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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ____ to ____

Commission File Number: 001-39130

TELA Bio, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**45-5320061**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1 Great Valley Parkway, Suite 24 Malvern, Pennsylvania	**19355**
(Address of principal executive offices)	(Zip Code)

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

Not applicable
(Former name, former address and former fiscal year, if changed since last report)

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

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐
	Smaller reporting company ☒
Non-accelerated filer ☒	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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of August 4, 2025, the registrant had 39,616,440 shares of Common Stock, $0.001 par value per share, outstanding.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this "Quarterly Report") and the documents incorporated by reference herein contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. In addition, we may, through our officers and other authorized representatives, make certain forward-looking statements in publicly released materials, both written and oral, including statements contained in filings with the Securities and Exchange Commission, press releases, and our communications with our stockholders.

Forward-looking statements are neither statements of historical facts nor assurances of future performance, but instead discuss the future of our business, operations, future financial performance, future financial condition, plans, anticipated growth strategies, anticipated or perceived trends in our business, the industry in which we operate or the broader economy, and other objectives of management. In some cases, you can identify forward-looking statements by terminology such as "aim," "anticipate," "assume," "believe," "contemplate," "continue," "could," "design," "due," "estimate," "expect," "goal," "intend," "may," "objective," "plan," "predict," "positioned," "potential," "seek," "should," "target," "will," "would," the negative of such terms, and other similar expressions although not all forward-looking statements contain these identifying words.

You should understand that the following important factors could affect our future results and could cause those results or other outcomes to differ materially from those expressed or implied in our forward-looking statements:

- estimates regarding future results of operations, financial position, research and development costs, capital requirements and our needs for additional financing;
- the commercial success and degree of market acceptance of our products;
- the introduction of new products or product enhancements by us or others in our industry, including new products which may be perceived to negatively impact the demand for our products now or in the future;
- our ability to expand, manage and maintain our direct sales and marketing organization and to market and sell our products in the U.S. and Europe;
- the performance of our exclusive contract manufacturer for our OviTex and OviTex PRS products, Aroa Biosurgery Ltd. ("Aroa"), in connection with the supply of product and in the development of additional products and product configurations within these products;
- our ability to maintain our supply chain integrity and expand our supply chain to manage increased demand for our products;
- our ability to compete successfully with larger competitors in our highly competitive industry;
- our ability to achieve and maintain adequate levels of coverage or reimbursement for our current products and any future products we may seek to commercialize;
- our ability to enhance our products, expand our indications and develop and commercialize additional products;
- the development, regulatory approval, efficacy and commercialization of competing products;
- our business model and strategic plans for our products, technologies and business, including our implementation thereof;
- the size of the markets for our current and future products;
- our ability to recruit and retain senior management and other highly qualified personnel;
- our ability to obtain additional capital to finance our planned operations;
- our ability to maintain regulatory approval for our products;
- our ability to commercialize or obtain regulatory approvals for our future products, or the effect of delays in commercializing or obtaining regulatory approvals;
- decreasing selling prices and pricing pressures;
- regulatory developments in the U.S., including regulatory developments due to changes in the U.S. presidential administration and European markets;
- the potential impact of healthcare reform in the U.S., including the Inflation Reduction Act of 2022, and measures being taken worldwide designed to reduce healthcare costs;
- any decrease in frequency of surgical procedures using our products, whether through outbreak of illness or disease, cybersecurity events impacting hospital operations, potential hospital closures, labor and hospital

staffing shortages, supply chain disruptions to critical surgical and hospital supplies, and any applicable adverse healthcare economic factors;
- the volatility of capital markets and other adverse macroeconomic factors, including due to inflationary pressures, interest rate and currency rate fluctuations, economic slowdown or recession, banking instability, monetary policy changes, changes in trade policies (including tariffs and trade protection measures that have been or may in the future be imposed by the U.S. or other countries), geopolitical tensions or the outbreak of hostilities or war, including from the ongoing Russia-Ukraine conflict, the current conflicts in the Middle East (including any escalation or expansion) and increasing tensions between China and Taiwan;
- our ability to develop and maintain our corporate infrastructure, including our internal controls;
- our ability to establish and maintain intellectual property protection for our products, as well as our ability to operate our business without infringing the intellectual property rights of others;
- our expectations regarding the use of proceeds from recent and any future financings, if any;
- the occurrence of adverse safety events, restrictions on use with our products or product liability claims; and
- other risks and uncertainties, including those listed under the caption "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2024 (our "Annual Report"), our subsequent Quarterly Reports on Form 10-Q and the other documents we file with the Securities and Exchange Commission (the "SEC").

These forward-looking statements are based on management's current expectations, estimates, forecasts and projections about our business and the industry in which we operate, and management's beliefs and assumptions are not guarantees of future performance or development and involve known and unknown risks, uncertainties and other factors that are in some cases beyond our control. In light of the significant uncertainties in these forward-looking statements, you should not rely upon forward-looking statements as predictions of future events. Although we believe the expectations reflected in the forward-looking statements are reasonable, the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements may not be achieved or occur at all.

You should refer to the section titled "Risk Factors" in our Annual Report, this Quarterly Report and any subsequent Quarterly Reports for a discussion of important factors that may cause our actual results to differ materially from those expressed or implied by our forward-looking statements. Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may be material. Except as required by law, we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

PART I — FINANCIAL INFORMATION

Item 1. Financial Statements

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

	June 30, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	$ 34,977	$ 52,670
Accounts receivable, net of allowances of $263 and $275	11,236	10,098
Inventory	11,371	12,781
Prepaid expenses and other current assets	3,161	2,522
Total current assets	60,745	78,071
Property and equipment, net	2,167	2,341
Intangible assets, net	1,549	1,739
Right-of-use assets	1,616	1,738
Other long-term assets	1,131	2,276
Deferred tax asset, net	64	140
Restricted cash	265	265
Total assets	$ 67,537	$ 86,570
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 1,741	$ 2,147
Accrued expenses and other current liabilities	13,987	13,451
Current portion of long-term debt	3,333	—
Total current liabilities	19,061	15,598
Long-term debt	38,051	41,124
Other long-term liabilities	1,241	1,390
Total liabilities	58,353	58,112
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; 39,584,178 and 39,395,712 shares issued and outstanding at June 30, 2025 and December 31, 2024, respectively	40	39
Additional paid-in capital	388,968	387,059
Accumulated other comprehensive income	93	90
Accumulated deficit	(379,917)	(358,730)
Total stockholders' equity	9,184	28,458
Total liabilities and stockholders' equity	$ 67,537	$ 86,570

See accompanying notes to unaudited interim consolidated financial statements.

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

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Revenue	$ 20,197	$ 16,091	$ 38,717	$ 32,694
Cost of revenue (excluding amortization of intangible assets)	5,997	4,923	11,910	10,095
Amortization of intangible assets	95	95	190	190
Gross profit	14,105	11,073	26,617	22,409
Operating expenses:				
Sales and marketing	16,857	16,699	33,465	34,219
General and administrative	4,126	3,621	7,962	7,450
Research and development	2,203	2,323	4,743	4,716
Total operating expenses	23,186	22,643	46,170	46,385
Other operating income:				
Gain on sale of product line	—	—	—	7,580
Loss from operations	(9,081)	(11,570)	(19,553)	(16,396)
Other (expense) income:				
Interest expense	(1,188)	(1,331)	(2,407)	(2,663)
Other income	379	301	858	798
Total other expense, net	(809)	(1,030)	(1,549)	(1,865)
Loss before income tax expense	(9,890)	(12,600)	(21,102)	(18,261)
Income tax expense	(33)	—	(85)	—
Net loss	$ (9,923)	$ (12,600)	$ (21,187)	$ (18,261)
Net loss per common share, basic and diluted	$ (0.22)	$ (0.51)	$ (0.47)	$ (0.74)
Weighted average common shares outstanding, basic and diluted	45,365,325	24,663,234	45,316,444	24,621,310
Comprehensive loss:				
Net loss	$ (9,923)	$ (12,600)	$ (21,187)	$ (18,261)
Foreign currency translation adjustment	2	1	3	7
Comprehensive loss	$ (9,921)	$ (12,599)	$ (21,184)	$ (18,254)

See accompanying notes to unaudited interim consolidated financial statements.

TELA Bio, Inc.
Consolidated Statements of Stockholders' Equity
Three and Six Months Ended June 30, 2025
(In thousands, except share amounts)
(Unaudited)

	Common stock		Additional paid-in capital	Accumulated other comprehensive income	Accumulated deficit	Total
	Shares	Amount				
Balance at April 1, 2025	39,554,771	$ 40	$ 387,986	$ 91	$ (369,994)	$ 18,123
Vesting of restricted stock units	32,731	—	—	—	—	—
Shares withheld for employee taxes	(3,324)	—	(3)	—	—	(3)
Foreign currency translation adjustment	—	—	—	2	—	2
Stock-based compensation expense	—	—	985	—	—	985
Net loss	—	—	—	—	(9,923)	(9,923)
Balance at June 30, 2025	39,584,178	$ 40	$ 388,968	$ 93	$ (379,917)	$ 9,184

	Common stock		Additional paid-in capital	Accumulated other comprehensive income	Accumulated deficit	Total
	Shares	Amount				
Balance at January 1, 2025	39,395,712	$ 39	$ 387,059	$ 90	$ (358,730)	$ 28,458
Vesting of restricted stock units	231,011	1	—	—	—	1
Issuance of common stock under the employee stock purchase plan	27,318	—	60	—	—	60
Shares withheld for employee taxes	(69,863)	—	(180)	—	—	(180)
Foreign currency translation adjustment	—	—	—	3	—	3
Stock-based compensation expense	—	—	2,029	—	—	2,029
Net loss	—	—	—	—	(21,187)	(21,187)
Balance at June 30, 2025	39,584,178	$ 40	$ 388,968	$ 93	$ (379,917)	$ 9,184

See accompanying notes to unaudited interim consolidated financial statements.

TELA Bio, Inc.
Consolidated Statements of Stockholders' Equity
Three and Six Months Ended June 30, 2024
(In thousands, except share amounts)
(Unaudited)

	Common stock		Additional paid-in capital	Accumulated other comprehensive income	Accumulated deficit	Total
	Shares	Amount				
Balance at April 1, 2024	24,653,939	$ 25	$ 340,812	$ 97	$ (326,550)	$ 14,384
Vesting of share-based awards and exercise of stock options	24,332	—	6	—	—	6
Shares withheld for employee taxes	(2,439)	—	(11)	—	—	(11)
Foreign currency translation adjustment	—	—	—	1	—	1
Stock-based compensation expense	—	—	1,090	—	—	1,090
Net loss	—	—	—	—	(12,600)	(12,600)
Balance at June 30, 2024	24,675,832	$ 25	$ 341,897	$ 98	$ (339,150)	$ 2,870

	Common stock		Additional paid-in capital	Accumulated other comprehensive income	Accumulated deficit	Total
	Shares	Amount				
Balance at January 1, 2024	24,494,675	$ 24	$ 339,655	$ 91	$ (320,889)	$ 18,881
Vesting of share-based awards and exercise of stock options	202,565	1	225	—	—	226
Issuance of common stock under the employee stock purchase plan	27,969	—	164	—	—	164
Shares withheld for employee taxes	(49,377)	—	(339)	—	—	(339)
Foreign currency translation adjustment	—	—	—	7	—	7
Stock-based compensation expense	—	—	2,192	—	—	2,192
Net loss	—	—	—	—	(18,261)	(18,261)
Balance at June 30, 2024	24,675,832	$ 25	$ 341,897	$ 98	$ (339,150)	$ 2,870

See accompanying notes to unaudited interim consolidated financial statements.

TELA Bio, Inc.
Consolidated Statements of Cash Flows
(In thousands)
(Unaudited)

	Six months ended June 30,	
	2025	**2024**
Cash flows from operating activities:		
Net loss	$ (21,187)	$ (18,261)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	347	293
Noncash interest expense	260	302
Amortization of intangible assets	190	190
Net changes in operating lease ROU assets and liabilities	(52)	(47)
Inventory excess and obsolescence charge	910	908
Stock-based compensation expense	2,029	2,192
Gain on sale of product line	—	(7,580)
Deferred income tax expense	85	—
Change in operating assets and liabilities:		
Accounts receivable, net	(935)	263
Inventory	610	(1,545)
Prepaid expenses and other current assets	14	253
Accounts payable	(448)	594
Accrued expenses and other current and long-term liabilities	464	(2,627)
Foreign currency transaction loss (gain)	83	(16)
Net cash used in operating activities	(17,630)	(25,081)
Cash flows from investing activities:		
Purchase of property and equipment	(146)	(603)
Proceeds from the sale of product line	488	5,366
Net cash provided by investing activities	342	4,763
Cash flows from financing activities:		
Proceeds from exercise of stock options	1	226
Payment of withholding taxes related to stock-based compensation to employees	(180)	(339)
Proceeds from issuance of common stock under the employee stock purchase plan	60	164
Net cash (used in) provided by financing activities	(119)	51
Effect of exchange rate on cash and cash equivalents	(286)	34
Net decrease in cash and cash equivalents and restricted cash	(17,693)	(20,233)
Cash and cash equivalents and restricted cash, beginning of period	52,935	46,994
Cash and cash equivalents and restricted cash, end of period	$ 35,242	$ 26,761
Supplemental disclosure of cash flow information:		
Cash paid during the period for interest	$ 2,667	$ 2,361
Supplemental disclosures of noncash investing and financing activities:		
Property and equipment in accounts payable and accrued expenses and other current liabilities	$ 26	$ 55

See accompanying notes to unaudited interim consolidated financial statements.

TELA Bio, Inc.

