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, 2026

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: 001-38593

Establishment Labs Holdings Inc.

(Exact name of Registrant as specified in its charter)

British Virgin Islands	**98-1436377**
State or Other Jurisdiction of Incorporation or Organization	I.R.S. Employer Identification No.
11401 Century Oaks Terrace **Suite 400** **Austin, Texas**	**78758**
Address of Principal Executive Offices	Zip Code

+ 1 800 924-5072
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 Shares, No Par Value	ESTA	The Nasdaq Capital 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 ☐
Non-accelerated filer ☐	Smaller reporting company ☐
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 Act). Yes ☐ No ☒

The number of the registrant's common shares outstanding as of August 6, 2026 was 29,801,891.

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EXPLANATORY NOTE

In this report, unless the context indicates otherwise, the terms “Establishment Labs,” “Company,” “we,” “us” and “our” refer to Establishment Labs Holdings Inc., a British Virgin Islands entity, and its consolidated subsidiaries.

We own, or have rights to use, trademarks and trade names that we use in connection with the operation of our business, including Establishment Labs and our logo as well as other brands such as Motiva Implants, SilkSurface/SmoothSilk, ProgressiveGel, TrueMonobloc, BluSeal, Divina, Ergonomix, Ergonomix2, Ergonomix2 Diamond, Mia Femtech, MotivaImagine, GEM, Zen and Preservé, among others. Other trademarks and trade names appearing in this report are the property of their respective owners. Solely for your convenience, some of the trademarks and trade names referred to in this report are listed without the ® and ™ symbols, but we will assert, to the fullest extent under applicable law, our rights to our trademarks and trade names.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report 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, or the Exchange Act. You can find many (but not all) of these statements by looking for words such as “approximates,” “believes,” “expects,” “anticipates,” “estimates,” “intends,” “plans,” “would,” “may” or other similar expressions in this report. Any statements that refer to projections of our future financial or operating performance, our liquidity and anticipated cash plans, anticipated trends in our business, our goals, strategies, focus and plans, and other characterizations of future events or circumstances, including statements expressing general optimism about our future operating results, clinical trials, or products, are forward-looking statements.

We claim the protection of the safe harbor contained in the Private Securities Litigation Reform Act of 1995. We caution investors that any forward-looking statements presented in this report, or that we may make orally or in writing from time to time, are expressions of our beliefs and expectations based on currently available information at the time such statements are made. Such statements are based on assumptions, and the actual outcome will be affected by known and unknown risks, trends, uncertainties and factors that are beyond our control. Although we believe that our assumptions are reasonable, they are not guarantees of future performance. As a result, our actual future results may differ from our expectations, and those differences may be material.

Factors that could cause or contribute to these differences include, among others, unfavorable global economic and political conditions, including slower growth or recession, inflation, decreases in consumer spending power or confidence or trade wars; we have incurred losses to date, and our ability to achieve and maintain profitability depends on the commercial success of our Motiva Implants; if our available cash resources and anticipated cash flow from operations are insufficient to satisfy our liquidity requirements, we may seek to sell equity or convertible debt securities, enter into a credit facility or another form of third-party funding, or seek other debt financing; we have a limited operating history in the United States; our business depends on maintaining our brand and ongoing customer demand for our products and services; if we fail to compete effectively against our competitors, many of whom have greater resources than we have, our revenues and results of operations may be negatively affected; any disruption at our existing facilities could adversely affect our business and operating results; we may fail to maintain and develop our direct sales force, and our revenues and financial outcomes could suffer as a result, and our direct sales personnel may not effectively sell our products; if we are unable to educate clinicians on the safe, effective and appropriate use of our products and designed surgeries, we may experience unsatisfactory patient outcomes, negative publicity and increased claims of product liability and may be unable to achieve our expected growth; our success depends, in part, on our ability to continue to enhance our existing products and services and develop or commercialize new products and services that respond to customer needs and preferences, which we expect to require us to incur significant expenses; delays or failure to obtain necessary clearances or approvals would adversely affect our ability to grow our business; compliance with ongoing regulatory obligations and continued regulatory review may result in significant additional expense and subject us to penalties if we have to comply with applicable regulatory requirements; the medical technology industry is complex and intensely regulated at the federal, state, and local levels, and government authorities may determine that we have failed to comply with applicable laws or regulations; if our single-source supplier were to increase prices for this raw material or experience interruptions in its ability to supply us with this raw material, our business, financial condition and results of operations could be adversely affected; we have significant exposure to the economic and political situations in emerging market countries; pandemics, epidemics, or other public health crises may adversely affect our business and financial results in the future; adverse developments affecting the financial services industry, such as actual events or concerns involving liquidity, defaults, or non-performance by financial institutions or transactional counterparties, could adversely affect our liquidity and financial performance; our results of operations have been in the past, and could be in the future, adversely affected by fluctuations in currency rates; negative publicity concerning our products or our competitors' products, including due to product defects or recalls and any resulting litigation, or long-term safety impacts, could harm our reputation and reduce demand for silicone breast implants, either of which could adversely impact our financial results and/or share price; news coverage in recent years has called into question the long-term safety of breast implants, including through reports of breast implant-associated anaplastic large cell lymphoma linked to our competitors' products which have led to regulatory actions regarding macrotextured devices in several countries and the worldwide recall of one of our competitor's macrotextured implants and tissue expanders. These events and reports of other forms of cancer, including squamous cell carcinoma and various lymphomas, from breast implant products may lead to a reduction in the demand for silicone breast implants and could adversely affect our business; the medical device industry is characterized by patent litigation, and we could become subject to litigation or other proceedings to protect or enforce our intellectual property rights that could be costly, result in the diversion of management's time and efforts, require us to pay damages or prevent us from marketing our existing or future products; and those risks and uncertainties discussed in Part I, Item 1A. "Risk Factors" in our Form 10-K filed with the Securities and Exchange Commission, or SEC, on February 27, 2026, as such risk factors may be amended, updated or superseded from time to time by our subsequent filings with the Securities and Exchange Commission. The risks and uncertainties included herein are not exhaustive, and additional factors could adversely affect our business and financial performance. We operate in a very competitive and rapidly changing environment. New risk factors emerge from time to time, and it is not possible for us to predict all such risk factors, nor can we assess the impact of all such risk factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

We are not undertaking any obligation to update any forward-looking statements, except as required by law. Accordingly, investors should use caution in relying on past forward-looking statements, which speak only as of the date they are made.

