anticipate," "could," "intend," "target," "project," "contemplate," "believe," "estimate," "predict," "potential" or "continue" or the negative of these terms or other similar expressions. The forward-looking statements in this presentation are only predictions. The Company has based these forward-looking statements largely on its current expectations and projections about future events and financial trends that it believes may affect the Company's business, financial condition and results of operations. These forward-looking statements speak only as of the date of this presentation and are subject to a number of risks, uncertainties and assumptions, some of which cannot be predicted or quantified and some of which are beyond the Company's control, including, among others: changes resulting from the finalization of the Company's financial statements for the quarter ended March 31, 2021, information or new changes in facts or circumstances that may occur prior to the filing of the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021, the impact to the Company's business of the ongoing COVID-19 pandemic, including but not limited to any impact on the Company's ability to market its products, demand for the Company's products due to deferral of procedures using the Company's products or disruption in the Company's supply chain, the Company's ability to achieve or sustain profitability, the Company's ability to gain market acceptance for the Company's products and to accurately forecast and meet customer demand, the Company's ability to compete successfully, the Company's ability to enhance the Company's product offerings, development and manufacturing problems, capacity constraints or delays in production of the Company's products, maintenance of coverage and adequate reimbursement for procedures using the Company's products, product defects or failures. These and other risks and uncertainties are described more fully in the "Risk Factors" section and elsewhere in the Company's filings with the Securities and Exchange Commission and available at www.sec.gov. You should not rely on these forward-looking statements as predictions of future events. The events and circumstances reflected in the Company's forward-looking statements may not be achieved or occur, and actual results could differ materially from those projected in the forward-looking statements. Moreover, the Company operates in a dynamic industry and economy. New risk factors and uncertainties may emerge from time to time, and it is not possible for management to predict all risk factors and uncertainties that the Company may face. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise.

TELA BIO™ INC
SURGICAL RECONSTRUCTION COMPANY

Redefining soft tissue reconstruction with a differentiated category of tissue reinforcement materials

- ~$2B U.S Market Opportunity[1]
  in hernia repair, abdominal wall reconstruction and plastic and reconstructive surgery
- Innovative Products
- Compelling Clinical Evidence
- Products Offer Attractive Value Proposition for Hospitals

[1] Management estimate. $2B total equals $1.5B hernia & abdominal wall reconstruction and $0.5B plastic reconstructive surgery.

Creating Advanced Biologic Materials

Purposefully designed to address shortcomings & unmet clinical needs

Novel Biologic Tissue
(derived from sheep)

\+

Polymer Fibers
(permanent or resorbable)

Innovative Textile Engineering

Hernia & Ab Wall Reconstruction

Plastic Reconstruction

Issued patents protect underlying biologic tissue and product design

TELA BIO

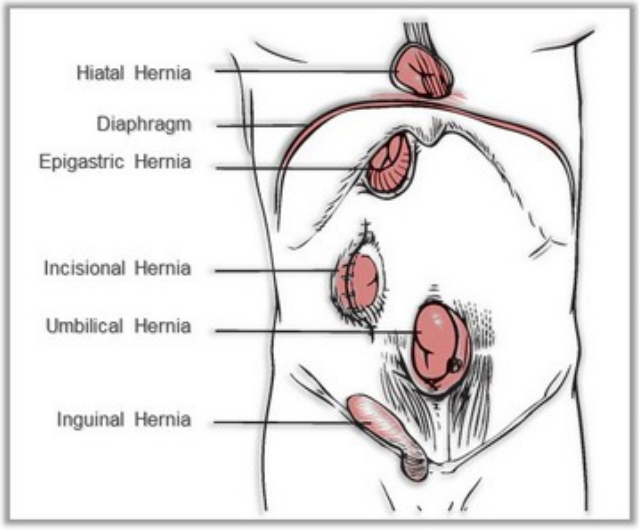
OviTex: ~$1.5 Billion Annual U.S. Hernia Market Opportunity

$350M	Complex, Moderate Ventral / Abdominal Wall Reconstruction	~58,000
$500M	Simple Ventral Hernia Repair	~326,000
$650M	Inguinal Hernia Repair	~711,000
$40M	Hiatal Hernia Repair	~40,000

Annual Procedures

Source: Millennium Research Group Reports, IMS Health Data
[1]Management estimate. Market size based volume weighted average selling price for OviTex

Hernias Occur Throughout the Abdomen



What is a hernia?