Notes to Unaudited Interim Consolidated Financial Statements

(1) Background

TELA Bio, Inc. (the "Company") was incorporated in the state of Delaware on April 17, 2012 and wholly owns TELA Bio Limited, a company incorporated in the United Kingdom and is the ultimate parent of TELA Bio GmbH, a company incorporated in Germany through TELA Bio Limited. The Company is a commercial-stage medical technology company focused on providing innovative soft-tissue reconstruction solutions that optimize clinical outcomes by prioritizing the preservation and restoration of the patient's own anatomy. OviTex Reinforced Tissue Matrix ("OviTex"), the Company's first portfolio of products, addresses unmet needs in hernia repair and abdominal wall reconstruction by combining the benefits of biologic matrices and polymer materials while minimizing their shortcomings, at a cost-effective price. OviTex PRS Reinforced Tissue Matrix ("OviTex PRS"), the Company's second portfolio of products, addresses unmet needs in plastic and reconstructive surgery. The Company's principal corporate office and research facility is located in Malvern, Pennsylvania.

(2) Risks and Liquidity

The Company's operations to date have focused on commercializing products, developing and acquiring technology and assets, business planning, raising capital and organization and staffing. The Company has incurred recurring losses and negative cash flows from operations since inception and has an accumulated deficit of $379.9 million as of June 30, 2025. The Company anticipates incurring additional losses until such time, if ever, it can generate sufficient revenue from its products to cover its expenses.

The operations of the Company are subject to certain risks and uncertainties including, among others, the uncertainty of product development, the impact of macroeconomic conditions, including, general economic slowdown or recession, inflationary pressures and the measures undertaken by various governments to address them, banking instability, monetary policy changes, changes in trade policies (including tariffs and trade protection measures that have been or may in the future be imposed by the U.S. or other countries), geopolitical factors such as the ongoing Russia-Ukraine conflict, the current conflicts in the Middle East (including any escalation or expansion) and increasing tensions between China and Taiwan, cybersecurity events affecting or disrupting normal hospital operations, potential hospital closures, constraints on the supply of critical surgical and hospital supplies necessary to facilitate the surgical procedures in which our products are utilized, technological uncertainty, commercial acceptance of any developed products, alternative competing technologies, dependence on collaborative partners, uncertainty regarding patents and proprietary rights, comprehensive government regulations, and dependence on key personnel.

(3) Summary of Significant Accounting Policies

The Company's complete summary of significant accounting policies can be found in "Note 3, Summary of Significant Accounting Policies" in the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024. Any reference in these notes to applicable guidance is meant to refer to generally accepted accounting principles ("GAAP") in the U.S. as found in the Accounting Standards Codification ("ASC") and Accounting Standards Updates ("ASU") promulgated by the Financial Accounting Standards Board ("FASB").

Interim Financial Statements

The accompanying unaudited interim consolidated financial statements have been prepared from the books and records of the Company in accordance with GAAP for interim financial information and Rule 10-01 of Regulation S-X promulgated by the Securities and Exchange Commission ("SEC"), which permits reduced disclosures for interim periods. All adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the accompanying consolidated balance sheets and statements of operations and comprehensive loss, stockholders' equity and cash flows have been made. Although these interim consolidated financial statements do not include all of the information and footnotes required for complete annual consolidated financial statements, management believes the disclosures are adequate to make the information presented not misleading. The unaudited interim results of operations and cash flows are not necessarily indicative of the results that may be expected for the full year. The unaudited interim

consolidated financial statements and footnotes should be read in conjunction with the consolidated financial statements and footnotes included in the Annual Report on Form 10-K for the year ended December 31, 2024.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and contingent liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. The most significant judgments are employed in estimates used to determine the recoverability of the carrying value of the Company's inventory. As future events and their effects cannot be determined with precision, actual results may differ significantly from these estimates.

Segments

Operating segments are defined as components of an enterprise about which separate discrete information is available for evaluation by the chief operating decision maker, or decision-making group, in deciding how to allocate resources in assessing performance. The Company has one reportable segment which is focused on providing innovative soft-tissue reconstruction solutions that optimize clinical outcomes by prioritizing the preservation and restoration of the patient's own anatomy. The Company's chief operating decision maker ("CODM") is the chief executive officer.

The accounting policies of the Company's segment are the same as those described in the summary of significant accounting policies. The CODM uses budget to actual forecasts and net income in assessing entity-wide operating results and deciding how to invest in the Company. The CODM is regularly provided with net loss and consolidated assets, which are reported on the consolidated statement of operations and comprehensive loss and consolidated balance sheet, respectively.

TELA Bio, Inc.

Notes to Unaudited Interim Consolidated Financial Statements (Continued)

The tables below summarizes the items included within net loss regularly provided to the CODM for the six months ended June 30, 2025 and 2024:

	Six months ended June 30,	
	2025	2024
Revenue	$ 38,717	$ 32,694
Cost of revenue (excluding amortization of intangible assets)	11,910	10,095
Amortization of intangible assets	190	190
Gross profit	26,617	22,409
Sales and marketing:		
Sales and sales management	22,830	22,421
International	2,808	2,426
Other sales and marketing (a)	7,827	9,372
Total sales and marketing	33,465	34,219
General and Administrative:		
Finance and Legal	3,919	3,862
Other General and administrative (b)	4,043	3,588
Total general and administrative	7,962	7,450
Research and Development:		
Clinical	1,780	2,136
Regulatory and quality	867	761
Other research and development (c)	2,096	1,819
Total research and development	4,743	4,716
Gain on sale of product line	—	7,580
Other segment items (d)	(1,634)	(1,865)
Net loss	$ (21,187)	$ (18,261)

(a) Other sales and marketing includes strategy, analytics and allocated facility expenses.
(b) Other general and administrative includes executive, human resources, information technology and allocated facility expenses.
(c) Other research and development includes engineering and allocated facility expenses.
(d) Other segment items include other operating income and other expenses as disclosed in the consolidated statements of operations and comprehensive loss; interest expense, other income and income tax expense.

Restricted Cash

Restricted cash represents an amount held in an escrow deposit account, collateralizing a letter of credit for the Company's office lease.

The following table presents a reconciliation of all captions of cash, cash equivalents and restricted cash reported on the balance sheets that sum to the total of those same amounts shown in the statements of cash flows.

	June 30, 2025	June 30, 2024
Cash and cash equivalents	$ 34,977	$ 26,496
Restricted cash	265	265
Total cash and cash equivalents and restricted cash shown in statements of cash flows	$ 35,242	$ 26,761

TELA Bio, Inc.

Notes to Unaudited Interim Consolidated Financial Statements (Continued)

Revenue Recognition

Under ASC Topic 606, *Revenue from Contracts with Customers*, ("ASC 606"), an entity recognizes revenue when its customer obtains control of the promised good, in an amount that reflects the consideration that the entity expects to be entitled in exchange for those goods. The Company performs the following five steps to recognize revenue under ASC 606: (i) identify the contract(s) with a customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations in the contract, and (v) recognize revenue when (or as) the entity satisfies a performance obligation. The Company only recognizes revenue when it is probable that it will collect the consideration to which it is entitled in exchange for the goods or services that will be transferred to the customer.

A significant portion of the Company's revenue is generated from product shipped to a customer or from consigned inventory maintained at hospitals or other surgical facilities. Revenue from the sale of consigned products is recognized when control is transferred to the customer, which occurs at the time the product is used in a surgical procedure. For product that is not held on consignment, the Company recognizes revenue when control transfers to the customer which occurs at the time the product is shipped or delivered. For all of the Company's customer contracts, the only identified performance obligation is providing the product to the customer.

Revenue is recognized at the estimated net sales price, which includes estimates of variable consideration. The Company enters into contracts with certain third-party payors for the payment of rebates with respect to the utilization of its products. These rebates are based on contractual percentages. The Company estimates and records these rebates in the same period the related revenue is recognized, resulting in a reduction of product revenue.

Payment terms with customers do not exceed one year and, therefore, the Company does not account for a financing component in these arrangements. There are no incremental costs of obtaining a contract that would rise to or enhance an asset other than product costs, which are a component of inventory. The Company expenses incremental costs of obtaining a contract with a customer (e.g., sales commissions) when incurred as the period of benefit is less than one year. Fees charged to customers for shipping are recognized as revenue.

The following table presents revenue disaggregated by the Company's portfolio of products (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
OviTex	$ 12,487	$ 11,124	$ 24,596	$ 21,659
OviTex PRS	7,333	4,796	13,377	10,741
Other	377	171	744	294
Total revenue	$ 20,197	$ 16,091	$ 38,717	$ 32,694

Sales outside of the U.S. were $3.0 million and $2.4 million, respectively, for the three months ended June 30, 2025 and 2024 and $5.6 million and $4.7 million, respectively, for the six months ended June 30, 2025 and 2024.

Fair Value of Financial Instruments

Fair value is the price that could be received to sell an asset or paid to transfer a liability in an orderly transaction among market participants. Fair value determination in accordance with applicable accounting guidance requires that a number of significant judgments are made. Additionally, fair value is used on a nonrecurring basis to evaluate assets for impairment or as required for disclosure purposes by applicable accounting guidance on disclosures about fair value of financial instruments. Depending on the nature of the assets and liabilities, various valuation techniques and assumptions are used when estimating fair value. The carrying amounts of certain of the Company's financial instruments, including cash and cash equivalents, accounts receivable, other assets, and accounts payable are shown at cost, which

approximates fair value due to the short-term nature of these instruments. The carrying amounts of the Company's Credit and Security Agreement approximates fair value due to its variable interest rate.

The Company follows the provisions of ASC Topic 820, *Fair Value Measurement*, for financial assets and liabilities measured on a recurring basis. The guidance requires fair value measurements be classified and disclosed in one of the following three categories:

- *Level 1:* Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
- *Level 2:* Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liabilities.
- *Level 3:* Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

The following fair value hierarchy table presents information about each major category of the Company's financial assets and liabilities measured at fair value on a recurring basis (in thousands):

	Fair value measurement at reporting date using		
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
June 30, 2025:			
Cash equivalents – money market fund	$ 33,035	$ —	$ —
December 31, 2024:			
Cash equivalents – money market fund	$ 48,131	$ —	$ —

Net Loss per Common Share

Basic and diluted net loss per common share is determined by dividing net loss by the weighted-average shares of common stock outstanding during the reporting period. In periods in which the Company reports a net loss, diluted net loss per share is the same as basic net loss per share since dilutive shares are not assumed to have been issued if their effect is antidilutive. Therefore, the weighted-average shares used to calculate both basic and diluted net loss per share are the same.

The following potentially dilutive securities have been excluded from the computation of diluted weighted-average shares outstanding for the periods presented, as they would be antidilutive.

	Six months ended June 30,	
	2025	2024
Stock options	2,817,979	2,239,140
Unvested restricted stock units	1,359,116	991,391
Common stock warrants	88,556	88,556
Total	4,265,651	3,319,087

In October 2024, in connection with an underwritten public offering, the Company granted pre-funded warrants to purchase 5,800,000 shares of common stock at a public offering price of $2.2499 per pre-funded warrant, which represents the per share public offering price for the shares of common stock less the $0.0001 per share exercise price for

each pre-funded warrant. Due to their nominal exercise price of $0.0001 per share, the outstanding pre-funded warrants are considered common stock equivalents and are included in the calculation of weighted-average shares of common stock.

Recently Issued Accounting Pronouncements

In November 2023, the FASB issued ASU 2023-07, *Improvements to Reportable Segment Disclosures*, which expands public entities' segment disclosures by requiring disclosure of significant segment expenses that are regularly provided to the chief operating decision maker and included within each reported measure of segment profit or loss, an amount and description of its composition for other segment items, and interim disclosures of a reportable segment's profit or loss and assets. This guidance is effective for annual periods beginning after December 15, 2023, and interim periods within annual periods beginning after December 15, 2024, with early adoption permitted, including adoption in any interim period. See note 3 for additional disclosures related to the adoption of this ASU.

In December 2023, the FASB issued ASU 2023-09, *Improvements to Income Tax Disclosures*, requiring entities to provide additional information in the income tax rate reconciliation and additional disclosures about income taxes paid. The new accounting guidance requires entities to disclose in their rate reconciliation table additional categories of information about federal, state and foreign income taxes and to provide more details about the reconciling items in some categories if the items meet a quantitative threshold. This guidance is effective for annual periods beginning after December 15, 2024, and should be applied prospectively, but entities have the option to apply it retrospectively for each period presented. Early adoption is permitted for annual financial statements that have not yet been issued or made available for issuance. The Company is currently evaluating the expected impact that the standard could have on its consolidated financial statements and related disclosures.

In November 2024, the FASB issued ASU 2024-03, *Disaggregation of Income Statement Expenses*. ASU 2024-03 requires additional disclosure of specific types of expenses included in the expense captions presented on the face of the income statement as well as disclosures about selling expenses. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and interim periods beginning after December 15, 2027, with early adoption permitted. The requirements will be applied prospectively with the option for retrospective application. The Company is currently evaluating the impact that the adoption of ASU 2024-03 will have on its consolidated financial statements and disclosures.

(4) Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following (in thousands):

	June 30, 2025	December 31, 2024
Compensation and related benefits	$ 6,439	$ 7,343
Third-party and professional fees	3,191	2,493
Amounts due to contract manufacturer	2,550	2,095
Current portion of operating lease liabilities	518	545
Research and development expenses	42	20
Other	1,247	955
Total accrued expenses and other current liabilities	$ 13,987	$ 13,451

(5) Long-term Debt

Long-term debt consisted of the following (in thousands):

	June 30, 2025	December 31, 2024
MidCap term loan	$ 40,000	$ 40,000
Exit fee	2,000	2,000
Unamortized exit fee and issuance costs	(616)	(876)
Total debt	$ 41,384	$ 41,124
Less current portion	(3,333)	—
Long-term debt	$ 38,051	$ 41,124

MidCap Term Loan

On May 26, 2022, the Company entered into the Credit and Security Agreement (the "MidCap Credit Agreement") with MidCap Financial Trust, as agent, and certain lender parties thereto. The MidCap Credit Agreement consists of $40.0 million in a term loan.

Pursuant to the MidCap Credit Agreement, the Company provided a first priority security interest in all existing and future acquired assets, including intellectual property, owned by the Company. The MidCap Credit Agreement contains certain covenants that limit the Company's ability to engage in certain transactions that may be in the Company's long-term best interests, including the incurrence of additional indebtedness, effecting certain corporate changes, making certain investments, acquisitions or dispositions and paying dividends.