ESTABLISHMENT LABS HOLDINGS INC.
Condensed Consolidated Balance Sheets
(In thousands, except share data)

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

	June 30, 2026	December 31, 2025
	(Unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	$ 71,157	$ 75,572
Accounts receivable, net of allowance of credit losses of $6.5 million and $6.8 million at June 30, 2026 and December 31, 2025, respectively	75,650	77,497
Inventory	84,983	85,611
Prepaid expenses and other current assets	15,940	11,260
Total current assets	247,730	249,940
Long-term assets:		
Property and equipment, net of accumulated depreciation and amortization of $28.0 million and $26.2 million at June 30, 2026 and December 31, 2025, respectively	73,998	75,615
Goodwill	1,209	1,209
Intangible assets, net of accumulated amortization of $13.3 million and $11.9 million at June 30, 2026 and December 31, 2025, respectively	9,430	9,942
Right-of-use operating lease assets, net	3,508	4,339
Other non-current assets	16,051	16,122
Total assets	$ 351,926	$ 357,167
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	$ 32,841	$ 43,109
Accrued liabilities	17,344	18,856
Other liabilities, short-term	14,373	20,177
Total current liabilities	64,558	82,142
Long-term liabilities:		
Note payable, net	261,702	247,522
Operating lease liabilities, long-term	1,972	2,820
Other liabilities, long-term	2,087	1,136
Total liabilities	330,319	333,620
Commitments and contingencies (Note 7)		
Shareholders' equity:		
Common shares — zero par value, unlimited amount authorized; 30,201,123 and 29,713,024 shares issued at June 30, 2026 and December 31, 2025, respectively; 29,793,053 and 29,304,954 shares outstanding at June 30, 2026 and December 31, 2025, respectively	450,587	433,378
Additional paid-in-capital	92,603	87,624
Treasury shares, at cost, 408,070 shares held at June 30, 2026 and December 31, 2025	(2,854)	(2,854)
Accumulated deficit	(520,886)	(495,756)
Accumulated other comprehensive income	2,157	1,155
Total shareholders' equity	21,607	23,547
Total liabilities and shareholders' equity	$ 351,926	$ 357,167

The accompanying notes are an integral part of these condensed consolidated financial statements.

ESTABLISHMENT LABS HOLDINGS INC.

Condensed Consolidated Statements of Operations
(In thousands, except share and per share data)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenue	$ 67,542	$ 51,300	$ 127,419	$ 92,677
Cost of revenue	19,831	16,028	37,373	29,597
Gross profit	47,711	35,272	90,046	63,080
Operating expenses:				
Sales, general and administrative	46,905	44,176	90,510	83,875
Research and development	5,096	5,203	10,337	10,258
Total operating expenses	52,001	49,379	100,847	94,133
Loss from operations	(4,290)	(14,107)	(10,801)	(31,053)
Interest income	36	91	62	341
Interest expense	7,034	5,956	14,122	11,809
Other (income) loss, net	454	(4,383)	(25)	(7,136)
Loss before income taxes	(11,742)	(15,589)	(24,836)	(35,385)
Provision for income taxes	6	1,004	294	1,918
Net loss	$ (11,748)	$ (16,593)	$ (25,130)	$ (37,303)
Basic and diluted net loss per share	$ (0.39)	$ (0.57)	$ (0.84)	$ (1.29)
Weighted average outstanding shares used for basic and diluted net loss per share	30,121,685	28,913,811	30,037,826	28,882,108

The accompanying notes are an integral part of these condensed consolidated financial statements.

ESTABLISHMENT LABS HOLDINGS INC.

Condensed Consolidated Statements of Comprehensive Loss
(In thousands)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net loss	$ (11,748)	$ (16,593)	$ (25,130)	$ (37,303)
Other comprehensive income (loss):				
Foreign currency translation gain (loss)	(210)	(3,530)	1,002	(3,658)
Other comprehensive income (loss)	(210)	(3,530)	1,002	(3,658)
Comprehensive loss	$ (11,958)	$ (20,123)	$ (24,128)	$ (40,961)

The accompanying notes are an integral part of these condensed consolidated financial statements.

ESTABLISHMENT LABS HOLDINGS INC.

Condensed Consolidated Statements of Shareholders' Equity
(In thousands, except share data)
(Unaudited)

	Common Shares		Treasury Shares		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Total
	Shares	Amount	Shares	Amount				
Balance at January 1, 2026	**29,713,024**	**$ 433,378**	**(408,070)**	**$ (2,854)**	**$ 87,624**	**$ (495,756)**	**$ 1,155**	**$ 23,547**
Issuance of common shares in lieu of cash compensation	1,716	97	—	—	—	—	—	97
Stock option exercises	32,607	1,008	—	—	—	—	—	1,008
Share-based compensation	56,385	56	—	—	2,947	—	—	3,003
Shares withheld to cover income tax obligation upon vesting of restricted stock	(10,651)	(10)	—	—	(692)	—	—	(702)
Foreign currency translation gain	—	—	—	—	—	—	1,212	1,212
Net loss	—	—	—	—	—	(13,382)	—	(13,382)
Balance at March 31, 2026	**29,793,081**	**434,529**	**(408,070)**	**(2,854)**	**89,879**	**(509,138)**	**2,367**	**14,783**
Issuance of common shares in lieu of cash compensation	1,131	97	—	—	—	—	—	97
Stock option exercises	367,885	15,922	—	—	—	—	—	15,922
Share-based compensation	43,018	43	—	—	2,995	—	—	3,038
Shares withheld to cover income tax obligation upon vesting of restricted stock	(3,992)	(4)	—	—	(271)	—	—	(275)
Foreign currency translation loss	—	—	—	—	—	—	(210)	(210)
Net loss	—	—	—	—	—	(11,748)	—	(11,748)
Balance at June 30, 2026	**30,201,123**	**$ 450,587**	**(408,070)**	**$ (2,854)**	**$ 92,603**	**$ (520,886)**	**$ 2,157**	**$ 21,607**

The accompanying notes are an integral part of these condensed consolidated financial statements.

ESTABLISHMENT LABS HOLDINGS INC.

Condensed Consolidated Statements of Shareholders' Equity
(In thousands, except share data)
(Unaudited)

	Common Shares		Treasury Shares		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Total
	Shares	Amount	Shares	Amount				
Balance at January 1, 2025	**29,195,439**	**$ 420,364**	**(408,070)**	**$ (2,854)**	**$ 76,992**	**$ (444,692)**	**$ 3,285**	**$ 53,095**
Issuance of common shares in lieu of cash compensation	90,153	4,062	—	—	—	—	—	4,062
Stock option exercises	4,260	79	—	—	—	—	—	79
Share-based compensation	33,530	34	—	—	2,400	—	—	2,434
Shares withheld to cover income tax obligation upon vesting of restricted stock	(6,975)	(7)	—	—	(275)	—	—	(282)
Foreign currency translation loss	—	—	—	—	—	—	(128)	(128)
Net loss	—	—	—	—	—	(20,710)	—	(20,710)
Balance at March 31, 2025	**29,316,407**	**424,532**	**(408,070)**	**(2,854)**	**79,117**	**(465,402)**	**3,157**	**38,550**
Issuance of common shares in lieu of cash compensation	21,565	1,022	—	—	—	—	—	1,022
Stock option exercises	11,083	273	—	—	—	—	—	273
Share-based compensation	32,659	32	—	—	3,153	—	—	3,185
Shares withheld to cover income tax obligation upon vesting of restricted stock	(4,111)	(4)	—	—	(140)	—	—	(144)
Foreign currency translation loss	—	—	—	—	—	—	(3,530)	(3,530)
Net loss	—	—	—	—	—	(16,593)	—	(16,593)
Balance at June 30, 2025	**29,377,603**	**$ 425,855**	**(408,070)**	**$ (2,854)**	**$ 82,130**	**$ (481,995)**	**$ (373)**	**$ 22,763**

The accompanying notes are an integral part of these condensed consolidated financial statements.