- Occurs when an internal part of the body pushes through a weakness (that is natural occurring or from a previous surgical incision) or hole in the muscle or surrounding tissue
- Likelihood of developing a hernia increases with age & obesity

Treating a hernia

- Standard of care: Surgical repair of a hernia with a reinforcing material (mesh)
- ~90% of hernia patients receive a mesh repair[1]
- Mesh intended to reinforce the defect and provide long-term support

[1] Funk LM, Perry KA, Narula VK, Mikami DJ, Melvin WS. Current national practice patterns for inpatient management of ventral abdominal wall hernia in the United States. *Surg Endosc*. 2013;27(11):4104-4112.

TELA BIO

Ventral Hernia Patients Range in Complexity

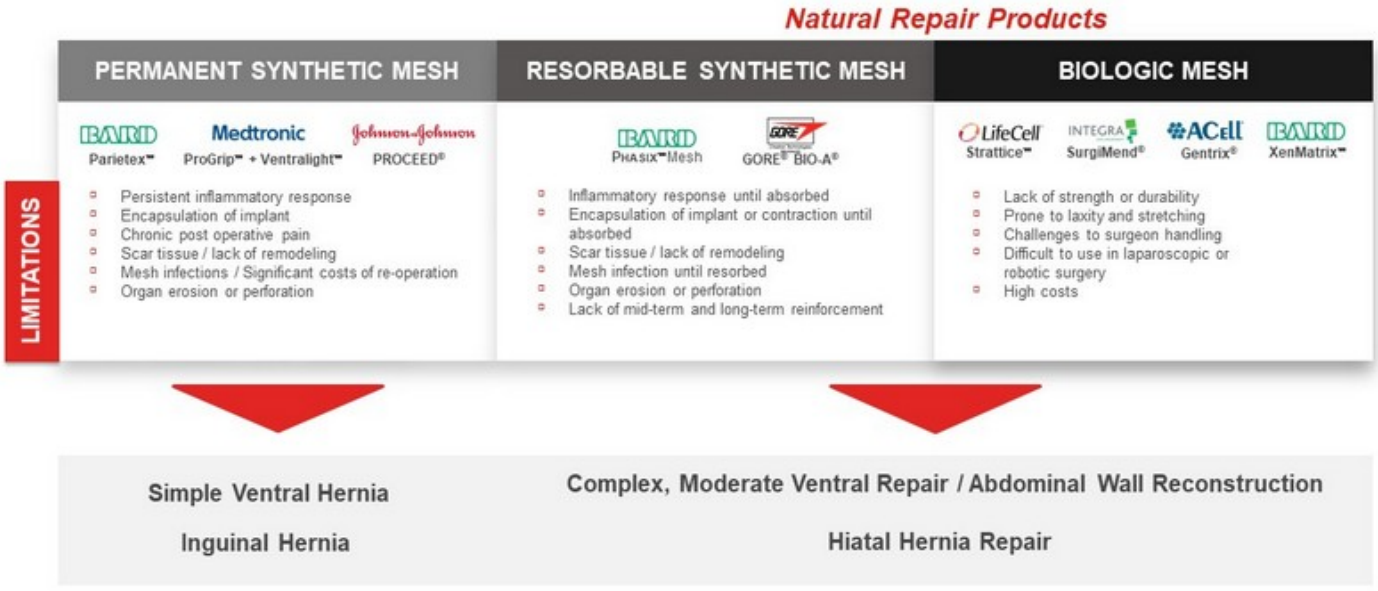
Ventral Hernia Complexity

SIMPLE	MODERATE	COMPLEX
• CDC Wound Class I (clean) • Healthier patients - no co-morbidities • Primary hernia repair	• CDC Wound Class II (clean-contaminated) • Patient co-morbidities (i.e., obesity, diabetes, COPD) • May have prior hernia repair failure	• CDC Wound Class III (contaminated) & IV (infected) • Large defects • Infected synthetic mesh removals • Multiple prior hernia repair failures

Objective: provide patients the best repair the first time to prevent the simple patient from becoming the complex