The MidCap Credit Agreement also contains customary indemnification obligations and customary events of default, including, among other things, (i) non-payment, (ii) breach of warranty, (iii) non-performance of covenants and obligations, (iv) default on other indebtedness, (v) judgments, (vi) change of control, (vii) bankruptcy and insolvency, (viii) impairment of security, (ix) key permit events, (x) termination of a pension plan, (xi) regulatory matters, (xii) material adverse effect and (xiii) breach of material contracts.

In addition, the Company must maintain minimum net revenue levels tested quarterly. In the event of default under the MidCap Credit Agreement, the Company would be required to pay interest on principal and all other due and unpaid obligations at the current rate in effect plus 2%.

The MidCap term loan matures on May 1, 2027 and bears interest at a rate equal to 6.25% plus the greater of one-month Term SOFR (as defined in the MidCap Credit Agreement) or 1.0%. Since June 2022, we have made 36 monthly interest payments on the debt. In May 2025, we have elected to extend these monthly interest payments by an additional 12 months, followed by 12 months of straight-line amortization, with the entire principal payment due at maturity.

Subject to certain limitations, the MidCap term loan has a prepayment fee equal to 1.0% of the prepaid principal amount. The Company is also required to pay an exit fee at the time of maturity or prepayment event equal to 5% of all principal borrowings (the "End of Term Charge") (or in the event of a prepayment event, the amount of principal being prepaid).

Interest expense associated with the MidCap Credit Facility recorded for the three and six months ended June 30, 2025 was $1.2 million and $2.4 million, of which $0.1 million and $0.3 million, respectively, was related to the amortization of debt issuance costs. Interest expense associated with the MidCap Credit Facility recorded for the three and six months ended June 30, 2024 was $1.3 million and $2.7 million, respectively, of which $0.2 million and $0.3 million, respectively, was related to the amortization of debt issuance costs.

TELA Bio, Inc.

Notes to Unaudited Interim Consolidated Financial Statements (Continued)

(6) Stockholders' Equity

In November 2023, the Company entered into an Equity Distribution Agreement (the "Equity Agreement") with Piper Sandler & Co, ("Piper") in connection with the establishment of an at-the-market offering program under which the Company may sell shares of its common stock, from time to time through Piper as sales agent, in an initial amount of up to $50.0 million. No sales were made under the Equity Agreement during the six months ended June 30, 2025 or 2024.

Warrants

The Company had the following warrants outstanding to purchase common stock at June 30, 2025:

	Outstanding	Exercise price	Expiration dates
Common stock warrants	8,379	$ 28.65	2028
Common stock warrants	80,177	28.65	2027
Pre-funded common stock warrants	5,800,000	0.0001	NA
	5,888,556		

There have been no grants, exercises or cancellations of warrants during the six months ended June 30, 2025.

(7) Sale of Product Line

In March 2024, the Company entered into an Asset Purchase Agreement ("APA") with MiMedx Group, Inc. ("MDXG") to sell certain assets (the "Transaction") related to NIVIS Fibrillar Collagen Pack Device ("NIVIS"). These assets mainly included the Company's existing inventory of NIVIS, with a net carrying value of $0.8 million, and certain intellectual property rights to sell NIVIS, with no carrying value. MDXG assumed the Company's existing supply agreements, including the minimum obligations for NIVIS that the Company entered into in 2022 ahead of the initial sales of NIVIS. In exchange for entering into the Transaction, the Company received an initial $5.0 million upfront payment and is entitled to receive future revenue-sharing payments based on the net sales of NIVIS (now marketed as HELIOGEN) during the first two years following its launch by MDXG, which revenue-sharing payments would range from a minimum of $3.0 million to a maximum of $7.0 million in the aggregate. In addition, $0.4 million of consideration was received for existing NIVIS inventory on-hand. Any consideration in excess of $3.0 million up to $7.0 million is considered variable consideration that is fully constrained.

The Company accounted for the Transaction as a sale of a nonfinancial asset group in accordance with ASC 610-20 and followed the principles of ASC 606 to determine the consideration of $8.4 million related to the Transaction which includes the consideration for the existing inventory. The Company transferred control of the nonfinancial asset group in March 2024 and upon closing recognized a gain of $7.6 million in the consolidated statement of operations and comprehensive loss during the three months ended March 31, 2024. The $8.4 million transaction price included the minimum revenue-share payment of $3.0 million, which was recorded as a receivable when the deal closed. Revenue-share payments commenced after the third quarter of 2024 and $0.6 million of this amount had been collected as of June 30, 2025. The remaining receivable included $1.3 million recorded as the current portion in prepaid expenses and other assets in the consolidated balance sheet and $1.1 million recorded as the long-term portion in other long-term assets in the consolidated balance sheet at June 30, 2025. At each reporting date, the Company assesses the constraint of variable consideration and records increases in the transaction price in the period that the estimate of variable consideration changes. For the three and six months ended June 30, 2025, no changes were made to the variable consideration.

TELA Bio, Inc.

Notes to Unaudited Interim Consolidated Financial Statements (Continued)

(8) Stock-Based Compensation

The Company has two equity incentive plans: the 2012 Stock Incentive Plan and the Amended and Restated 2019 Equity Incentive Plan (the "Plan"). On April 3, 2025, the Company's board of directors approved an amendment to the Plan to increase the number of authorized shares issuable under the Plan by 3,500,000 shares and eliminate the "evergreen" provision. This amendment was approved by the Company's stockholders on May 28, 2025. New awards can only be granted under the Plan. At June 30, 2025, 3,654,282 shares of common stock were available for future issuances under the Plan. The Plan provides for the grant of incentive stock options, nonqualified stock options, restricted stock awards, restricted stock units and/or stock appreciation rights to employees, directors, and other persons, as determined by the Company's board of directors. The Company estimates forfeitures that it expects will occur and adjusts expense for actual forfeitures in the periods they occur.

The Company measures employee and nonemployee stock-based awards at grant-date fair value and records compensation expense ratably over the vesting period of the award. The Company recorded stock-based compensation expense in the following expense categories of the accompanying consolidated statements of operations and comprehensive loss (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Sales and marketing	$ 296	$ 302	$ 580	$ 675
General and administrative	596	624	1,207	1,197
Research and development	93	164	242	320
Total stock-based compensation	$ 985	$ 1,090	$ 2,029	$ 2,192

Stock Options

The Company's stock options vest based on the terms in each award agreement and generally vest over four years and have a term of 10 years.

The following table summarizes stock option activity:

	Number of shares	Weighted average exercise price per share	Weighted average remaining contractual term (years)
Outstanding at January 1, 2025	2,119,183	$ 10.92	
Granted	734,100	2.19	
Exercised	—	—	
Canceled/forfeited	(35,304)	9.78	
Outstanding at June 30, 2025	2,817,979	$ 8.66	6.49
Vested and expected to vest at June 30, 2025	2,739,543	$ 8.81	6.40
Exercisable at June 30, 2025	1,813,952	$ 11.25	4.94

Included in outstanding options at June 30, 2025 were 361,017 stock options granted outside of the Plan. These grants were made pursuant to the Nasdaq inducement grant exception in accordance with Nasdaq listing rule 5635(c)(4). At June 30, 2025, the aggregate intrinsic value of outstanding options was $0.2 million and exercisable options was $0.

The weighted average grant-date fair value per share of options granted was $1.48 during the six months ended June 30, 2025. The aggregate intrinsic value of options exercised was $0 for the six months ended June 30, 2025. At June 30, 2025, the total unrecognized compensation expense related to unvested employee and nonemployee stock option awards

was $2.4 million, which is expected to be recognized in expense over a weighted-average period of approximately 2.9 years.

The fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model and the weighted average assumptions in the table below:

	Six months ended June 30, 2025
Expected dividend yield	—
Expected volatility	72.6 %
Risk-free interest rate	4.23 %
Expected term (in years)	6.04

Restricted Stock Units

The Company has issued service-based and performance-based restricted stock units ("RSUs"). Vesting of the service-based RSUs is based on the terms in each award agreement and is generally over four years. Vesting of the performance-based RSUs is subject to continued service through 2026 and the achievement of certain performance milestones for fiscal year 2026. The amount of performance-based RSUs that will vest can range from 0% to 110% of the original number of RSUs granted. Expense for the performance-based RSUs is not recognized until the performance conditions are deemed probable of achievement. The Company has not recorded any expense related to the performance-based RSUs.

The following table summarizes the service-based RSUs for the Plan:

	Number of shares
Outstanding at January 1, 2025	732,288
Granted	677,050
Vested	(231,011)
Canceled/forfeited	(35,711)
Outstanding at June 30, 2025	1,142,616

The following table summarizes the performance-based RSUs for the Plan:

	Number of shares
Outstanding at January 1, 2025	216,500
Granted	—
Vested	—
Canceled/forfeited	—
Outstanding at June 30, 2025	216,500

Included in outstanding RSUs at June 30, 2025 were 124,058 RSUs granted outside of the Plan. These grants were made pursuant to the Nasdaq inducement grant exception in accordance with Nasdaq listing rule 5635(c)(4). The weighted average grant-date fair value per RSU granted was $2.39 during the six months ended June 30, 2025. The aggregate intrinsic value of RSUs outstanding was $2.6 million at June 30, 2025. The total unrecognized compensation expense at June 30, 2025 related to RSUs was $4.2 million, which is expected to be recognized in expense over a weighted-average period of approximately 2.7 years.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following Management's Discussion and Analysis of Financial Condition and Results of Operations, as well as other sections in this Quarterly Report, should be read in conjunction with our unaudited interim consolidated financial statements and related notes thereto included elsewhere herein and the consolidated financial statements and notes thereto for the year ended December 31, 2024 and the related Management's Discussion and Analysis of Financial Condition and Results of Operations, both of which are contained in our Annual Report filed with the SEC on March 21, 2025. In addition to historical financial information, some of the information contained in the following discussion and analysis contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements other than statements of historical facts, including statements regarding our future results of operations and financial position, business strategy, current and prospective products, product approvals, research and development costs, current and prospective collaborations, timing and likelihood of success, plans and objectives of management for future operations and future results of current and anticipated products, are forward-looking statements. These statements involve known and unknown risks, uncertainties, assumptions and other important factors 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.

Overview

We are a commercial-stage medical technology company focused on providing innovative soft-tissue reconstruction solutions that optimize clinical outcomes by prioritizing the preservation and restoration of the patient's own anatomy. Our growing product portfolio is purposefully designed to leverage the patient's natural healing response while minimizing long-term exposure to permanent synthetic materials. We are committed to delivering our advanced technologies with a strong economic value proposition to assist surgeons and institutions in providing next-generation soft-tissue repair solutions to more patients worldwide.

We are dedicated to building true partnerships with surgeons and healthcare providers to deliver solutions that provide both clinical and economic improvements. We believe that genuine collaboration with surgeons and healthcare providers results in the development of new solutions that empower patient care and addresses unmet needs within the soft tissue reconstruction market.

Our first portfolio of products, the OviTex Reinforced Tissue Matrix ("OviTex") which we first commercialized in the U.S. in July 2016 and in Europe in February 2019, addresses unmet needs in hernia repair and abdominal wall reconstruction by combining the benefits of biologic matrices and polymer materials while minimizing their shortcomings, at a cost-effective price.

Hernia repair is one of the most common surgeries performed in the U.S., representing approximately 1.2 million procedures annually. Based on the volume weighted average selling price of our OviTex products, we estimate the annual U.S. total addressable market opportunity for our OviTex products to be approximately $1.8 billion.

Our OviTex portfolio consists of multiple product configurations intended to address various surgical procedures within hernia repair and abdominal wall reconstruction, including ventral, inguinal, and hiatal hernia repair. In addition, we have also designed an OviTex product specifically for use in laparoscopic and robotic-assisted hernia repair, which we market as OviTex LPR and began commercializing in November 2018. In February 2023, we launched two larger configurations of OviTex LPR, designed for ventral and incisional hernias. In April 2024, we launched OviTex IHR Reinforced Tissue Matrix, a new OviTex configuration specifically designed to address inguinal hernia procedures performed robotically and laparoscopically in the U.S., followed by a launch in the European markets in June 2025.

We have also focused on evaluating and publishing clinical data on the effectiveness and safety of our OviTex products. To date, there have been over forty published or presented works relating to these clinical findings, either by us or a third-party evaluating one or more product configurations in our OviTex portfolio. In October 2022, the 24-month results of our single arm, multicenter post-market clinical study, which we refer to as our BRAVO study, were

published in the *Annals of Medicine and Surgery*. The BRAVO study was designed to evaluate the clinical performance of OviTex for primary or recurrent ventral hernias using open, laparoscopic, or robotic techniques in 92 enrolled patients. The recurrence rate at the 24-month time point was 2.6%, and surgical site occurrences ("SSOs"), were observed in 38% of the study population. Of the enrolled patients, 78% were characterized as high risk for experiencing an SSO based on at least one known risk factor, which included obesity, active smoking, chronic obstructive pulmonary disease ("COPD"), diabetes mellitus, coronary artery disease, or advanced age (≥75 years). The results also indicated that BRAVO patients experienced statistically significant and clinically meaningful improvements in their quality of life and perceived health based on patient responses to the EuroQol-5 Dimension (EQ-5D) health assessment and the validated 12-question Hernia-Related Quality of Life survey (HerQLes). In addition to the BRAVO study, we have also initiated other clinical data collection initiatives evaluating the use of OviTex across a variety of hernia and abdominal wall reconstruction procedures. Among these other initiatives, we continue to enroll patients for our BRAVO II study, a prospective study evaluating the use of OviTex in robot-assisted ventral and inguinal hernia repairs.

Our second portfolio of products, the OviTex PRS Reinforced Tissue Matrix, ("OviTex PRS") which we first commercialized in the U.S. in May 2019, addresses unmet needs in plastic and reconstructive surgery. OviTex PRS is indicated for use in implantation to reinforce soft-tissue where weakness exists in patients requiring soft-tissue repair or reinforcement in plastic and reconstructive surgery. Our OviTex PRS portfolio consists of three product configurations with two or three layers of high-quality tissue derived from ovine rumen, which is reinforced with either permanent or resorbable polymer for added strength, stabilization, and controlled stretch. These products are designed to improve outcomes by facilitating functional tissue remodeling while controlling the degree and direction of stretch. OviTex PRS Long-Term Resorbable, our most recent product configuration, launched in August 2023, and was designed to enhance the OviTex PRS portfolio with specific design features including bi-directional stretch and a fully resorbable, long-term polymer for reinforcement. In March 2025, we announced the U.S. launch of larger sizes of OviTex PRS, which we believe may reduce the need for multiple smaller pieces and have the potential to simplify more complex plastic and reconstructive procedures.