ESTABLISHMENT LABS HOLDINGS INC.

Condensed Consolidated Statements of Cash Flows
(In thousands)
(Unaudited)

	Six Months Ended June 30,	
	2026	**2025**
Cash flows from operating activities:		
Net loss	$ (25,130)	$ (37,303)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	4,899	4,690
Provision (recoveries) for credit losses	(214)	1,964
Share-based compensation	6,235	5,827
Loss (gain) from disposal of property and equipment	113	(8)
Unrealized foreign currency loss (gain), net	2,675	(9,481)
Amortization of right-to-use asset	461	472
Non-cash loss on contract termination	—	543
Non-cash interest expense, amortization of debt discount and debt issuance costs	5,719	1,556
Changes in operating assets and liabilities:		
Accounts receivable	1,825	(3,686)
Inventory	886	(14,118)
Prepaid expenses and other current assets	(3,064)	(770)
Other assets	62	450
Accounts payable	(10,238)	11,385
Accrued liabilities	(1,727)	646
Operating lease liabilities	(512)	(467)
Other liabilities	(2,902)	(1,178)
Net cash used in operating activities	(20,912)	(39,478)
Cash flows from investing activities:		
Purchases of property and equipment	(5,511)	(2,377)
Cash used in business acquisitions, net of cash acquired	—	(307)
Cost incurred for intangible assets	(98)	(723)
Net cash used in investing activities	(5,609)	(3,407)
Cash flows from financing activities:		
Borrowings under Oaktree credit agreement	265,000	—
Repayment of Oaktree credit agreement	(246,367)	—
Payment of financing fees, Oaktree debt	(10,006)	—
Borrowings on short-term notes payable	—	5,000
Repayments of short-term notes payable for insurance premium financing	(1,981)	—
Proceeds from stock option exercises	16,930	352
Tax payments related to shares withheld upon vesting of restricted stock	(977)	(426)
Net cash provided by financing activities	22,599	4,926
Effect of exchange rate changes on cash and cash equivalents	(493)	2,251
Net decrease in cash and cash equivalents	(4,415)	(35,708)
Cash and cash equivalents at beginning of period	75,572	90,347
Cash and cash equivalents at end of period	$ 71,157	$ 54,639

The accompanying notes are an integral part of these condensed consolidated financial statements.

ESTABLISHMENT LABS HOLDINGS INC.

Condensed Consolidated Statements of Cash Flows
(In thousands)
(Unaudited)

	Six Months Ended June 30,	
	2026	2025
Supplemental disclosures of non-cash investing and financing activities:		
Unpaid balance for property and equipment	$ 272	$ 112
Unpaid balance for intangible assets	$ 699	$ 365
Equity consideration in a business acquisition	$ —	$ 3,556
Contingent consideration payable related to a business acquisition	$ —	$ 317
Consideration payable related to business acquisition	$ —	$ 198
Issuance of common shares to settle contract termination	$ —	$ 1,320
Exit fee obligations for Oaktree debt	$ 2,689	$ —

The accompanying notes are an integral part of these condensed consolidated financial statements.

1. Formation and Business of the Company

Establishment Labs Holdings Inc. along with its wholly owned subsidiaries, or the Company, is a global company that manufactures and markets innovative medical devices for aesthetic and reconstructive plastic surgery. The Company was established in the British Virgin Islands on October 9, 2013, at which time Establishment Labs, S.A., the Costa Rican manufacturing company, was reincorporated as a wholly-owned subsidiary. The Company operates through wholly owned subsidiaries in multiple international jurisdictions.

Substantially all of the Company's revenues are derived from the sale of silicone gel-filled breast implants, branded as Motiva Implants.

The main manufacturing activities are conducted at manufacturing facilities in Costa Rica. In 2024, the Company completed construction of its newest facility. In 2010, the Company began operating under the Costa Rica free zone regime (Régimen de Zona Franca), which provides for reduced income tax and other tax obligations pursuant to an agreement with the Costa Rican authorities.

The Company's products are approved for sale in Europe, the Middle East, Latin America, Asia and the United States. The Company sells its products internationally through a combination of direct and distributor sales to customers. In October 2024, the Company began selling Motiva Implants for use in breast augmentation for patients in the United States.

2. Summary of Significant Accounting Policies

Basis of Presentation and Consolidation

The accompanying condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, or GAAP, and the applicable rules and regulations of the Securities and Exchange Commission, or SEC, for interim financial information. Accordingly, they do not include all of the information and notes required by GAAP for complete financial statements.

The accompanying condensed consolidated financial statements and related financial information should be read in conjunction with the audited consolidated financial statements and the related notes thereto for the years ended December 31, 2025, 2024 and 2023 presented in the Company's Form 10-K filed with the SEC on February 27, 2026.

The condensed consolidated financial statements include the Company's accounts and those of its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

Unaudited Interim Condensed Consolidated Financial Information

The accompanying interim condensed consolidated financial statements as of June 30, 2026 and for the three and six months ended June 30, 2026 and 2025, and the related interim information contained within the notes to the condensed consolidated financial statements, are unaudited. The unaudited interim condensed consolidated financial statements have been prepared in accordance with GAAP and on the same basis as the audited consolidated financial statements. In the opinion of management, the accompanying unaudited interim condensed consolidated financial statements contain all adjustments which are necessary to state fairly the Company's financial position as of June 30, 2026, and the results of its operations and cash flows for the six months ended June 30, 2026 and 2025. Such adjustments are of a normal and recurring nature. The results for the three and six months ended June 30, 2026 are not necessarily indicative of the results to be expected for the full fiscal year 2026, or for any future period.

Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported in the condensed consolidated financial statements and accompanying notes. Estimates are based on historical experience, where applicable, and other assumptions believed to be reasonable by management. Actual results may differ from those estimates under different assumptions or conditions.

ESTABLISHMENT LABS HOLDINGS INC.

Notes to Condensed Consolidated Financial Statements
(Unaudited)

Revenue

Revenue was generated in these primary geographic markets:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
	(in thousands)			
OUS*	$ 42,849	$ 41,048	83,132	$ 76,330
US	24,693	10,252	44,287	16,347
Total revenue	$ 67,542	$ 51,300	$ 127,419	$ 92,677

* Includes all geographies outside of the United States.