TELA BIO

Current Ventral Hernia Treatment Options: No Perfect Product



Growing Need for Alternative to Permanent Synthetic Mesh

59% of surgeons agree that use of permanent synthetic mesh puts patients at long-term risk of complications[1]

1 in 5 Hernia patients have voiced concern over use of permanent synthetic mesh in the past 12 months, according to surgeons[1]

~15K Lawsuits against permanent synthetic meshes estimated to be assembled across the U.S.[2]

[1] Hernia and Abdominal Surgeries Survey (Oct 2020).
[2] www.drugwatch.com (October 2020)

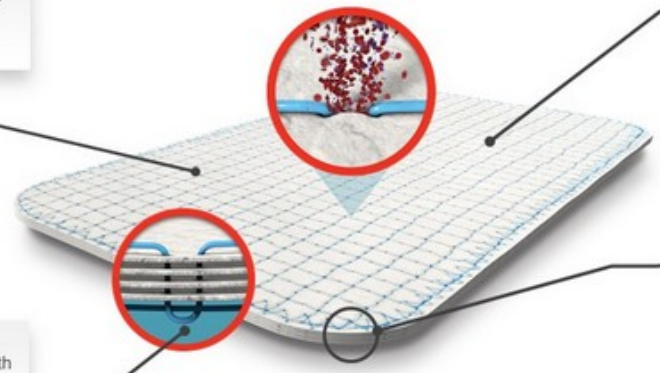
TELA BIO

OviTex Reinforced Tissue Matrix: a More Natural Hernia Repair™

An innovative reinforced tissue matrix designed to reduce stretch compared to biologic matrices and long-term complications experienced with resorbable and permanent synthetic meshes

Unique permeable design facilitates rapid fluid transfer and movement of cells through the device

Lockstitch embroidery pattern creates a ripstop effect and prevents unraveling when cut



Layers of biologic material enable functional tissue remodeling

Interwoven polymer for added strength and improved handling

TELA BIO

Comprehensive Portfolio for a Broad Range of Hernia Types and Surgical Techniques

Each configuration is available with either permanent (polypropylene) polymer or resorbable (polyglycolic acid) polymer reinforcing the same biologic material.

PRODUCT DESIGN

OviTex
4-layer device, not intended for intraperitoneal placement

Strength*: +
Common Procedures: Moderate ventral hernia (pre-peritoneal placement), inguinal hernia, hiatal hernia

OviTex 1S
6-layer device, with "smooth side" suitable for intraperitoneal placement

Strength*: ++
Common Procedures: Moderate to complex ventral hernia

OviTex 2S
8-layer device, with 2 "smooth sides" suitable for intraperitoneal placement

Strength*: +++
Common Procedures: Complex ventral hernia and abdominal wall reconstruction and can be used for bridging

Images represent permanent polymer OviTex products. Resorbable polymer products have clear polymer.
* Biomechanical data on file.

TELA BIO

OviTex LPR for Laparoscopic & Robotic Hernia Repair

Increase in Robotic-Assisted Hernia Repair

- Surgeons have adopted robotic-assisted techniques, primarily for inguinal & simple ventral Hernia repair, due to perceived patient and technique benefits
- Legacy biologic products are difficult to use minimally invasively (MIS) due to their thickness and handling properties

Our Solution: OviTex LPR

Tailored OviTex product designed for improved handling in MIS techniques and trocar accessibility

Compelling Clinical Evidence

18 Presentations / Publications — Ventral Hernia

- Low hernia recurrence
- Low rate of surgical site occurrences & infections (SSO/SSI)
- Ease of use

5 Presentations / Publications — Inguinal Hernia

- Low hernia recurrence
- Low incidence of chronic post-operative pain
- Low SSO / SSI
- Ease of use

4 Presentations / Publications — Hiatal Hernia

- Low hernia recurrence
- Compatibility with MIS approaches

BRAVO Study

- Multi-center, prospective study with 92 patients enrolled
- Moderate-to-complex ventral hernia patients
- Patient follow-up at 3, 12 & 24-months
- Additional data readout expected by YE 2020 and upon study completion in mid-2021

OviTex supported by data from **~500 hernia patients** across multiple hernia types