Our OviTex PRS portfolio is supported by non-human primate data that demonstrated more rapid tissue integration and tissue remodeling compared to the market leading biologic matrix used in this indication. In addition, there have been a growing number of published or presented works evaluating the use of OviTex PRS in plastic and reconstruction applications. We also continue to enroll patients in our OPERA study, a retrospective-prospective trial evaluating the safety profile of OviTex PRS in previous pre-pectoral and sub-pectoral implant-based breast reconstructions. Based on the current sales of biologic matrices in the U.S., we estimate the annual U.S. current addressable market opportunity for our OviTex PRS products to be approximately $800 million.

Our OviTex products have received 510(k) clearances from the U.S. Food and Drug Administration, ("FDA") which clearances were obtained and are currently held by our exclusive contract manufacturer of these products, Aroa. In April 2019, our first OviTex PRS products received 510(k) clearance from the FDA, which clearance was initially obtained by Aroa and is currently held by us. In March 2023, we received an additional 510(k) clearance for our OviTex PRS Long-Term Resorbable device, which is currently held by us. In May 2024, we received clearance of a Special 510(k) related to minor changes to our OviTex PRS Permanent and Short-Term Resorbable devices. In October 2024, we received approval from the FDA for our investigational device exemption application relating to the study of the safety and effectiveness of our OviTex PRS product in implant-based breast reconstruction. We continue to evaluate and finalize the clinical study protocol and anticipate additional FDA interactions related to such to support a pre-market application to obtain approval for an indication for OviTex PRS for use in breast reconstruction. In December 2024, we received clearance of a Special 510(k) related to two new additional large size product offerings in our OviTex PRS portfolio.

Historically, we have sought to expand our service offerings beyond our OviTex and OviTex PRS products through commercial partnerships to distribute complimentary soft tissue preservation and restoration solutions. Some additional product offerings include or have included atraumatic mesh fixation devices or surgical wound management and infection control solutions. In September 2023, we entered into a distribution agreement with Advanced Medical Solutions Limited, a company registered in England, to distribute their LiquiFix Hernia Mesh Fixation Devices (LIQUIFIX FIX8™ and LIQUIFIX Precision™). In March 2024, we announced the full commercial launch of LiquiFix in the U.S. We previously co-developed and commercialized the NIVIS Fibrillar Collagen Pack, ("NIVIS") an absorbent matrix of Type I and Type III bovine collagen designed to manage moderately to heavily exudating wounds

and to control minor bleeding, in partnership with Regenity Biosciences. In March 2024, we sold our distribution rights to MiMedx Group, Inc. in exchange for an initial $5.0 million payment and additional future payments aggregating between a minimum of $3.0 million and a maximum of $7.0 million based on net sales of NIVIS (now marketed as HELIOGEN) during the first two years following its launch by MiMedx Group, Inc. We may assess additional strategic partnerships with medical device companies whereby we may enter into distribution, product development and/or licensing agreements for additional products complimentary to, or related to, existing and future products in our distribution channel, which could result in the payment by us of single digit percentage royalties or other product acquisition costs.

We have a broad portfolio of intellectual property protecting our products that we believe, when combined with the proprietary manufacturing processes associated with our products and our know-how, provides significant barriers to entry. Our intellectual property applies to our differentiated product construction and materials. In addition, we believe our exclusive manufacturing and long-term supply and license agreement with Aroa (the "Aroa License") creates a competitive advantage by allowing us to secure an exclusive supply of ovine rumen at a low cost. Ovine rumen, the forestomach of a sheep, is the source of the biologic material used in both of our OviTex and OviTex PRS products. We use biologic material from ovine rumen because of its plentiful supply, optimal biomechanical profile and open collagen architecture that allows for rapid cellular infiltration. Our OviTex and OviTex PRS products are manufactured by Aroa at their FDA registered and ISO 13485 compliant facility in Auckland, New Zealand. We purchase product from Aroa at a fixed transfer cost as a percentage of Aroa's cost of goods sold, and subject to a true-up adjustment, resulting in an amount equal to 27% of our net sales of our OviTex and OviTex PRS products, with the exception of OviTex IHR product configurations, for which we pay the greater of the initial fixed transfer cost or 27% of our net sales of OviTex IHR. This revenue sharing arrangement allows us to competitively price our products and pass along cost-savings to our customers.

We primarily market our products through a single direct sales force, predominantly in the U.S., with a small number of sales representatives in the United Kingdom and European Union, and also utilize a smaller number of independent contractors and distributors in the United States and certain European countries. We have invested in our direct sales and marketing infrastructure to expand our presence and to promote awareness and adoption of our products. As of June 30, 2025, we had 76 sales territories in the U.S. and 15 sales territories in Europe. We believe we can enhance the productivity of our sales force by improving customer segmentation and targeting, implementing and further refining our proprietary training programs, leveraging support from our medical education and medical affairs functions to drive physician awareness, education and clinical understanding of our products, and utilizing engagement analytics to support further product development and enhancement opportunities. Additionally, we have contracted with three national group purchasing organizations ("GPOs") in the United States covering our OviTex and OviTex PRS products and plan to continue to contract with additional GPOs and other integrated delivery networks ("IDNs") to increase access to and penetration of hospital accounts for all products we commercialize.

We are currently devoting research and development resources to develop additional variations of our OviTex and OviTex PRS products, including the development of OviTex configurations with longer-acting resorbable polymers and other potential product and packaging enhancements to extend the shelf life of our products. In addition, we also continue to explore the development of lower-cost, higher-margin resorbable polymer-based devices targeting our current indications. We are also exploring additional technologies that may complement our existing products, or expand the number of our products, in each case within the hernia, plastic and reconstruction, and broader soft-tissue reconstruction market. We intend to continue to make investments in research and development efforts to develop improvements and enhancements to our product portfolio.

The vast majority of our revenue to date has been generated by the sale of our OviTex products. Our revenue increased by $4.1 million, or 26%, from $16.1 million for the three months ended June 30, 2024 to $20.2 million for the three months ended June 30, 2025 and by $6.0 million, or 18%, from $32.7 million for the six months ended June 30, 2024 to $38.7 million for the six months ended June 30, 2025. Our net loss decreased by $2.7 million, or 21%, from $12.6 million for the three months ended June 30, 2024 to $9.9 million for the three months ended June 30, 2025 and increased by $2.9 million, or 16% from $18.3 million for the six months ended June 30, 2024 to $21.2 million for the six months ended June 30, 2025. The six months ended June 30, 2024 included a recognized gain of $7.6 million on the sale of

NIVIS to the MiMedx Group, Inc. We have not been profitable since inception and as of June 30, 2025, we had an accumulated deficit of $379.9 million. We expect to incur losses for the foreseeable future.

Business Update Regarding Macroeconomic Conditions

Our business, results of operations and commercial operations have been, and may continue to be impacted by macroeconomic conditions outside of our control, including general economic uncertainty, external cybersecurity events impacting our customers, disruptions in supply of critical surgical supplies for procedures utilizing our products, inflationary pressures, tariffs, regulatory changes in the market in which we operate, fluctuations in foreign currency in the jurisdictions in which we operate, banking instability, monetary policy changes and geopolitical conflicts. These factors have and may continue to impact us in the following ways:

General Economic Uncertainty: Continued concerns about the systemic impact of a potential economic downturn or recession, increasing interest rates, further economic downturn or banking instability, monetary policy, changes in trade policies (including the imposition of tariffs and trade protection measures), changes and geopolitical issues, including the ongoing Russia-Ukraine conflict, the current conflict in the Middle East (including any escalation or expansion) and increasing tensions between China and Taiwan, have contributed to increased market volatility and diminished expectations for economic growth in the world. Due to this uncertainty and other factors, we have experienced high volatility in our stock price over the prior year. Continued uncertainty, perception of worsening market conditions and the introduction of new products which may, or may be perceived to, negatively impact the demand for our products now or in the future could result in a decline in our stock price, high inflation, an increase in our cost of capital and an adverse effect on our ability to access the capital markets in the future on terms acceptable to us or at all.

Imposition of Tariffs on Import of Product: Our OviTex and OviTex PRS products are manufactured by Aroa at their FDA registered and ISO 13485 compliant facility in Auckland, New Zealand. As of the date of this report, the U.S. has imposed a 15% tariff on imports from New Zealand, including on the import of medical devices. While the terms of our agreement with Aroa provide that each of Aroa and our company will share equally the cost of the tariffs, the cost to cover such tariffs could lead us to increase the price of certain of our products, which may adversely impact demand for our products and competitive positioning.

External Cybersecurity Events: The sale of our medical products is correlated to the frequency of surgical procedural volumes at current and prospective hospital accounts. During the second quarter of 2024, we became aware of multiple cybersecurity events, including ransomware attacks and other similar system disruptions and outages, in the U.S. and Europe that adversely impacted the procedural volumes at current customer accounts, including those affiliated across one of our GPOs. To the extent current or future cybersecurity events continue to impact the hospital systems we serve, or otherwise affect third-party payors or other vendors within the healthcare industry critical to the patient care, we may experience additional reductions in procedural volumes that lead to lower sales volume for our products.

External Supply Constraints for Critical Surgical Supplies: Any disruptions to the supply of critical surgical supplies, including, for example, IV fluids, could lead to deferrals of elective surgical procedures, including those utilizing our products. To the extent that our current and prospective hospital customers experience significant shortages of these critical supplies, whether due to extreme weather events, labor or work stoppages, or other supply chain disruptions, we may experience reductions in procedural volumes that lead to lower sales volume for our products.

Financial Strain: Market acceptance of our medical products in the U.S. and other countries is dependent upon the procurement practices of our customers, patient need for our products and procedures and the reimbursement of patients' medical expenses by government healthcare programs and third-party payors. The continuing uncertainty surrounding macroeconomic conditions and financial markets, including the financial strain suffered by hospital customers first arising in response to the COVID-19 pandemic, may adversely affect demand for our products and procedures and result in lower reimbursement rates or coverage for our products, resulting in lower sales volume and downward pricing pressure on our products and slower adoption of new products.

Components of Our Results of Operations

Revenue

The majority of our revenue consists of direct sales of our products to hospital accounts in the U.S. Depending on the terms of our agreements with our customers, we recognize revenue related to product sales when control transfers, which generally occurs when the product is shipped to the customer, or when the product is utilized in a surgical procedure in the case of consignment agreements. Fees charged to customers for shipping are recognized as revenue. Recent revenue growth has been driven by increasing revenue from product sales due to our expanding customer base and deeper penetration across procedures in existing customer accounts, although macroeconomic pressures described in this Quarterly Report may impair our ability to continue to generate revenue, expand our customer base, and increase utilization of our products in existing customer accounts at historic rates.

Cost of Revenue

Cost of revenue primarily consists of the costs of licensed products, charges related to excess and obsolete inventory adjustments, royalties and costs related to shipping. We purchase product from Aroa at a fixed transfer cost as a percentage of Aroa's cost of goods, which, subject to a true-up adjustment, results in an amount equal to 27% of our net sales of our OviTex and OviTex PRS products, with the exception of OviTex IHR product configurations, for which we pay the greater of the initial fixed transfer cost or 27% of our net sales of OviTex IHR. The initial term of our Aroa License terminates on the expiration of the last patent covering bovine and ovine products, with an option to extend for an additional ten-year period. We expect our cost of revenue to increase in absolute dollars as, and to the extent, our sales volume grows. Any delay in volume growth, whether due to macroeconomic pressures or otherwise, could lead to additional charges to excess and obsolete inventory.

Amortization of Intangible Assets

Amortization of intangible assets relates to the amortization of capitalized milestone amounts paid to Aroa related to license fees or commercialization rights after future economic benefit has been established for a product. These capitalized milestone amounts relate to regulatory clearances, the receipt of certain supply quantities of product, and amounts based upon aggregate net sales thresholds within a specified territory, and are amortized over the remaining useful life of the intellectual property.

Gross Profit and Gross Margin

Our gross profit is calculated by subtracting our cost of revenue and amortization of intangible assets from our revenue. We calculate our gross margin percentage as our gross profit divided by our revenue. Our gross margin has been, and we expect it will continue to be, affected by a variety of factors, including sales volume, royalties and inventory excess and obsolescence costs. Our gross profit may increase to the extent our revenue grows.

Sales and Marketing Expenses

Sales and marketing expenses consist of commercial activities related to the sale of our products, along with the salaries and related benefits, including sales commissions and stock-based compensation for employees focused on these efforts. Other significant sales and marketing expenses include costs incurred with post-market clinical studies, conferences and trade shows, promotional and marketing activities, market research, as well as travel and training expenses.

We expect future sales and marketing expenses will primarily depend on our ability to drive operational leverage and efficiencies from our commercial organization. We expect our sales and marketing expenses to continue to decrease as a percentage of revenue, as and to the extent, our revenue grows.

General and Administrative Expenses

General and administrative expenses consist primarily of salaries and related benefits, including stock-based compensation for personnel in executive, finance, information technology and administrative functions. General and administrative expenses also include professional service fees for legal, accounting, consulting, investor and public relations, insurance costs and direct and allocated facility-related costs.

We expect future general and administrative expenses will primarily depend on our ability to efficiently execute on our growth initiatives. We expect our general and administrative expenses to decrease as a percentage of revenue primarily as, and to the extent, our revenue grows.

Research and Development Expenses

Research and development expenses consist primarily of product research, engineering, product development, regulatory compliance and clinical development. These expenses include salaries and related benefits including stock-based compensation, for employees focused on these efforts, consulting services, costs associated with our preclinical studies and clinical studies undertaken to obtain regulatory clearance for new or expanded product indications, costs incurred with our manufacturing partner under development agreements related to technology transfer, costs incurred from license agreements with no alternative future uses, laboratory materials and supplies and an allocation of related facilities costs. We expense research and development costs as they are incurred.