Inventory, Net

	June 30, 2026	December 31, 2025
	(in thousands)	
Raw materials	$ 33,782	$ 35,161
Work in process	2,502	2,842
Finished goods	48,699	47,608
Total inventory, net	$ 84,983	$ 85,611

As of June 30, 2026 and December 31, 2025, $17.7 million and $14.1 million of inventory was on consignment, respectively.

Recent Accounting Standards

Periodically, new accounting pronouncements are issued by the Financial Accounting Standards Board, or FASB, and adopted by the Company as of the specified effective date. Unless otherwise discussed, the impact of recently issued standards that are not yet effective will not have a material impact on the Company’s consolidated financial statements upon adoption.

Recently Issued Accounting Standards

In November 2024, the FASB issued ASU 2024-03, Disaggregation of Income Statement Expenses, which enhances disclosure requirements over the disaggregation of relevant expense categories within the income statement. The new guidance requires tabular presentation of prescribed expense categories such as the purchases of inventory, employee compensation, depreciation, intangible asset amortization, and other specific expense, gains and losses required by existing GAAP, that reconciles to the face of the income statement. It is effective for annual periods beginning after December 15, 2026 and interim periods beginning after December 15, 2027, with early adoption permitted, and may be applied either prospectively or retrospectively. The Company is currently evaluating the potential effect that the updated standard will have on the financial statement disclosures.

3. Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or an exit price paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs.

The fair value hierarchy defines a three-level valuation hierarchy for disclosure of fair value measurements as follows:

- Level I Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level II Inputs other than quoted prices included within Level I that are observable, unadjusted quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the related assets or liabilities; and
- Level III Unobservable inputs that are supported by little or no market activity for the related assets or liabilities.

The categorization of a financial instrument within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The following table sets forth the Company's financial instruments that were measured at fair value on a recurring basis by level within the fair value hierarchy at June 30, 2026:

	Fair Value Measurements at June 30, 2026			
	Total	Level 1	Level 2	Level 3
	(in thousands)			
Liabilities				
Acquisition-related contingent consideration	$ —	—	—	$ —

	Fair Value Measurements at December 31, 2025			
	Total	Level 1	Level 2	Level 3
	(in thousands)			
Liabilities				
Acquisition-related contingent consideration	$ 4,474	—	—	$ 4,474

The fair value measurement of contingent consideration related to the business acquisition completed in fiscal 2024 represents the contingent consideration arrangement from the Company's acquisition of Motiva Benelux B.V., a distribution company in Belgium, and Motiva NL B.V., a distribution company in Netherlands, on October 1, 2024. Under this contingent consideration arrangement, the Company is required to pay the former owners an amount equal to the total revenue for fiscal year 2024 and 2025 multiplied by a multiple based on the relevant revenue growth rate realized in that particular fiscal year versus the prior year (ratio ranges from 0.5 to 0.9). The potential undiscounted amount of all future contingent payments that the Company could be required to make is not capped.

On April 15, 2026, the Company settled outstanding liabilities and paid $4.8 million as a final settlement, primarily consisting of the contingent consideration for the 2025 milestone and $0.3 million as a final non-contingent contractual payment. The fair value of the contingent consideration arrangement was $4.5 million as of December 31, 2025, which was calculated using the following inputs: (a) 2025 actual revenue of approximately $9.5 million; (b) growth ratio of 0.9 based on average revenue growth over the last two years; and (c) the fact that operating expense targets were met.

The estimates were based, in part, on subjective assumptions. During the periods presented, the Company has not changed the manner in which it values liabilities that are measured at fair value using Level 3 inputs.

The following table sets forth a summary of the changes in the fair value of the Company’s Level 3 financial instruments as follows:

	Acquisition-related Contingent Consideration
	(in thousands)
Balance at December 31, 2025	$ 4,474
Reclassification	—
Settlement	(4,494)
Change in fair value	20
Balance at June 30, 2026	$ —

The change in fair value was related to the foreign currency fluctuations.

4. Debt

Amended Oaktree Credit Agreement

Prior to April 30, 2026, the Company was party to a Credit Agreement with Oaktree Fund Administration, LLC, as administrative agent, which provided for up to $225.0 million of secured term loans funded in four tranches. The facility bore interest at rates ranging from 8.25% to 10.0% per annum, was subject to a 2% original issue discount and certain exit and prepayment fees, and was guaranteed by certain subsidiaries of the Company and secured by substantially all of the assets of the Company and the guarantor subsidiaries. The Credit Agreement contained customary affirmative and negative covenants, including minimum liquidity and revenue-based financial covenants.

On April 30, 2026, or the Closing Date, the Company entered into an Amended and Restated Credit Agreement and Guaranty, or the Amended Credit Agreement, together with certain of its subsidiaries as guarantors, the lenders from time to time party thereto and Oaktree Fund Administration, LLC, as administrative agent, pursuant to which the lenders agreed to make term loans to the Company in an aggregate principal amount of up to $300.0 million, or collectively, the New Term Loans. Approximately $259.0 million of the proceeds from the initial borrowing under the Amended Credit Agreement was used to repay all outstanding obligations under the prior Credit Agreement and to pay transaction costs associated with the New Term Loans.

Pursuant to the terms of the Amended Credit Agreement, the New Term Loans will be advanced in two tranches:

- The first tranche, or the Tranche E Term Loan, was advanced in the amount of $265.0 million on the Closing Date.
- The second tranche, or the Tranche F Term Loan, in an amount up to $35.0 million will be advanced upon the mutual consent of lenders and the Company.

The New Term Loans will mature on April 30, 2031, or the Maturity Date.

The New Term Loans accrue interest at a rate equal to 8.75% per annum, subject to certain conditions. Accrued interest is due and payable in cash on the last business day of March, June, September, and December of each year, commencing on the first such date to occur after the Closing Date; provided, however, that prior to the first anniversary of the Closing Date, the Company may pay an amount of interest on the outstanding New Term Loans corresponding to 25, 50, 75 or 100% of the interest rate in kind, subject to prior written notice delivered to the Administrative Agent. If the Company elects to pay up to 50% of the interest rate in kind for any period, the Company will incur a step-up of 0.375% for such period, which shall be payable in cash, and if the Company elects to pay more than 50% of the interest rate in kind for any period, the Company will incur a step-up of 0.500% for such period, which shall be payable in cash. Further, the applicable interest rate will step down by 0.25% upon the Company’s achieving a gross leverage ratio of less than 4.0 to 1.0.

Each of the New Term Loans will be subject to an original issue discount of 1% of the principal amount thereof upon the drawing of each applicable tranche. Upon any payment or prepayment in full or in part of the New Term Loans, whether voluntary or involuntary, the Company is required to pay an exit fee equal to 1.0% of the principal amount of the New Term Loan paid, or the New Exit Fee.