TELA BIO

BRAVO Study Shows Low Recurrence Rate at 12 and 24-months

OviTex BRAVO Study

Product Name	Tissue Reinforcement Material	Hernia Recurrence Rate	Number of Hernia Recurrence	Number of Patients who Completed Follow-up	Follow-up Period in Months
OviTex	Reinforced Tissue Matrix	2.6%	2	76	12
OviTex	Reinforced Tissue Matrix	0%	0	51	24

Results from Post-Market Clinical Studies of Competitive Materials

Product Name	Tissue Reinforcement Material	Published Hernia Recurrence Rate	Number of Hernia Recurrence, (%) *	Number of Patients who Completed Follow-up	Follow-up Period in Months
Phasix	Resorbable Synthetic Mesh	4.1%	5 (5.3%)	95	12[1]
Phasix	Resorbable Synthetic Mesh	9%	11 (11.6%)	95	18[2]
Phasix	Resorbable Synthetic Mesh	17.9%	19 (23.2%)	82	36[3]
Strattice	Biologic Matrix	19%	15 (21.7%)	69	12[4]
Strattice	Biologic Matrix	28%	22 (32.8%)	67	24[4]

1 Roth, J. S., Prospective Evaluation Of Poly-4-Hydroxybutyrate Mesh in Cdc Class I High-Risk Ventral and Incisional Hernia Repair: 1 Year Follow-Up. Poster presented at AHS 18th Annual Hernia Repair Meeting; 2017 March 8 – 11; Cancun, Mexico

2 Roth, J. S., Anthone, G. J., Selzer, D. J., Poulose, B. K., Bittner, J. G., Hope, W. W., . . . Voeller, G. R. (2018). Prospective evaluation of poly-4-hydroxybutyrate mesh in CDC class I/high-risk ventral and incisional hernia repair: 18-month follow-up. *Surg Endosc*, 32(4), 1929-1936. doi:10.1007/s00464-017-5886-1

3 Roth, J. S., Anthone, G. J., Selzer, D. J., Poulose, B. K., Pierce, R. A., Bittner, J. G., . . . Voeller, G. R. (2021). Prospective, multicenter study of P4HB (Phasix) mesh for hernia repair in cohort at risk for complications: 3-Year follow-up. *Ann Med Surg (Lond)*, *61*, 1-7. doi:10.1016/j.amsu.2020.12.002

4 Itani, K. M., Rosen, M., Vargo, D., Awad, S. S., Denoto, G., 3rd, Butler, C. E., & Group, R. S. (2012). Prospective study of single-stage repair of contaminated hernias using a biologic porcine tissue matrix: the RICH Study. *Surgery*, *152*(3), 498-505. doi:10.1016/j.surg.2012.04.006

* Hernia Recurrence Rate based on number of hernia recurrences reported in patients who completed follow up and patients who reported recurrent hernia before the specified follow up period. Clinical literature and conference presentations included hernia recurrence rates based on number of hernia recurrences in patients who comprised the initial intent-to-treat population (including those who did not complete the follow up period and did not report a hernia recurrence).

TELA BIO

OviTex PRS: ~$500 Million Annual U.S. Plastic & Reconstructive Surgery Market Opportunity

Surgeons use products to reinforce soft tissue during various reconstructive surgeries, including:

- Breast reconstruction
- Head and neck surgery
- Chest wall reconstruction
- Pelvic reconstruction
- Extremities reconstruction

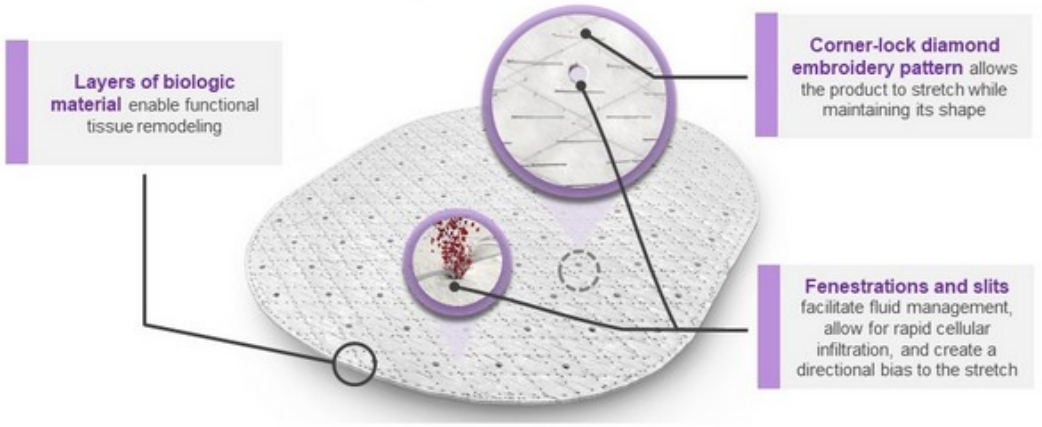
Market dominated by human acellular dermal matrices (HADMs)