We expect future research and development expenses will primarily depend on our ability to efficiently develop new products, enhance existing products and conduct research to generate clinical data in support of new or expanded indications for our products. We expect research and development expenses as a percentage of revenue to vary over time depending on the level and timing of new product development and clinical trial initiatives.

Gain on Sale of Product Line

In March 2024, we entered into an asset purchase agreement with MiMedx Group, Inc. to sell certain assets related to NIVIS. These assets mainly included our existing inventory of NIVIS, with a net carrying value of $0.8 million, and certain intellectual property rights to sell NIVIS, with no carrying value. We transferred control of the nonfinancial asset group in March 2024 and recognized a gain of $7.6 million on the consolidated statement of operations and comprehensive loss during the three months ended March 31, 2024. At each reporting date, we assess the constraint of variable consideration and record increases in the transaction price in the period that the estimate of variable consideration changes.

Interest Expense

Interest expense consists of cash interest under our credit facilities and non-cash interest attributable to the amortization of final payment fees and the amortization of deferred financing costs related to our indebtedness.

Other Income

Other income consists primarily of income earned on our cash and cash equivalents offset by miscellaneous tax expenses and foreign currency exchange gains and losses.

Results of Operations

Comparison of the Three Months Ended June 30, 2025 and 2024

	Three months ended June 30,		Change	
	2025	2024	Dollar	Percentage
	(in thousands, except percentages)			
Revenue	$ 20,197	$ 16,091	$ 4,106	26 %
Cost of revenue (excluding amortization of intangible assets)	5,997	4,923	1,074	22
Amortization of intangible assets	95	95	—	—
Gross profit	14,105	11,073	3,032	27
Gross margin	70 %	69 %		
Operating expenses:				
Sales and marketing	16,857	16,699	158	1
General and administrative	4,126	3,621	505	14
Research and development	2,203	2,323	(120)	(5)
Total operating expenses	23,186	22,643	543	2
Loss from operations	(9,081)	(11,570)	2,489	(22)
Other (expense) income:				
Interest expense	(1,188)	(1,331)	143	(11)
Other income	379	301	78	26
Total other expense, net	(809)	(1,030)	221	(21)
Loss before income tax expense	(9,890)	(12,600)	2,710	(22)
Income tax expense	(33)	—	(33)	NA
Net loss	$ (9,923)	$ (12,600)	$ 2,677	(21)%

Revenue

Revenue increased by $4.1 million, or 26%, to $20.2 million for the three months ended June 30, 2025 from $16.1 million for the three months ended June 30, 2024. The increase in revenue was primarily driven by the addition of new customers, growing international sales and the U.S. launch of new larger-sized PRS configuration. This growth was partially offset by a decrease in average selling prices for our hernia products caused by product mix as the share of smaller-sized units increased. In addition, we experienced normalized procedural volumes during the second quarter of 2025 as opposed to the second quarter of 2024, where multiple cybersecurity events reduced surgeries at certain customer facilities. During the three months ended June 30, 2025, we sold 5,178 units of OviTex as compared to 4,410 units of OviTex during the three months ended June 30, 2024, a 17% increase in unit sales volume. Additionally, we sold 1,362 units of OviTex PRS during the three months ended June 30, 2025 as compared to 971 units during the three months ended June 30, 2024, a 40% increase in unit sales volume.

Cost of Revenue

Cost of revenue (excluding amortization of intangible assets) increased by $1.1 million, or 22%, to $6.0 million for the three months ended June 30, 2025 from $4.9 million for the three months ended June 30, 2024. The increase in cost of revenue was primarily the result of an increase in products purchased to support demand from our higher unit sales.

Amortization of Intangible Assets

Amortization of intangible assets was $95,000 for both the three months ended June 30, 2025 and 2024.

Gross Profit

Gross profit increased by $3.0 million, or 27%, to $14.1 million for the three months ended June 30, 2025 from $11.1 million for the three months ended June 30, 2024. The increase was primarily the result of an increase in revenue

primarily driven by an increase in unit sales, which resulted in the addition of new customers and growing international sales.

Gross Margin

Gross margin increased to 70% for the three months ended June 30, 2025 from 69% for the three months ended June 30, 2024. The increase was primarily due to a lower charge for excess and obsolete inventory as a percentage of revenue.

Sales and Marketing

Sales and marketing expenses increased by $0.2 million, or 1%, to $16.9 million for the three months ended June 30, 2025 from $16.7 million for the three months ended June 30, 2024. The increase was primarily due to higher commission expense on an increased revenue base and additional spending on post-market studies which offset lower compensation costs from a decrease in headcount and lower consulting and travel expenses.

General and Administrative

General and administrative expenses increased by $0.5 million, or 14%, to $4.1 million for the three months ended June 30, 2025 from $3.6 million for the three months ended June 30, 2024. The increase was primarily due to increased professional fees and outside services and higher compensation and benefits which partially offset lower insurance expense.

Research and Development

Research and development expenses decreased by $0.1 million, or 5%, to $2.2 million for the three months ended June 30, 2025 from $2.3 million for the three months ended June 30, 2024. The decrease was primarily due to lower compensation and benefits from a lower headcount which offset higher study and development costs.

Interest Expense

Interest expense decreased by $0.1 million or 11% to $1.2 million for the three months ended June 30, 2025 from $1.3 million for the three months ended June 30, 2024 due to a decrease in the variable component of our interest rate.

Other Income

Other income increased by $0.1 million, or 26%, to $0.4 million for the three months ended June 30, 2025 from $0.3 million for the three months ended June 30, 2024.

Income Tax Expense

We recorded deferred tax expense of $33,000 for the three months ended June 30, 2025 related to our foreign jurisdiction. No tax expense was recorded during the three months ended June 30, 2024.

On July 4, 2025, the One Big Beautiful, Bill Act (“OBBBA”) was enacted in the U.S. The OBBBA includes significant provisions, such as the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act, modifications to the international tax framework and the restoration of favorable tax treatment for certain business provisions. The legislation has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. We are currently assessing its impact on our consolidated financial statements.

Comparison of the Six Months Ended June 30, 2025 and 2024

	Six Months Ended June 30,		Change	
	2025	2024	Dollar	Percentage
Revenue	$ 38,717	$ 32,694	$ 6,023	18 %
Cost of revenue (excluding amortization of intangible assets)	11,910	10,095	1,815	18
Amortization of intangible assets	190	190	—	—
Gross profit	26,617	22,409	4,208	19
Gross margin	69 %	69 %		
Operating expenses:				
Sales and marketing	33,465	34,219	(754)	(2)
General and administrative	7,962	7,450	512	7
Research and development	4,743	4,716	27	1
Total operating expenses	46,170	46,385	(215)	(0)
Other operating income:				
Gain on sale of product line	—	7,580	(7,580)	(100)
Loss from operations	(19,553)	(16,396)	(3,157)	19
Other (expense) income:				
Interest expense	(2,407)	(2,663)	256	(10)
Other income	858	798	60	8
Total other expense, net	(1,549)	(1,865)	316	(17)
Loss before income tax expense	(21,102)	(18,261)	(2,841)	16
Income tax expense	(85)	—	(85)	NA
Net loss	$ (21,187)	$ (18,261)	$ (2,926)	16 %

Revenue

Revenue increased by $6.0 million, or 18%, to $38.7 million for the six months ended June 30, 2025 from $32.7 million for the six months ended June 30, 2024. The increase in revenue was primarily driven by the addition of new customers, growing international sales and the U.S. launch of new larger-sized PRS configuration. This growth was partially offset by a decrease in average selling prices for our hernia products caused by product mix as the share of smaller-sized units increased. During the six months ended June 30, 2025, we sold 10,170 units of OviTex as compared to 8,267 units of OviTex during the six months ended June 30, 2024, a 23% increase in unit sales volume. Additionally, we sold 2,532 units of OviTex PRS during the six months ended June 30, 2025 as compared to 2,174 units during the six months ended June 30, 2024, a 16% increase in unit sales volume.

Cost of Revenue

Cost of revenue (excluding amortization of intangible assets) increased by $1.8 million, or 18%, to $11.9 million for the six months ended June 30, 2025 from $10.1 million for the six months ended June 30, 2024. The increase in cost of revenue was primarily the result of an increase in products purchased to support demand from our higher unit sales.

Amortization of Intangible Assets

Amortization of intangible assets was $0.2 million for both the six months ended June 30, 2025 and 2024.

Gross Profit

Gross profit increased by $4.2 million, or 19%, to $26.6 million for the six months ended June 30, 2025 from $22.4 million for the three months ended June 30, 2024. The increase was primarily the result of an increase in revenue primarily driven by an increase in unit sales, which resulted in the addition of new customers and growing international sales.

Gross Margin

Gross margin was 69% for both the six months ended June 30, 2025 and 2024.

Sales and Marketing

Sales and marketing expenses decreased by $0.8 million, or 2%, to $33.5 million for the six months ended June 30, 2025 from $34.2 million for the six months ended June 30, 2024. The decrease was primarily due to lower compensation costs from a decrease in headcount and lower consulting and travel expenses which were partially offset by higher commission expense on an increased revenue base and additional spending on post-market studies.

General and Administrative

General and administrative expenses increased by $0.5 million, or 7%, to $8.0 million for the six months ended June 30, 2025 from $7.5 million for the six months ended June 30, 2024. The increase was primarily due to increased professional fees and outside services and higher compensation and benefits partially offset by lower insurance expense.

Research and Development

Research and development expenses was $4.7 million for both the six months ended June 30, 2025 and the six months ended June 30, 2024. Higher study and development costs were partially offset by lower compensation and benefits from a lower headcount.

Gain on Sale of Product Line

In March 2024, we entered into an asset purchase agreement with MiMedx Group, Inc. to sell certain assets related to NIVIS. These assets mainly included our existing inventory of NIVIS, with a net carrying value of $0.8 million, and certain intellectual property rights to sell NIVIS, with no carrying value. We transferred control of the nonfinancial asset group in March 2024 and recognized a gain of $7.6 million during the six months ended June 30, 2024.

Interest Expense

Interest expense decreased by $0.3 million or 10% to $2.4 million for the six months ended June 30, 2025 from $2.7 million for the six months ended June 30, 2024 due to a decrease in the variable component of our interest rate.

Other Income

Other income increased by $0.1 million, or 8%, to $0.9 million for the six months ended June 30, 2025 from $0.8 million for the six months ended June 30, 2024.

Income Tax Expense

We recorded deferred tax expense of $0.1 million for the six months ended June 30, 2025 related to our foreign jurisdiction. No tax expense was recorded during the six months ended June 30, 2024.

Liquidity and Capital Resources

Overview

As of June 30, 2025, we had cash and cash equivalents of $35.0 million, working capital of $41.7 million and an accumulated deficit of $379.9 million. As of December 31, 2024, we had cash and cash equivalents of $52.7 million, working capital of $62.5 million and an accumulated deficit of $358.7 million.

On October 24, 2024, we completed an underwritten public offering of 14,670,000 shares of our common stock, including the exercise in full of the underwriters' overallotment option to purchase additional shares of common stock, at a price to the public of $2.25 per share and, in lieu of common stock to investors who so chose, pre-funded warrants to purchase 5,800,000 shares of common stock at a public offering price of $2.2499 per pre-funded warrant, which represents the per share public offering price for the shares of common stock less the $0.0001 per share exercise price for each pre-funded warrant. The offering resulted in net proceeds of $42.9 million, after deducting underwriting discounts and commissions and other estimated offering expenses and assuming no subsequent exercise of the pre-funded warrants. The exercise of the pre-funded warrants, if any, is not expected to provide significant additional funding to the Company.

In March 2024, we sold our distribution rights to MiMedx Group, Inc. in exchange for an initial $5.0 million payment and additional future revenue-share payments aggregating between a minimum of $3.0 million and a maximum of $7.0 million based on net sales of NIVIS (now marketed as HELIOGEN) over the subsequent two years. Revenue-share payments commenced after the third quarter of 2024. At June 30, 2025, $0.6 million of this amount had been collected.

We have incurred operating losses since our inception, and we anticipate that our operating losses will continue in the near term as we seek to invest in our sales and marketing initiatives to support our growth in existing and new markets and in additional research and development activities. As of June 30, 2025, we had $40.0 million of borrowings outstanding under our Credit and Security Agreement (the "MidCap Credit Agreement") with MidCap Financial Trust, as agent and certain lender parties thereto. The MidCap Credit Agreement matures in May 2027.

Based on our current business plan, we believe that our existing cash resources will be sufficient to meet our capital requirements, debt repayment obligations and fund our operations for at least the next 12 months from the issuance of this Quarterly Report. If these sources are insufficient to satisfy our liquidity requirements, we may seek to sell common or preferred equity or debt securities or enter into a new credit facility. In November 2023, we entered into a new Equity Distribution Agreement (the "Equity Agreement") with Piper Sandler & Co, ("Piper") in connection with the establishment of an at-the-market offering program under which we may sell shares of our common stock, from time to time through Piper as sales agent, in an initial amount of up to $50 million. No sales were made under the Equity Agreement during the six months ended June 30, 2025. If we raise additional funds by issuing equity or equity-linked securities, our stockholders would experience dilution and any new equity securities could have rights, preferences and privileges superior to those of holders of our common stock. Debt financing, if available, may involve covenants restricting our operations or our ability to incur additional debt. We cannot be assured that additional equity, equity-linked or debt financing will be available on terms favorable to us or our stockholders, or at all, including as a result of market volatility stemming from macroeconomic conditions, including those related to banking instability, changes in trade policies, increasing interest rates or other factors. If we are unable to obtain adequate financing, we may be required to delay or reduce the current development, commercialization and marketing plans for our products.