The Company may elect to prepay all or any portion of the amounts owed prior to the Maturity Date, provided that the Company provides notice to the Administrative Agent, the amount is not less than $5,000,000, and the amount is accompanied by all accrued and unpaid interest thereon through the date of prepayment, plus the applicable yield protection premium and the applicable New Exit Fee.

Prepayments of the New Term Loans on or prior to the second anniversary of the funding date thereof will be accompanied by a yield protection premium equal to the present value of all interest that would have accrued on the principal amount prepaid through such date (discounted at the Treasury Rate plus 50 basis points), plus 2% of the principal amount so prepaid. Prepayments of the New Term Loans after the second anniversary of the funding date thereof but on or prior to the third anniversary of such date will be accompanied by a yield protection premium equal to 2% of the principal amount so prepaid. No yield protection premium will be required for prepayments of the New Term Loans made after the third anniversary of the funding date thereof.

Pursuant to the Amended Credit Agreement, the obligations of the Company are guaranteed by its subsidiaries that are party thereto as guarantors.

The Amended Credit Agreement contains customary affirmative and restrictive covenants and representations and warranties. The Company and its subsidiaries are bound by certain affirmative covenants setting forth actions that are required during the term of the Amended Credit Agreement, including, without limitation, certain information delivery requirements, obligations to maintain certain insurance, and certain notice requirements. Additionally, the Company and its subsidiaries are bound by certain restrictive covenants setting forth actions that are not permitted to be taken during the term of the Amended Credit Agreement without prior written consent, including, without limitation, incurring certain additional indebtedness, consummating certain mergers, acquisitions or other business combination transactions, or incurring any non-permitted lien or other encumbrance on the assets of the Company or any of its subsidiaries. The Amended Credit Agreement also contains other customary provisions, such as confidentiality obligations and indemnification rights for the benefit of Lenders. The Amended Credit Agreement also contains financial covenants requiring (a) the Company to maintain minimum liquidity of at least $30,000,000 and (b) minimum gross sales of the Company and its subsidiaries for each consecutive 12-month period ending on the last day of each fiscal quarter in excess of an amount set forth in the Amended Credit Agreement for such period. The Amended Credit Agreement provides for a customary equity cure right in the event the Company fails to comply with the minimum gross sales covenant.

For lenders that continued as parties to the Amended Credit Agreement, the amendment was accounted for as a modification of the existing debt arrangement, and the existing unamortized debt issuance costs and debt discount related to these lenders continue to be amortized over the revised term of the facility along with new fees paid to such lenders. For new lenders replacing former lenders as parties to the Amended Credit Agreement, the amendment was accounted for as an extinguishment of the existing debt agreement resulting in the unamortized debt issuance costs and debt discount related to these lenders being written off and the new debt issuance costs and debt discount paid included in the balance of unamortized debt issuance costs and debt discount.

As of June 30, 2026, the effective interest rate under the Amended Credit Agreement was 9.7%. For the period following the Closing Date through June 30, 2026, the Company elected to pay interest in kind, or PIK, on 100% of the cash interest payment resulting in a step-up cash interest rate charge of 0.5%. The election is available quarterly through the second anniversary of the Closing Date. The Company incurred $6.4 million and $5.9 million in interest expense during the three months ended June 30, 2026 and 2025, respectively, and $13.2 million and $11.7 million in interest expense during the six months ended June 30, 2026 and 2025, respectively. No principal payments are due on the New Term Loans until the final maturity date on April 30, 2031.

As of June 30, 2026, $271.6 million was outstanding under the Amended Credit Agreement representing the initial principal of $265.0 million for the Tranche E Term Loan, paid in kind interest of $3.9 million accrued into the principal balance, and the $2.7 million exit fee obligation to be paid upon exiting the facility.

The Company recorded the debt arrangements on the condensed consolidated balance sheets as follows:

	June 30, 2026	December 31, 2025
	(in thousands)	
Outstanding debt balance, including capitalized PIK interest	$ 271,618	$ 246,367
Accrued prepayment premium (Net unamortized issuance costs)	(9,916)	1,155
Net carrying value	$ 261,702	$ 247,522

As of June 30, 2026, the Company was in compliance with all financial debt covenants.

5. Net Loss Per Share

The following table summarizes the computation of basic and diluted net loss per share for the periods presented:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
	(in thousands, except share and per share data)			
Numerator:				
Net loss	$ (11,748)	$ (16,593)	$ (25,130)	$ (37,303)
Denominator:				
Weighted average common shares used for basic and diluted earnings per share	30,121,685	28,913,811	30,037,826	28,882,108
Net loss per share:				
Basic and diluted	$ (0.39)	$ (0.57)	$ (0.84)	$ (1.29)

Basic net loss per share is computed by dividing the net loss by the weighted-average number of shares outstanding for the period. Diluted net loss per share is computed by dividing the net loss by the weighted-average number of shares and dilutive share equivalents outstanding for the period, determined using the treasury-share method and the as-if converted method, for convertible securities, if inclusion of these is dilutive.

If the Company reports a net loss, diluted net loss per share is the same as basic net loss per share for those periods because including the dilutive securities would be anti-dilutive.

The following potentially dilutive securities outstanding at the end of the periods presented have been excluded from the computation of diluted shares:

	Six Months Ended June 30,	
	2026	2025
Options to purchase common shares	1,070,821	1,676,567
Shares issuable on vesting of grants of RSUs	349,194	346,780
Total potentially dilutive shares outstanding	1,420,015	2,023,347

6. Related Party Transactions

During the six months ended June 30, 2026 and 2025, the Company recorded revenue of $0.5 million and

$0.7 million, respectively, for product sales to Herramientas Medicas, S.A., a distribution company owned by a family member of a former member of the Company's Board of Directors and the Company's former Chief Executive Officer, Juan José Chacón Quirós. Accounts receivable owed to the Company from this distribution company amounted to approximately $0.3 million and $0.4 million as of both June 30, 2026 and December 31, 2025, respectively.

In June 2026, the Company entered into a Consulting and Royalty Agreement with Dr. Manuel Chacón Quirós, a family member of a former member of the Company's Board of Directors and the Company's former Chief Executive Officer, Juan José Chacón Quirós. Under the agreement, effective January 1, 2026, Dr. Chacón Quirós provides consulting, advisory, educational, and clinical support services and is entitled to receive royalty payments equal to 1% of annual net sales of qualifying Preservé products, subject to contractual terms and annual caps. The Company recorded expenses of $0.1 million for royalties to Dr. Chacón Quirós during the six months ended June 30, 2026.

On April 24, 2026, the Company granted a stock option award to Mr. Lewin of 19,561 options with a grant date fair value of $0.7 million for consulting services.