- Prone to high degree of stretch
- Expensive, putting pressure on hospital systems
- Often experience supply shortages, particularly when large pieces of material are required

[1] Management estimate. Market size based on sales of current biologics

OviTex PRS: Purposely Designed for Plastic and Reconstructive Surgery

An innovative reinforced tissue matrix designed to improve outcomes by facilitating fluid management and controlling degree and direction of stretch



Expanded commercial launch in June 2020 following limited launch initiated in 2019

TELA BIO

Commercial Organization

46 sales territories as of March 31, 2021

- OR-based Account Managers call on General, Plastic Recon, Colorectal & Trauma surgeons
- Carry full OviTex & OviTex PRS portfolios

6 sales regions

- Plan to scale existing regions until each region has ~8 territories
- Supported by Clinical Development and Strategic Customer Relations teams

Growth Strategy

INCREASE ADOPTION

- Promote broader awareness of OviTex & OviTex PRS products
- Employ virtual sales & marketing programs, including TELA LIVE
- Drive market awareness of risks of permanent synthetic mesh use
- Publish BRAVO clinical data

COMMERCIAL EXECUTION

- Scale direct sales force
- Drive account manager productivity
- Increase utilization within health systems under GPO contracts
- Secure additional contracts with high-potential IDNs and GPOs

MARKET EXPANSION

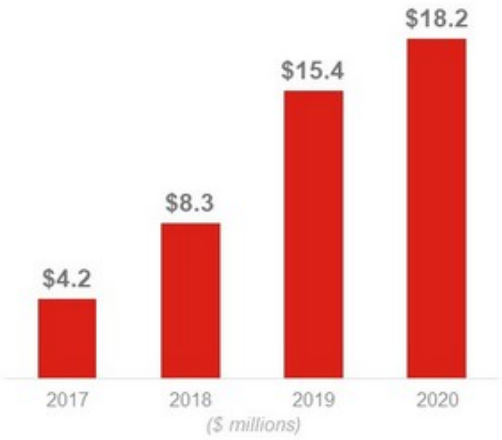
- Launch new product features and designs for OviTex and OviTex PRS
- Initiate robotic hernia post-market study
- Support investigator-led clinical studies for OviTex PRS

TELA BIO

Delivering Revenue Growth

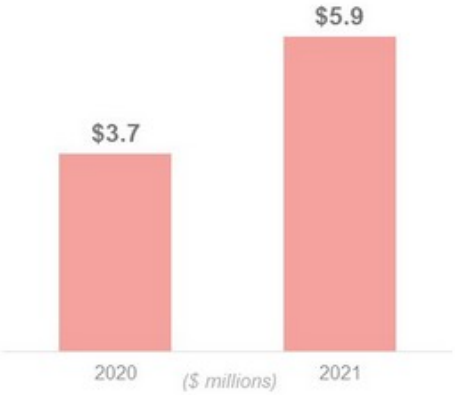
Annual Revenue

Revenue CAGR: 63%



First Quarter Revenue

Revenue Growth: 58%



Q1 2021 Performance

- Revenue growth of 58% year over year
- Cash and cash equivalents (as of March 31, 2021): $65.8 million

Investment Highlights

- Advanced reinforced tissue matrix portfolio supported by compelling clinical evidence
- Focused on ~$2.0 billion annual U.S. total addressable markets
- Driving commercial adoption with targeted direct-sales approach
- Recent product launches in growing markets: robotic hernia surgery + plastic and reconstructive surgery
- Broad intellectual property portfolio
- Established DRG-based reimbursement pathway for hernia repair
- Industry leading executive team with proven track record

TELA BIO