Cash Flows

The following table summarizes our sources and uses of cash for each of the periods presented:

	Six months ended June 30,	
(in thousands)	**2025**	**2024**
Cash used in operating activities	$ (17,630)	$ (25,081)
Cash provided by investing activities	342	4,763
Cash (used in) provided by financing activities	(119)	51
Effect of exchange rate changes on cash and cash equivalents	(286)	34
Net decrease in cash and cash equivalents and restricted cash	$ (17,693)	$ (20,233)

Operating Activities

During the six months ended June 30, 2025, we used $17.6 million of cash in operating activities, resulting from our net loss of $21.2 million, changes in operating assets and liabilities of $0.2 million partially offset by our non-cash items of $3.8 million. Our non-cash items were primarily comprised of stock-based compensation expense of $2.0 million, our

excess and obsolete inventory charge of $0.9 million, depreciation and amortization expense of $0.5 million and noncash interest expense of $0.3 million. The change in our operating assets and liabilities was primarily related to an increase in accounts receivable partially offset by a decrease in inventory.

During the six months ended June 30, 2024, we used $25.1 million of cash in operating activities, resulting from our net loss of $18.3 million, non-cash items of $3.7 million and the change in operating assets and liabilities of $3.1 million. Our non-cash items were comprised of the gain on sale of NIVIS of $7.6 million offset by stock-based compensation expense of $2.2 million, our excess and obsolete inventory charge of $0.9 million, depreciation and amortization expense of $0.5 million and noncash interest expense of $0.3 million. The change in our operating assets and liabilities was primarily related to changes in inventory and accrued expenses and other current liabilities partially offset by increases in accounts payable.

Investing Activities

During the six months ended June 30, 2025, cash provided by investing activities was $0.3 million consisting of proceeds received from the sale of NIVIS of $0.5 million offset by $0.1 million in purchases of property and equipment.

During the six months ended June 30, 2024, cash provided by investing activities was $4.8 million consisting of proceeds received from the sale of NIVIS of $5.4 million offset by $0.6 million in purchases of property and equipment.

Financing Activities

During the six months ended June 30, 2025, cash used in financing activities was $0.1 million, consisting primarily of payments of withholding taxes related to stock-based compensation to employees partially offset by proceeds received from the issuance of common stock under the employee stock purchase plan.

During the six months ended June 30, 2024, cash provided by financing activities was $0.1 million, consisting primarily of proceeds received from the exercise of stock options and from the issuance of common stock under the employee stock purchase plan partially offset by the payment of withholding taxes related to stock-based compensation to employees.

Indebtedness

On May 26, 2022, we entered into the MidCap Credit Agreement with MidCap Financial Trust, as agent and certain lender parties thereto. The MidCap Credit Agreement consists of $40.0 million in a term loan.

Pursuant to the MidCap Credit Agreement, we provided a first priority security interest in all existing and future acquired assets, including intellectual property, owned by us. The MidCap Credit Agreement contains certain covenants that limit our ability to engage in certain transactions that may be in our long-term best interests, including the incurrence of additional indebtedness, effecting certain corporate changes, making certain investments, acquisitions or dispositions and paying dividends.

The MidCap Credit Agreement also contains customary indemnification obligations and customary events of default, including, among other things, (i) non-payment, (ii) breach of warranty, (iii) non-performance of covenants and obligations, (iv) default on other indebtedness, (v) judgments, (vi) change of control, (vii) bankruptcy and insolvency, (viii) impairment of security, (ix) key permit events, (x) termination of a pension plan, (xi) regulatory matters, (xii) material adverse effect and (xiii) breach of material contracts.

In addition, we must maintain minimum net revenue levels tested quarterly. In the event of default under the MidCap Credit Agreement, we would be required to pay interest on principal and all other due and unpaid obligations at the current rate in effect plus 2%.

The MidCap term loan matures on May 1, 2027 and bears interest at a rate equal to 6.25% plus the greater of one-month Term SOFR (as defined in the MidCap Credit Agreement) or 1.0%. Since June 2022, we have made 36 monthly interest

payments on the debt. In May 2025, we have elected to extend these monthly interest payments by an additional 12 months, followed by 12 months of straight-line amortization, with the entire principal payment due at maturity.

Subject to certain limitations, the MidCap term loan has a prepayment fee equal to 1.0% of the prepaid principal amount. We are also required to pay an exit fee at the time of maturity or prepayment event equal to 5% of all principal borrowings (or in the event of a prepayment event, the amount of principal being prepaid).

Contractual Obligations and Commitments

As of June 30, 2025, there were no significant changes to our commitments and future minimum contractual obligations as set forth in our Annual Report.

Critical Accounting Policies and Significant Judgments and Estimates

The Critical Accounting Policies and Significant Judgments and Estimates included in our Annual Report have not materially changed.

Off-Balance Sheet Arrangements

We did not have during the periods presented, and we do not currently have, any off-balance sheet arrangements, as defined in the rules and regulations of the SEC.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Our cash is held on deposit in demand accounts at high-credit-quality financial institutions in amounts in excess of the Federal Deposit Insurance Corporation ("FDIC") insurance coverage limit of $250,000 per depositor, per FDIC-insured bank, per ownership category. Following the events relating to Silicon Valley Bank in 2023, we established a redundant account at a high-credit-quality financial institution to mitigate liquidity risk to our cash and cash equivalents from any further instability in the financial industry. We have reviewed the consolidated financial statements of these financial institutions and believe they have sufficient assets and liquidity to conduct their operations in the ordinary course of business with little or no credit risk to us.

Financial instruments that potentially subject us to concentrations of credit risk principally consist of cash equivalents and accounts receivable. We limit our credit risk associated with cash equivalents by placing investments in highly-rated money market funds. We limit our credit risk with respect to accounts receivable by performing credit evaluations when deemed necessary, but we do not require collateral to secure amounts owed to us by our customers.

As discussed above in the section of this Quarterly Report entitled "Liquidity and Capital Resources — Indebtedness," the MidCap Credit Facility bears interest at a floating rate of interest, which resets monthly and is equal to 6.25% plus the greater of one-month Term SOFR or 1.0%. As a result, we are exposed to risks from changes in interest rates. A 1% increase in interest rates would have resulted in a $0.2 million increase to our interest expense for the six months ended June 30, 2025.

Inflationary factors, such as increases in our cost of revenue and operating expenses, may adversely affect our operating results. Although we do not believe inflation has had a material impact on our financial condition, results of operations or cash flows to date, a high rate of inflation in the future may have an adverse effect on our ability to maintain and increase our gross margin or decrease our operating expenses as a percentage of our revenue if our selling prices of our products do not increase as much or more than our costs increase.

We do not currently have any material exposure to foreign currency fluctuations and do not engage in any hedging activities as part of our normal course of business.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation and supervision of our Chief Executive Officer and our Chief Operating Officer and Chief Financial Officer, have evaluated our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Quarterly Report. Based on that evaluation, our Chief Executive Officer and Chief Operating Officer and Chief Financial Officer have concluded that, as of the end of the period covered by this Quarterly Report, our disclosure controls and procedures are effective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Operating Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the period covered by this Quarterly Report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

We are not currently subject to any material legal proceedings.

Item 1A. Risk Factors.

You should carefully consider the risk factors described in our Annual Report, under the caption “Item 1A. Risk Factors.” Except as described below, there have been no material changes in our risk factors disclosed in our Annual Report and our Quarterly Report for the period ended March 31, 2025.

Item 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities.

Recent Sales of Unregistered Securities

None.

Purchase of Equity Securities

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Rule 10b5-1 and Non-Rule 10b5-1 Trading Arrangements

During the three months ended June 30, 2025, none of our directors or officers adopted, terminated or modified a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as defined in Item 408(a) of Regulation S-K of the Exchange Act.

Item 6. Exhibits.

The following exhibits are being filed herewith:

EXHIBIT INDEX

Exhibit No.	Exhibit
3.1	Certificate of Amendment to TELA Bio, Inc.'s Fourth Amended and Restated Certificate of Incorporation (filed herewith).
10.1#	Amendment No. 1 to TELA Bio, Inc. Amended & Restated 2019 Equity Incentive Plan (filed herewith).
10.2#	Employment Agreement, dated June 2, 2025, by and between the Company and Jeffrey Blizard (filed herewith).
31.1	Certification of Chief Executive Officer pursuant to Rules 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).
31.2	Certification of Chief Financial Officer pursuant to Rules 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).
101 INS	Inline XBRL Instance Document (filed herewith).
101 SCH	Inline XBRL Taxonomy Extension Schema Document (filed herewith).
101 CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document (filed herewith).
101 DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document (filed herewith).
101 LAB	Inline XBRL Taxonomy Extension Label Linkbase Document (filed herewith).
101 PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document (filed herewith).
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).

# Indicates a management contract any compensatory plan, contract or arrangement.

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 thereunto duly authorized.

TELA BIO, INC.

Date: August 11, 2025

By: /s/ ANTONY KOBLISH
Antony Koblish
Chief Executive Officer
(Principal executive officer)

Date: August 11, 2025

By: /s/ ROBERTO CUCA
Roberto Cuca
Chief Operating Officer and Chief Financial Officer
(Principal financial officer)

Date: August 11, 2025

By: /s/ MEGAN SMEYKAL
Megan Smeykal
Chief Accounting Officer and Controller
(Principal accounting officer)

Exhibit 3.1

CERTIFICATE OF AMENDMENT

TO THE

CERTIFICATE OF INCORPORATION OF

TELA BIO, INC.

TELA Bio, Inc. (the "Corporation"), a corporation organized and existing under the provisions of the General Corporation Law of the State of Delaware (the "DGCL"), hereby certifies that:

1. The name of this corporation is TELA Bio, Inc. The Corporation's original Certificate of Incorporation was filed with the Secretary of State of the State of Delaware on April 17, 2012. Pursuant to Section 242 of the DGCL, this Certificate of Amendment (this "Amendment") amends certain provisions of the Company's Fourth Amended and Restated Certificate of Incorporation (the "Charter").

2. This Amendment has been approved and duly adopted by the Corporation's Board of Directors and stockholders in accordance with the provisions of Section 242 of the DGCL.

3. The Charter is hereby amended by adding a new Article XI, which would state:

Article XI

Limitation of Liability

To the fullest extent permitted by the DGCL, an Officer (as defined below) of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of his or her fiduciary duty as an officer of the Corporation, except for liability (a) for any breach of the Officer's duty of loyalty to the Corporation or its stockholders, (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (c) for any transaction from which the Officer derived an improper personal benefit, or (d) arising from any claim brought by or in the right of the Corporation. If the DGCL is amended after the effective date of this Certificate to authorize corporate action further eliminating or limiting the personal liability of Officers, then the liability of an Officer of the Corporation shall be eliminated or limited to the fullest extent permitted by the DGCL, as so amended. For purposes of this Article XI, "Officer" shall mean an individual who has been duly appointed as an officer of the Corporation and who, at the time of an act or omission as to which liability is asserted, is deemed to have consented to service of process to the registered agent of the Corporation as contemplated by 10 Del. C. § 3114(b). Any amendment, repeal or modification of this Article XI by either of (i) the stockholders of the Corporation or (ii) an amendment to the DGCL, shall not adversely affect any right or protection existing at the time of such amendment, repeal or modification with respect to any acts or omissions occurring before such amendment, repeal or modification of a person serving as an Officer at the time of such amendment, repeal or modification. All other provisions of the Charter shall remain in full force and effect.

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IN WITNESS WHEREOF, this Certificate of Amendment to the Certificate of Incorporation has been executed by a duly authorized officer of this Corporation on this 28th day of May, 2025.

TELA BIO, INC.

By:/s/ Antony Koblish

Antony Koblish

President and Chief Executive Officer

TELA BIO, INC.

AMENDMENT NO. 1 TO

AMENDED AND RESTATED 2019 EQUITY INCENTIVE PLAN

WHEREAS, the Board of Directors of TELA Bio, Inc., a Delaware corporation (the "**Company**") approved and adopted the Amended and Restated 2019 Equity Incentive Plan (the "**2019 Plan**") of the Company on April 20, 2020; and

WHEREAS, the Board of Directors and the stockholders of the Company have determined that it is in the best interest of the Company to amend the 2019 Plan as set forth in this Amendment No. 1 (this "**2019 Plan Amendment**").

NOW, THEREFORE, the 2019 Plan is amended as follows:

1. Amendment of the 2019 Plan

1.01. Section 1(h) of the 2019 Plan is hereby amended and restated in its entirety to read as follows:

"(h) "Change in Control" shall mean the occurrence of any of the following events: (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes a "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 50% or more of the total power to vote for the election of directors of the Company; (ii) during any twelve month period, individuals who at the beginning of such period constitute the Board and any new director (other than a director designated by a person who has entered into an agreement with the Company to effect a transaction described in Section 1(h)(i), Section 1(h)(iii), Section 1(h)(iv) or Section 1(h)(v) hereof) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least a majority of the directors then still in office who either were directors at the beginning of the period of whose election or nomination for election was previously approved, cease for any reason to constitute a majority thereof; (iii) the merger or consolidation of the Company with another corporation where the stockholders of the Company, immediately prior to the merger or consolidation, will not beneficially own, immediately after the merger or consolidation, shares entitling such stockholders to 50% or more of all votes to which all stockholders of the surviving corporation would be entitled in the election of directors (without consideration of the rights of any class of stock to elect directors by a separate class vote); (iv) the sale or other disposition of all or substantially all of the assets of the Company; or (v) a liquidation or dissolution of the Company.

Notwithstanding anything in the Plan or an Award Agreement to the contrary, if an Award is subject to Section 409A of the Code, no event that, but for the application of this paragraph, would be a Change in Control as defined in the Plan or the Award Agreement, as applicable, shall be a Change in Control unless such event is also a "change in control event" as defined in Section 409A of the Code."

1.02. Section 3(a) of the 2019 Plan is hereby amended and restated in its entirety to read as follows:

"(a) Shares Subject to the Plan. Subject to adjustments as provided in Section 3(c) of the Plan, the maximum number of shares that may be issued in respect of Awards under the Plan is 4,845,582 Shares (the "Plan Limit"), all of which Shares may be issued in respect of Incentive Stock Options. Any Shares issued hereunder may consist, in whole or in part, of authorized and unissued Shares or treasury shares. Any Shares issued by the Company through the assumption or substitution of outstanding grants in connection with the acquisition of another entity shall not reduce the maximum number of Shares available for delivery under the Plan. Notwithstanding anything to the contrary in this Plan, the value of all Awards awarded (under this Plan and all other cash

compensation paid by the Company) to any Participant in his or her capacity as a Non-Employee Director in any single calendar year shall not exceed $1,000,000 in the first calendar year an individual becomes a Non-Employee Director and (ii) $750,000 in any other calendar year. For the purpose of this limitation, the value of any Award shall be its grant date fair value, as determined in accordance with ASC Topic 718 or successor provision but excluding the impact of estimated forfeitures related to service-based vesting provisions."