7. Commitments and Contingencies

Contingencies

Periodically, the Company may have certain contingent liabilities that arise in the ordinary course of business activities. The Company accrues a liability for such matters when it is probable that future expenditures will be made and such expenditures can be reasonably estimated. As of June 30, 2026 and December 31, 2025, contingent liabilities were not material, individually or in the aggregate, to the Company's financial condition, results of operations or cash flows. However, any monetary liability or financial impact to the Company from these contingent liabilities could differ materially from the Company's expectations.

Patent Litigation

In 2025, the Company initiated patent enforcement actions relating to patents covering the surface architecture of its SmoothSilk silicone breast implants. The Company has asserted infringement claims against GC Aesthetics ParentCo Limited, et al., or the GCA Group, and Silimed Industria de Implantes LTDA, or Silimed, and is also defending challenges to the validity of the asserted patents. The matters involving the GCA Group are pending in Belgium and England, and the matters involving Silimed are pending in Brazil.

The Company believes its claims and defenses in these matters are meritorious, and it will continue to vigorously pursue them; however, the ultimate outcome of litigation is inherently uncertain. The Company's potential obligation in these matters is currently limited to possible reimbursement of a portion of the opposing parties' legal fees in jurisdictions where fee-shifting is customary. It is reasonably possible that an unfavorable outcome could result in such reimbursements. Given the current stages of these matters, the Company cannot reasonably estimate the potential range of legal fee exposure related to an unfavorable outcome.

Indemnification

The Company enters into standard indemnification arrangements in the ordinary course of business. Pursuant to these arrangements, the Company indemnifies, holds harmless, and agrees to reimburse the indemnified parties for losses suffered or incurred by the indemnified party in connection with any trade secret, copyright, patent or other intellectual property infringement claim by any third-party with respect to the Company's technology. The term of these indemnification agreements is generally perpetual. The maximum potential amount of future payments the Company could be required to make under these agreements is not determinable because it involves claims that may be made against the Company in the future that have not yet been made.

The Company has entered into indemnification agreements with its directors and officers that may require the Company to indemnify its directors and officers against liabilities that may arise by reason of their status or service as directors or officers, other than liabilities arising from willful misconduct of the individual.

The Company has not incurred costs to defend lawsuits or settle claims related to these indemnification agreements. No liability associated with such indemnifications has been recorded to date.

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

You should read the following discussion and analysis of our financial condition and results of operations together with the condensed consolidated financial statements and related notes that are included elsewhere in this Quarterly Report on Form 10-Q. This discussion contains forward-looking statements based upon current expectations that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under "Risk Factors," in Part I, Item 1A. of our Form 10-K filed with the Securities and Exchange Commission, or SEC, on February 27, 2026. See "Special Note Regarding Forward-Looking Statements" above.

Overview

Our line of silicone gel-filled breast implants, branded as Motiva Implants, is the centerpiece of our medical technology platform. Our 5-year results from our Motiva U.S. IDE study as well as our patient and practitioner reported post-market surveillance data indicate that Motiva Implants have low rates of adverse events (including rupture, capsular contracture, and implant-related reoperations) that compare favorably with those of our competitors. We believe these proprietary technologies that differentiate our Motiva Implants result in improved safety and aesthetic outcomes and thus drive our revenue growth.

We have devoted a majority of our resources since inception to developing our Motiva Implants, which we began selling in October 2010. We have incurred net losses in each year since inception, and we have financed our operations primarily through equity financings and debt financings.

In September 2024, we received FDA approval to sell Motiva Implants in the United States.

Recent Developments

Regulatory and Operational Updates

On June 29, 2026, the Company announced the appointment of Taylor Harris to its Board of Directors.

On February 24, 2026, the Company announced the appointment of Cassandra "Sandra" Harris to Senior Vice President and Chief Financial Officer, effective March 9, 2026, to succeed Raj Denhoy, the then-current Chief Financial Officer.

Financing Activities

On June 25, 2026, the Company was added as a member of the U.S. small-cap Russell 2000 Index as part of the 2026 Russell indexes reconstitution.

On April 30, 2026, the Company entered into an Amended and Restated Credit Agreement and Guaranty, or the Amended Credit Agreement, together with certain of our subsidiaries as guarantors, the lenders from time to time party thereto, or the Lenders, and Oaktree Fund Administration, LLC, as administrative agent for the Lenders, pursuant to which the Lenders agreed to make term loans to the Company in an aggregate principal amount of up to $300 million. The first tranche was advanced in the amount of $265 million on April 30, 2026. Approximately $259 million of the proceeds from the Tranche E Term Loan was used to repay in full the obligations under the Credit Agreement and transaction costs in connection with the New Term Loans. See Note 4 "Debt" for additional information.

Financial Highlights

Our revenue for the six months ended June 30, 2026 and 2025 was $127.4 million and $92.7 million, respectively, an increase of $34.7 million, or 37.5%. Net losses were $25.1 million for the six months ended June 30, 2026 as compared to $37.3 million for the six months ended June 30, 2025. As of June 30, 2026, we had an accumulated deficit of $520.9 million.

Our cash balance as of June 30, 2026 was $71.2 million.

Critical Accounting Policies, Significant Judgments and Use of Estimates

We identified certain critical accounting policies that affect certain of our more significant estimates and assumptions used in preparing our consolidated financial statements for the year ended December 31, 2025 included in our Annual Report on Form 10-K filed with the SEC on February 27, 2026, which we disclosed in Part II, Item 7, Management’s Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies, Significant Judgments and Use of Estimates in the Annual Report on Form 10-K. We have not made any material changes to these policies as previously disclosed in our Form 10-K filed with the SEC on February 27, 2026.

Consolidated Results of Operations

The following table sets forth our results of operations for the periods presented, in dollars:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
	(unaudited) (in thousands)			
Revenue	$ 67,542	$ 51,300	$ 127,419	$ 92,677
Cost of revenue	19,831	16,028	37,373	29,597
Gross profit	47,711	35,272	90,046	63,080
Operating expenses:				
Sales, general and administrative	46,905	44,176	90,510	83,875
Research and development	5,096	5,203	10,337	10,258
Total operating expenses	52,001	49,379	100,847	94,133
Loss from operations	(4,290)	(14,107)	(10,801)	(31,053)
Interest expense	7,034	5,956	14,122	11,809
Other (income) loss, net	418	(4,474)	(87)	(7,477)
Loss before income taxes	(11,742)	(15,589)	(24,836)	(35,385)
Provision for income taxes	6	1,004	294	1,918
Net loss	$ (11,748)	$ (16,593)	$ (25,130)	$ (37,303)

Comparison of Three Months Ended June 30, 2026 and 2025

	Three Months Ended June 30,	
	2026	2025
	(unaudited) (in thousands)	
Revenue	$ 67,542	$ 51,300
Cost of revenue	19,831	16,028
Gross profit	$ 47,711	$ 35,272
Gross margin	70.6 %	68.8 %

Revenue

Revenue increased $16.2 million, or 31.7%, to $67.5 million for the three months ended June 30, 2026 as compared to $51.3 million for the three months ended June 30, 2025. The increase was primarily due to a $14.4 million increase in sales in the United States and a $1.8 million increase in sales outside of the United States.