1.03. Section 3(b) of the 2019 Plan is hereby amended and restated in its entirety to read as follows:

"(b) Effect of the Expiration or Termination of Awards. If and to the extent that an Option or a Stock Appreciation Right expires, terminates or is cancelled or forfeited for any reason without having been exercised in full, the Shares associated with that Award will again become available for grant under the Plan. Similarly, if and to the extent an Award of Restricted Stock or Restricted Stock Units is canceled or forfeited for any reason, the Shares subject to that Award will again become available for grant under the Plan. Notwithstanding the foregoing, the following Shares shall not be added to the Shares authorized for grant under the Plan: (i) Shares tendered or held back upon exercise of an Option or settlement of an Award to cover the exercise price or tax withholding and (ii) Shares subject to a Stock Appreciation Right that are not issued in connection with the stock settlement of the Stock Appreciation Right upon exercise thereof. In the event the Company repurchases Shares on the open market, such Shares shall not be added to the Shares available for issuance under the Plan."

1.04. Section 19 of the 2019 Plan is hereby amended and restated in its entirety to read as follows:

"Section 19. Term of the Plan. Unless the Plan shall theretofore have been terminated in accordance with Section 11, the Plan shall terminate on the 10-year anniversary of April 3, 2025, and no Awards under the Plan shall thereafter be granted."

2. Miscellaneous

2.01. Effect. Except as amended hereby, the 2019 Plan shall remain in full force and effect.

2.02. Defined Terms. All capitalized terms used but not specifically defined herein shall have the same meanings given such terms in the 2019 Plan unless the context clearly indicates or dictates a contrary meaning.

2.03. Governing Law. This Amendment shall be governed by and construed in accordance with the laws and judicial decisions of the State of Delaware, without regard to the application of the principles of conflict of laws.

ADOPTED BY BOARD OF DIRECTORS: **April 3, 2025**

APPROVED BY STOCKHOLDERS: **May 28, 2025**

Exhibit 10.2

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the "Agreement"), dated June 2, 2025, is made and entered into by and between TELA BIO, INC., a Delaware corporation (the "Company"), and JEFFREY BLIZARD (the "Executive").

WHEREAS, the Company desires to employ Executive, and Executive desires to be employed by the Company, on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements contained herein and intending to be bound hereby, the parties agree as follows:

1. Duration of Agreement. The Executive's term of employment by the Company under this Agreement shall commence on June 2, 2025 (the "Effective Date"). Unless terminated or amended in writing by the parties, this Agreement will govern the Executive's continued employment by the Company until that employment ceases in accordance with Section 5 hereof.

2. Position; Duties. The Executive will be employed as the Company's President, reporting directly to the Company's Chief Executive Officer. In such position, the Executive shall perform such duties and shall have such authority consistent with such position as may be assigned to his from time to time by the Company's Board of Directors (the "Board") and the Company's Chief Executive Officer. The Executive shall devote his best efforts and all of his business time and services to the Company and its Affiliates. The Executive shall not, in any capacity, engage in other business activities or perform services for any other Person without the prior written consent of the Board; *provided*, *however,* that without such consent, the Executive may engage in charitable or public service, so long as such activities do not interfere with the Executive's performance of his duties and obligations hereunder.

3. Place of Performance. The Executive may perform his services hereunder at, among other locations, the principal executive offices of the Company, the Executive's home office and/or during business-related travel.

4. Compensation.

4.1. Base Salary. The Executive's annual salary initially will be $475,000 (the "Base Salary"). The Company shall pay the Base Salary, less such withholdings and deductions as required by applicable law, to the Executive in accordance with the Company's usual payroll practices as in effect from time to time. The Base Salary shall be reviewed on an annual basis by the Board or its Compensation Committee and may be adjusted from time to time by the Board or its Compensation Committee; *provided*, *however*, that any decrease in the Base Salary shall be made only if the Company contemporaneously decreases the salaries of all senior executives and vice presidents of the Company and the Executive's Base Salary is decreased by a percentage that is not greater than the average percentage by which the salaries of such other senior executives and vice presidents are decreased.

4.2. Annual Bonus. Executive will be eligible to participate in an annual incentive program established by the Board or its Compensation Committee. Executive's annual incentive compensation under such incentive program (the "Annual Bonus") initially shall be targeted at

50% of Executive's Base Salary (the "Target Bonus"). The Annual Bonus payable under the incentive program shall be based on the achievement of performance goals to be determined in the sole discretion of the Board or its Compensation Committee. The Annual Bonus for 2025 performance, payable in 2026, will be prorated based on the Effective Date. Executive must be employed by the Company on the date the Annual Bonus is paid in order to receive it. Any Annual Bonus earned will be paid at the same time annual bonuses are paid to other executives of the Company generally, subject to Executive's continuous employment through the date of payment, except as otherwise provided in Section 5.

4.3. Sign-On Cash Bonus. The Executive will be paid a cash sign on bonus in the amount of $150,000 (the "Sign-On Bonus"). The Company shall pay the Sign-On Bonus, less such withholdings and deductions as required by applicable law, in two (2) equal installments of $75,000 each in the regularly scheduled payroll processed for June 15, 2025 and October 15, 2025, respectively, subject to Executive's continuous employment by the Company through such payment date.

4.4. New Hire Equity Award. The Company will grant to the Executive a stock option with respect to 154,100 shares (the "Initial Option") of the Company's common stock and a grant of Restricted Stock Units ("Initial RSUs") covering 104,800 shares of the Company's common stock. The Initial Option will have an exercise price per share equal to the fair market value of the Company's common stock on the date of grant. The Initial RSUs will represent a right to receive the applicable number of shares of the Company's common stock upon fulfillment of the applicable vesting criteria. The Initial Option will vest and become exercisable as follows: 25% of the Initial Option will vest and become exercisable on the first anniversary of the date of grant, and the remaining 75% of the Initial Option will vest and become exercisable in equal monthly installments (on the last day of each of the 36 calendar months immediately following the first anniversary of the grant date), subject in each case to the Executive's continued employment with the Company through the applicable vesting date. The Initial RSUs will vest in equal 25% annual installments over four years based on date of grant, subject in each case to the Executive's continued employment with the Company through the applicable vesting date. The grant date for the Initial Option and the Initial RSUs will be set by the Board or Compensation Committee at the time of approval and each award shall be subject to the terms and conditions for such awards as set forth in the Company's Amended and Restated 2019 Equity Incentive Plan.

4.5. Employee Benefits. The Executive will be eligible to participate in the employee benefit plans, policies or arrangements maintained by the Company for its senior executive employees generally, subject to the terms and conditions of such plans, policies or arrangements; *provided, however,* that this Agreement will not limit the Company's ability to amend, modify or terminate such plans, policies or arrangements at any time for any reason.

4.6. Paid Time Off. Subject to the terms and conditions of the Company's policy, as may be amended from time to time, the Executive will be eligible for four weeks of paid time off each calendar year.

4.7. Reimbursement of Expenses. The Company will pay or reimburse the Executive for all reasonable business expenses incurred or paid by the Executive in the performance of his duties

and responsibilities for the Company in accordance with the business expense reimbursement policies of the Company, as may be amended from time to time.

5. Termination; Severance. The Executive's employment hereunder shall terminate (i) on the date specified in a written notice from the Company that the Executive's employment with the Company will be terminated, (ii) on the date not less than 30 days following written notice from the Executive that he is resigning from the Company, (iii) on the date of his death or (iv) on the date of his Disability, as reasonably determined by the Company. Notwithstanding the foregoing, in the event that the Executive gives a notice of termination to the Company, the Company may unilaterally accelerate the date of termination and such acceleration shall not result in a termination by the Company for purposes of this Agreement. Upon cessation of his employment for any reason, unless otherwise consented to in writing by the Board, the Executive shall resign immediately from any and all officer, director and other positions he then holds with the Company and its Affiliates. Upon any cessation of his employment with the Company, the Executive shall be entitled only to such compensation and benefits as described in this Section 5.

5.1. Termination without Cause or upon Good Reason. If the Executive's employment by the Company ceases due to a termination by the Company without Cause (as defined below) or a termination by the Executive for Good Reason (as defined below), the Company shall:

5.1.1. pay to the Executive all accrued and unpaid Base Salary through the termination date at the time such Base Salary would otherwise be paid according to the Company's usual payroll practices;

5.1.2. pay to the Executive any accrued and unpaid Annual Bonus for the year preceding the year in which the termination date occurs at the time such Annual Bonus would otherwise be paid in accordance with Section 4.2, but in no event later than March 15 of the year immediately following the year in which the termination date occurs;

5.1.3. make severance payments to the Executive in the form of continuation of the Executive's then current Base Salary for a period of nine (9) months following the termination date (or, if the termination occurs within the Change of Control Period, for a period of twelve (12) months following the termination date), in accordance with the Company's normal payroll practices (such 9- or 12-month period, as applicable, the "Severance Period");

5.1.4. subject to Executive's proper election to receive benefits under COBRA, pay to the group health plan provider, the COBRA provider or the Executive a monthly payment equal to the monthly contribution to provide health insurance to the Executive until the earliest of (A) the end of Severance Period; (B) the Executive's eligibility for group medical plan benefits under any other employer's group medical plan; or (C) the cessation of the Executive's continuation rights under COBRA; provided, however, if the Company determines that it cannot pay such amounts to the group health plan provider or the COBRA provider (if applicable) without potentially violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), then the Company shall convert such payments to payroll payments directly to the Executive for the time period specified above. Such payments shall be subject to tax-related deductions and withholdings and paid on the Company's regular payroll dates; and

5.1.5. in the event that the termination occurs on or within the Change of Control Period, (i) pay to the Executive an amount equal to the Executive's then current Target Bonus, payable in the form of cash payments in equal installments over the Severance Period in accordance with the Company's normal payroll practices, (ii) pay to the Executive a pro-rated portion (based on the number of days Executive was employed by the Company during the calendar year in which the termination date occurs) of the Annual Bonus that Executive would have earned for the year of termination had Executive remained employed, as determined by the Board in good faith; *provided* that such pro-rated Annual Bonus shall be paid out at the same time annual bonuses are paid generally to other executives of the Company for the relevant year, but in no event later than March 15th of the year immediately following that in which the termination date occurs, and (iii) the vesting and, if applicable, exercisability shall be accelerated (and, if applicable, all restrictions and rights of repurchase on such awards shall lapse) effective as of immediately prior to the termination date with respect to 100% of the shares subject to the Executive's then outstanding equity awards; provided, however, that for any awards that vest in whole or in part based on the attainment of performance-vesting conditions, only the service-vesting conditions (if any) of such award shall be deemed satisfied, while the performance-vesting conditions of such award shall remain eligible to be achieved based upon actual performance over the remainder of the applicable performance period.

5.1.6. Except as otherwise provided in this Section 5.1, all compensation and benefits will cease at the time of the Executive's cessation of employment and the Company will have no further liability or obligation by reason of such cessation of employment. The payments and benefits described in this Section 5.1 are in lieu of, and not in addition to, any other severance arrangement maintained by the Company. Notwithstanding any provision of this Agreement, the payments described in Section 5.1 (other than Section 5.1.1) are conditioned on: (a) the Executive's execution and delivery to the Company of a general release of claims against the Company and its Affiliates substantially in form and substance satisfactory to the Company (the "Release") and on such Release becoming irrevocable by the 60th day following the effective date of the Executive's cessation of employment; and (b) the Executive's continued compliance with the provisions of the Restrictive Covenant Agreement (as defined below). Subject to Section 5.3 below, to the extent that any payments under this Section 5.1 (other than Section 5.1.1) are delayed pending the Release becoming irrevocable, the delayed amounts will be paid in a lump sum as soon as administratively practicable after the Release becomes irrevocable, provided that if the 60 day period described above begins in one taxable year and ends in a second taxable year, the payment of the delayed amounts and the commencement of the remaining payments shall not occur until the second taxable year.

5.2. Other Terminations. If the Executive's employment with the Company ceases for any reason other than as described in Section 5.1 above (including but not limited to (a) termination by the Company for Cause, (b) resignation by the Executive without Good Reason, (c) termination as a result of the Executive's Disability, or (d) the Executive's death), then the Company's obligation to the Executive will be limited solely to the payment of accrued and unpaid Base Salary as described in Section 5.1.1 through the date of such cessation of employment and, in the case of Executive's death or Disability, any Annual Bonus as described in Section 5.1.2. All compensation and benefits will cease at the time of such cessation of employment and, except as otherwise provided by COBRA, the Company will have no further liability or obligation by reason of such termination. The foregoing will not be construed to limit the Executive's right to payment

or reimbursement for claims incurred prior to the date of such termination under any insurance contract funding an employee benefit plan, policy or arrangement of the Company in accordance with the terms of such insurance contract.

5.3. Compliance with Section 409A. Notwithstanding anything to the contrary in this Agreement, no portion of the benefits or payments to be made under Section 5.1 will be payable until the Executive has a "separation from service" from the Company within the meaning of Section 409A of the Code. In addition, to the extent compliance with the requirements of Treas. Reg. § 1.409A-3(i)(2) (or any successor provision) is necessary to avoid the application of an additional tax under Section 409A of the Code to payments due to the Executive upon or following his "separation from service," then notwithstanding any other provision of this Agreement (or any otherwise applicable plan, policy, agreement or arrangement), any such payments that are otherwise due within six months following the Executive's "separation from service" (taking into account the preceding sentence of this paragraph) will be deferred without interest and paid to the Executive in a lump sum on the earlier of (i) the expiration of such six month period and (ii) the date of Executive's death. This paragraph should not be construed to prevent the application of Treas. Reg. § 1.409A-1 (b)(9)(iii) (or any successor provision) to amounts payable hereunder. For purposes of the application of Section 409A of the Code, each payment in a series of payments will be deemed a separate payment.

6. Restrictive Covenants. As a condition to the effectiveness of this Agreement, the Executive will execute and deliver to the Company contemporaneously herewith a Confidential Information, Non-Competition and Assignment Agreement in the form attached hereto as Exhibit A (the "Restrictive Covenant Agreement"). The Executive agrees to abide by the terms of the Restrictive Covenant Agreement, which are hereby incorporated by reference into this Agreement. The Executive acknowledges that the terms of the Restrictive Covenant Agreement shall continue to remain in full force and effect following the cessation of the Executive's employment with the Company for any reason.

7. Certain Definitions. For purposes of this Agreement:

7.1. "Affiliate" means, with respect to any specified Person, any other Person that directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such specified Person, provided that, in any event, any business in which the Company has any direct ownership interest shall be treated as an Affiliate of the Company.

7.2. "Cause" means (i) indictment, commission of, or the entry of a plea of guilty or no contest to, (A) a felony or (B) any crime (other than a felony) that causes the Company or its Affiliates public disgrace or disrepute, or adversely affects the Company's or its Affiliates' operations or financial performance or the relationship the Company has with its Affiliates, customers and suppliers; (ii) commission of an act of gross negligence, willful misconduct, fraud, embezzlement, theft or material dishonesty with respect to the Company or any of its Affiliates; (iii) a breach of the Executive's fiduciary duty of loyalty to the Company or any of its Affiliates; (iv) alcohol abuse or use of controlled substances (other than prescription drugs taken in accordance with a physician's prescription); (v) material breach of any agreement with the Company or any of its Affiliates, including this Agreement and the Restrictive Covenant Agreement; (vi) a material breach of any Company policy regarding employment practices; or (vii) refusal to perform the

lawful directives of the Board, if not cured within 30 days following receipt by the Executive from the Company of written notice thereof.

7.3. "Change of Control" means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events: (A) any sale, lease, exclusive license or other transfer of all or substantially all of the assets of the Company and its Subsidiaries taken as a whole by means of a single transaction or series of related transactions, except where such sale, lease, exclusive license or other transfer is to a wholly owned Subsidiary of the Company; or (B) any transaction or series of transactions involving the Company, or its securities, whether by consolidation, merger, purchase of shares of capital stock or other reorganization or combination or otherwise, in which the holders of the Company's outstanding shares of capital stock immediately prior to such transaction or series of related transactions own, immediately after such transaction or series of related transactions, securities representing fifty percent (50%) or less of the voting power of the entity surviving such transaction or series of related transactions or the entity whose securities are issued pursuant to such transaction or series of related transactions. Notwithstanding anything to the contrary in this Agreement, any Change of Control deemed to have taken place for purposes of any payments pursuant to this Agreement must qualify as a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the assets of the Company that complies with the requirements set forth in Treas. Reg. 1.409A-3(i)(5).

7.4. "Change of Control Period" means the period beginning on the date of the consummation of a Change in Control and ending on the first anniversary of such date.

7.5. "Code" means the Internal Revenue Code of 1986, as amended.

7.6. "Control" (including, with correlative meanings, the terms "Controlled by" and "under common Control with"), as used with respect to any Person, means the direct or indirect possession of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

7.7. "Disability" means a condition entitling the Executive to benefits under the Company's long term disability plan, policy or arrangement; *provided, however,* that if no such plan, policy or arrangement is then maintained by the Company and applicable to the Executive, "Disability" will mean the Executive's inability to perform the essential duties of his position due to a mental or physical condition (other than alcohol or substance abuse for which the Executive is not receiving treatment), with or without a reasonable accommodation. Termination as a result of a Disability will not be construed as a termination by the Company "without Cause."

7.8. "Good Reason" means one or more of the following: (i) a material reduction in the Executive's title, duties, authority or responsibilities, provided that a material reduction of the Executive's title, duties, authority or responsibilities hereunder shall be deemed not to have occurred if, following a Change of Control, (A) if the Company remains a separate entity, Executive is the most senior executive directly responsible for the Commercial functions of the Company, or (B) if the Company does not remain a separate entity, Executive is the most senior executive directly responsible for the Commercial functions of the portion of the acquiring entity that is comprised of the former business of the Company; (ii) a material breach of this Agreement

by the Company; (iii) a material reduction in Base Salary or Target Bonus opportunity that is not in accordance with Section 4.1 and to which the Executive has not provided written consent; or (iv) any requirement following a Change of Control that the Executive be based 50 or more miles from the principal executive offices of the immediately prior to the Change of Control. The notice by the Executive of the condition constituting Good Reason under this Agreement shall be provided to the Company in writing within ninety (90) days of the initial existence of the condition constituting Good Reason, the Company shall then have thirty (30) days after receipt of such written notice to remedy the condition, and in the event the Company fails to remedy the condition, the Executive's resignation based on such Good Reason must be effective within thirty (30) days after the expiration of such remedy period.

7.9. "Person" means any individual, firm, corporation, partnership, limited liability company, trust, joint venture, association, governmental entity, unincorporated entity or other entity.

7.10. "Subsidiary" means any corporation, limited liability company, partnership or other entity of which a majority of the outstanding voting stock or voting power is beneficially owned directly or indirectly by the Company.

8. Miscellaneous.

8.1. Cooperation. The Executive further agrees that, subject to reimbursement of his reasonable expenses, he will cooperate fully with the Company and its counsel with respect to any matter (including litigation, investigations, or governmental proceedings) in which the Executive was in any way involved during his employment with the Company. The Executive shall render such cooperation in a timely manner on reasonable notice from the Company, so long as the Company exercises commercially reasonable efforts to schedule and limit its need for the Executive's cooperation under this paragraph so as not to interfere with the Executive's other personal and professional commitments.

8.2. Section 409A.

8.2.1. Notwithstanding anything herein to the contrary or otherwise, except to the extent any expense, reimbursement or in-kind benefit provided to the Executive does not constitute a "deferral of compensation" within the meaning of Section 409A of the Code, and its implementing regulations and guidance, (i) the amount of expenses eligible for reimbursement or in-kind benefits provided to the Executive during any calendar year will not affect the amount of expenses eligible for reimbursement or in-kind benefits provided to the Executive in any other calendar year, (ii) the reimbursements for expenses for which the Executive is entitled to be reimbursed shall be made on or before the last day of the calendar year following the calendar year in which the applicable expense is incurred and (iii) the right to payment or reimbursement or in-kind benefits hereunder may not be liquidated or exchanged for any other benefit.

8.2.2. Anything to the contrary herein notwithstanding, all benefits or payments provided by the Company to the Executive that would be deemed to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code are intended to comply with Section 409A of the Code. Notwithstanding anything in this Agreement to the contrary, distributions may only be made under this Agreement upon an event and in a manner permitted by

Section 409A of the Code or an applicable exemption. Nonetheless, the Company does not guaranty the tax treatment of any compensation payable to the Executive.

8.3. Section 280G. Notwithstanding any other provision of this Agreement, in the event that any payment or benefit by the Company or otherwise to or for the benefit of Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise (all such payments and benefits, including the payments and benefits under Section 5 above, being hereinafter referred to as the "Total Payments"), would be subject (in whole or in part) to the excise tax imposed by Section 4999 of the Code (the "Excise Tax"), then the Total Payments shall be reduced to the minimum extent necessary to avoid the imposition of the Excise Tax on the Total Payments, but only if (i) the net amount of such Total Payments, as so reduced (and after subtracting the net amount of federal, state and local income and employment taxes on such reduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such reduced Total Payments), is greater than or equal to (ii) the net amount of such Total Payments without such reduction (but after subtracting the net amount of federal, state and local income and employment taxes on such Total Payments and the amount of the Excise Tax to which Executive would be subject in respect of such unreduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such unreduced Total Payments). The reduction of the Total Payments contemplated in this Section 8.3 shall be implemented by determining the Parachute Payment Ratio (as defined below), as determined in good faith by the Company (or its successor), for each Total Payment and then reducing the Total Payments in order beginning with the Total Payment with the highest Parachute Payment Ratio. For Total Payments with the same Parachute Payment Ratio, such Total Payments shall be reduced based on the time of payment of such Total Payments, with amounts having later payment dates being reduced first. For Total Payments with the same Parachute Payment Ratio and the same time of payment, such Total Payments shall be reduced on a pro rata basis (but not below zero) prior to reducing Total Payments with a lower Parachute Payment Ratio. For purposes hereof, the term "Parachute Payment Ratio" shall mean a fraction, (x) the numerator of which is the value of the applicable Total Payment (as calculated for purposes of Section 280G of the Code), and (y) the denominator of which is the intrinsic (i.e., economic) value of such Total Payment.

8.4. Other Agreements. The Executive represents and warrants to the Company that there are no restrictions, agreements, including but not limited to confidentiality, non-compete, invention assignment, or consulting agreements, or understandings whatsoever to which he is a party that would prevent or make unlawful his execution of this Agreement, that would be inconsistent or in conflict with this Agreement or the Executive's obligations hereunder, or that would otherwise prevent, limit or impair the performance by the Executive of his duties under this Agreement.

8.5. Successors and Assigns. The Company may assign this Agreement to any Affiliate or to any successor to its assets and business by means of liquidation, dissolution, merger, sale of assets or otherwise. Upon such assignment, the rights and obligations of the Company hereunder shall become the rights and obligations of such Affiliate or successor. For avoidance of doubt, a termination of the Executive's employment by the Company in connection with a permitted assignment of the Company's rights and obligations under this Agreement is not a termination "without Cause" so long as the assignee offers employment to the Executive substantially on the terms herein specified (without regard to whether the Executive accepts employment with the

assignee). The rights and duties of the Executive hereunder are personal to Executive and may not be assigned by him.

8.6. Governing Law and Enforcement. This Agreement will be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without regard to the principles of conflicts of laws. Any legal proceeding arising out of or relating to this Agreement will be instituted in a state or federal court in the Commonwealth of Pennsylvania, and the Executive and the Company hereby consent to the personal and exclusive jurisdiction of such court(s) and hereby waive any objection(s) that they may have to personal jurisdiction, the laying of venue of any such proceeding and any claim or defense of inconvenient forum.

8.7. Waivers. The waiver by either party of any right hereunder or of any breach by the other party will not be deemed a waiver of any other right hereunder or of any other breach by the other party. No waiver will be deemed to have occurred unless set forth in writing. No waiver will constitute a continuing waiver unless specifically stated, and any waiver will operate only as to the specific term or condition waived.

8.8. Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law. However, if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability will not affect any other provision, and this Agreement will be reformed, construed and enforced as though the invalid, illegal or unenforceable provision had never been herein contained.

8.9. Survival. This Agreement will survive the cessation of the Executive's employment to the extent necessary to fulfill the purposes and intent of this Agreement.

8.10. Notices. Any notice or communication required or permitted under this Agreement will be made in writing and (a) sent by reputable overnight courier, (b) mailed by overnight U.S. express mail, return receipt requested or (c) sent by telefax. Any notice or communication to the Executive will be sent to the address contained in his personnel file. Any notice or communication to the Company will be sent to the Company's principal executive offices, to the attention of the Chief Executive Officer. Notwithstanding the foregoing, either party may change the address for notices or communications hereunder by providing written notice to the other in the manner specified in this paragraph.

8.11. Withholding. All payments (or transfers of property) to the Executive will be subject to tax withholding to the extent required by applicable law.

8.12. Section Headings. The headings of sections and paragraphs of this Agreement are inserted for convenience only and will not in any way affect the meaning or construction of any provision of this Agreement.

8.13. Counterparts; Facsimile. This Agreement may be executed in multiple counterparts (including by facsimile signature), each of which will be deemed to be an original, but all of which together will constitute but one and the same instrument.

8.14. Entire Agreement; Amendments. This Agreement contains the entire agreement and understanding of the parties hereto relating to the subject matter hereof, and supersedes all prior discussions, agreements and understandings of every nature relating to that subject matter, except for the Restrictive Covenants Agreement. This Agreement may not be changed or modified, except by an agreement in writing signed by each of the parties hereto.

8.15. Policies. Executive acknowledges that Executive shall be subject to, and hereby agrees to abide by the terms of, Company policies in effect from time to time, including, without limitation, any clawback or recoupment policies, securities trading policies and stock ownership guidelines.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer, and the Executive has executed this Agreement, in each case on the date first above written.

COMPANY:

TELA Bio, Inc.

By: /s/ Antony Koblish
Name: Antony Koblish
Title: Chief Executive Officer

EXECUTIVE:

/s/ Jeffrey Blizard
Jeffrey Blizard

(Signature Page to Employment Agreement)

Exhibit A

[Restrictive Covenant Agreement]

EXHIBIT 31.1

CERTIFICATION

Pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934,
as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Antony Koblish, certify that:

1. I have reviewed this Form 10-Q of TELA Bio, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 11, 2025

/s/ Antony Koblish
Antony Koblish
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION

Pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934,
as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Roberto Cuca, certify that:

1. I have reviewed this Form 10-Q of TELA Bio, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 11, 2025

/s/ Roberto Cuca
Roberto Cuca
Chief Operating Officer and Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

CERTIFICATION

Pursuant to 18 U.S.C. Section 1350,
as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), that: Antony Koblish, Chief Executive Officer of TELA Bio, Inc. (the "Company"), hereby certifies that, to the best of his knowledge:

(1) The Company's Quarterly Report on Form 10-Q for the period ended June 30, 2025, to which this Certification is attached as Exhibit 32.1 (the "Periodic Report"), fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; and

(2) The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 11, 2025

/s/ Antony Koblish
Antony Koblish
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 32.2

CERTIFICATION

Pursuant to 18 U.S.C. Section 1350,
as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), that: Roberto Cuca, Chief Operating Officer and Chief Financial Officer of TELA Bio, Inc. (the "Company"), hereby certifies that, to the best of his knowledge:

(1) The Company's Quarterly Report on Form 10-Q for the period ended June 30, 2025, to which this Certification is attached as Exhibit 32.2 (the "Periodic Report"), fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; and

(2) The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 11, 2025

/s/ Roberto Cuca
Roberto Cuca
Chief Operating Officer and Chief Financial Officer
(Principal Financial Officer)