Cost of Revenue and Gross Margin

Cost of revenue increased $3.8 million, or 23.7%, for the three months ended June 30, 2026 compared to the three months ended June 30, 2025. The increase in cost of revenue was generally consistent with the increase in revenue, except as described below.

Gross margin increased to 70.6% for the three months ended June 30, 2026 as compared to 68.8% for the three months ended June 30, 2025. The increase was primarily attributable to a more favorable geographic sales mix, driven by higher selling prices on sales within the United States, direct market expansion outside the United

States and increased revenue from our minimally invasive product portfolio partially offset by an increase in inventory obsolescence reserve.

Operating Expenses

	Three Months Ended June 30,	
	2026	2025
	(unaudited) (in thousands)	
Sales, general and administrative	$ 46,905	$ 44,176
Research and development	5,096	5,203
Total operating expenses	$ 52,001	$ 49,379

Sales, General and Administrative Expense

Sales, general and administrative, or SG&A, expense increased $2.7 million, or 6.2%, to $46.9 million for the three months ended June 30, 2026, compared to $44.2 million for the three months ended June 30, 2025. The increase in SG&A was primarily due to a $1.9 million increase in professional fees associated with the Amended Credit Agreement, a $0.9 million increase in consulting fees and a $0.9 million increase in sales commissions associated with higher revenue partially offset by a $2.0 million decrease in sales and marketing expense.

Research and Development Expense

Research and development, or R&D, expense was relatively consistent at $5.1 million for the three months ended June 30, 2026, compared to $5.2 million for the three months ended June 30, 2025.

Interest Expense

Interest expense for the three months ended June 30, 2026 was $7.0 million as compared to $6.0 million for the three months ended June 30, 2025. The increase was primarily due to an increase in debt associated with the Amended Credit Agreement.

Provision for Income Taxes

Provision for income taxes decreased $1.0 million, or 99.4%, to $6 thousand for the three months ended June 30, 2026, compared to $1.0 million for the three months ended June 30, 2025. The change in the provision for income taxes is primarily due to the decrease in pre-tax income in certain U.S. and foreign jurisdictions.

Other (Income) Expense, Net

Other (income) expense, net, changed $4.9 million to a loss of $0.4 million for the three months ended June 30, 2026, compared to an income of $4.5 million for the three months ended June 30, 2025. The change was primarily due to foreign currency fluctuations of the euro and the Brazilian real as compared to the U.S. dollar in the second quarter of 2026 compared to the second quarter of 2025, resulting in a foreign currency transaction loss of $0.7 million for the three months ended June 30, 2026, the majority of which remains unrealized, compared to $5.0 million of income for the three months ended June 30, 2025. Interest income decreased $0.1 million.

Comparison of Six Months Ended June 30, 2026 and 2025

	Six Months Ended June 30,	
	2026	2025
	(unaudited) (in thousands)	
Revenue	$ 127,419	$ 92,677
Cost of revenue	37,373	29,597
Gross profit	$ 90,046	$ 63,080
Gross margin	70.7 %	68.1 %

Revenue

Revenue increased $34.7 million, or 37.5%, to $127.4 million for the six months ended June 30, 2026 as compared to $92.7 million for the six months ended June 30, 2025. The increase was primarily due to a $27.9 million increase in sales in the United States and a $6.8 million increase in sales outside of the United States.

Cost of Revenue and Gross Margin

Cost of revenue increased $7.8 million, or 26.3%, to $37.4 million for the six months ended June 30, 2026 compared to $29.6 million for the six months ended June 30, 2025. The increase in cost of revenue was primarily driven by higher revenue.

Gross margin increased to 70.7% for the six months ended June 30, 2026 compared to 68.1% for the six months ended June 30, 2025. The increase was primarily attributable to a more favorable geographic sales mix, driven by higher selling prices on sales within the United States, direct market expansion outside the United States and increased revenue from our minimally invasive product portfolio partially offset by an increase in inventory obsolescence reserve.

Operating Expenses

	Six Months Ended June 30,	
	2026	2025
	(unaudited) (in thousands)	
Sales, general and administrative	$ 90,510	$ 83,875
Research and development	10,337	10,258
Total operating expenses	$ 100,847	$ 94,133

Sales, General and Administrative Expense

SG&A expense increased $6.6 million, or 7.9%, to $90.5 million for the six months ended June 30, 2026, compared to $83.9 million for the six months ended June 30, 2025. The increase in SG&A was primarily due to a $1.9 million increase in professional fees associated with the Amended Credit Agreement, a $1.2 million increase in sales commissions associated with higher revenue, a $2.0 million increase in professional fees, a $4.0 million increase in personnel costs, and a $1.3 million increase in freight costs associated with higher revenue partially offset by a $3.2 million decrease in sales and marketing expense and a $1.9 million decrease in bad debt expense.

Research and Development Expense

R&D expense remained consistent at $10.3 million for the six months ended June 30, 2026, compared to $10.3 million for the six months ended June 30, 2025.

Interest Expense

Interest expense was $14.1 million for the six months ended June 30, 2026, compared to $11.8 million for the six months ended June 30, 2025. The increase was primarily due to an increase in debt associated with the Amended Credit Agreement.

Provision for Income Taxes

Provision for income taxes decreased $1.6 million, or 84.7%, to $0.3 million for the six months ended June 30, 2026, compared to $1.9 million for the six months ended June 30, 2025. The change in the provision for income taxes is primarily due to a decrease in pre-tax income in certain foreign jurisdictions.

Other (Income) Expense, Net

Other (income) expense, net decreased $7.4 million to an income of $0.1 million for the six months ended June 30, 2026, compared to an income of $7.5 million for the six months ended June 30, 2025. The decrease was primarily due to the foreign currency fluctuations of the Brazilian real and euro as compared to the U.S. dollar in fiscal 2026 and 2025, resulting in a foreign currency transaction loss of $1.0 million, the majority of which remains unrealized, for the six months ended June 30, 2026, compared to $7.8 million of income for the six months ended June 30, 2025. Interest income decreased $0.3 million.

Liquidity and Capital Resources

As of June 30, 2026, we had an accumulated deficit of $520.9 million. Since our inception, we have generated losses and expect to continue to generate losses in the near term. We have financed our operations through a combination of equity financings and debt financings and from cash generated from operations, primarily from the collection of accounts receivable resulting from sales. Our historical cash outflows have primarily been associated with cash used for operating activities such as expansion of our sales, marketing and distributor infrastructure, most recently in the United States, investing in inventory, R&D activities, asset acquisitions, capital improvements, including the expansion of our manufacturing facilities, and other working capital needs. As of June 30, 2026 and December 31, 2025, we had cash of $71.2 million and $75.6 million, respectively.

In April 2026, we entered into the Amended Credit Agreement, which provided for new term loans in an aggregate principal amount of up to $300 million. The first tranche was advanced in the amount of $265 million on April 30, 2026. Approximately $259 million of the proceeds from the Tranche E Term Loan was used to repay in full outstanding obligations under the Credit Agreement and transaction costs in connection with the New Term Loans. See Note 4 “Debt” for additional information regarding the Amended Credit Agreement.

Our short-term liquidity requirements consist primarily of operating expenses and interest payments on the Amended Credit Agreement and other short-term borrowings described above. We believe that our available cash and cash from operations will be sufficient to satisfy our liquidity requirements for at least the next 12 months, including our contractual and other obligations summarized in our Annual Report on Form 10-K for the year ended December 31, 2025 under “Material Cash Requirements.” Our long-term liquidity needs consist primarily of operating expenses, including expected increases in SG&A and R&D expenses related to our clinical trials, regulatory compliance and product development and funds necessary to pay for the interest and principal payment on our New Term Loans (as defined above). Our liquidity assumptions may prove to be incorrect, and we could utilize our available financial resources sooner than we currently expect.

Our future capital requirements will depend on many factors, including:

- the degree and rate of market adoption of our products;
- the cost and timing of our regulatory activities;
- the emergence of new competing technologies and products;
- the costs of R&D activities we undertake to develop and expand our products;
- the costs of commercialization activities, including sales, marketing and manufacturing;
- the level of working capital required to support our growth; and

- our need for additional personnel, information technology or other operating infrastructure to support our growth and operations as a public company.

Cash Flows

The following table sets forth the primary sources and uses of cash for each of the periods presented below:

	Six Months Ended June 30,	
	2026	2025
	(unaudited) (in thousands)	
Net cash provided by (used in):		
Operating activities	$ (20,912)	$ (39,478)
Investing activities	(5,609)	(3,407)
Financing activities	22,599	4,926
Effect of exchange rate changes on cash	(493)	2,251
Net decrease in cash	$ (4,415)	$ (35,708)

Net Cash Used in Operating Activities

Net cash used in operating activities of $20.9 million for the six months ended June 30, 2026 was primarily comprised of a net loss of $25.1 million and a $15.7 million change in operating assets and liabilities, partially offset by $6.2 million of share-based compensation expense, $5.7 million of non-cash interest expense due to accretion of debt discounts, $4.9 million of non-cash depreciation and amortization expense, $2.7 million of unrealized foreign currency loss, and $0.5 million of right-of-use asset amortization.

Net cash used in operating activities of $39.5 million for the six months ended June 30, 2025 was primarily comprised of a net loss of $37.3 million, $7.7 million change in operating assets and liabilities, and $9.5 million of unrealized foreign currency gain, partially offset by $5.6 million of share-based compensation expense, $4.7 million of non-cash depreciation and amortization expense, a $2.0 million change in allowance for credit losses, $1.6 million of non-cash interest expense due to accretion of debt discounts, a $0.5 million loss on contract termination, $0.5 million of right-of-use asset amortization and $0.2 million in stock compensation in lieu of cash fees.

Net Cash Used in Investing Activities

Net cash used in investing activities of $5.6 million for the six months ended June 30, 2026 primarily reflected $5.5 million in purchases of property and equipment at our Costa Rican entity.

Net cash used in investing activities of $3.4 million for the six months ended June 30, 2025 primarily consisted of $2.4 million in purchases of property and equipment, $0.7 million in costs incurred for intangible assets primarily driven by the development of an enterprise resource planning system for the U.S and $0.3 million in cash paid related to business acquisitions of Motiva Benelux B.V. and Motiva NL B.V..

Net Cash Provided by Financing Activities

Net cash provided by financing activities of $22.6 million for the six months ended June 30, 2026 primarily reflected a $265.0 million in borrowings under the Amended Credit Agreement and $16.9 million in proceeds received for stock option exercises, partially offset by $246.4 million used to repay borrowings under the previous Credit Agreement, $10.0 million used for debt discount and debt issuance costs, a $2.0 million repayment of short-term notes payable for insurance premium financing and $1.0 million paid to satisfy tax withholding obligations upon the vesting of restricted stock.

Net cash provided by financing activities of $4.9 million for the six months ended June 30, 2025 primarily reflected $5.0 million in proceeds received from borrowings under short-term notes payable and $0.4 million in proceeds received for stock option exercises, partially offset by $0.4 million paid to satisfy tax withholding obligations upon the vesting of restricted stock.

Material Cash Requirements

Other than as described above with respect to the Amended Credit Agreement, our material cash requirements have not changed materially from those included in our Annual Report on Form 10-K filed with the SEC on February 27, 2026.

Recent Accounting Pronouncements

Please refer to Note 2 "Summary of Significant Accounting Policies" in this Form 10-Q for information on recent accounting pronouncements and the expected impact on our unaudited condensed consolidated financial statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our exposure to market risk during the six months ended June 30, 2026 has not materially changed from what was previously disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025. See Part II, Item 7A, Quantitative and Qualitative Disclosures About Market Risk in our Annual Report on Form 10-K for the year ended December 31, 2025 for additional information.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As of June 30, 2026, the end of the period covered by this Quarterly Report on Form 10-Q, our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report. Disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, or the Exchange Act) are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and (ii) accumulated and communicated to the Company's management, including its principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. Based on the evaluation of our disclosure controls and procedures, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this Quarterly Report at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting that occurred during the period covered by this Quarterly Report on Form 10-Q that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Limitations on Effectiveness of Controls and Procedures

Our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving the desired control objectives. Our management recognizes that any control system, no matter how well designed and operated, is based upon certain judgments and assumptions and cannot provide absolute assurance that its objectives will be met. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs. Similarly, an evaluation of controls cannot provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, have been detected.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Patent Litigation

On July 25, 2025, Silimed Industria de Implantes LTDA, or Silimed, filed a patent nullity lawsuit against Establishment Labs, S.A., a Costa Rica subsidiary of the Company, or ELSA, in the 1st Regional Federal Court (the Brazilian Federal Court), alleging that ELSA's Patent No. BR112018072963-9 (the Process Patent), which is one of ELSA's process patents concerning the manufacturing process for producing the surface architecture of its SmoothSilk silicone breast implants, is invalid. This matter will soon enter the evidence phase. It is estimated that, around the middle of 2027, the Brazilian Federal Court will hold a hearing on the merits.

On August 1, 2025, ELSA filed a patent infringement lawsuit against Silimed in the 2nd Regional Court for Business Jurisdiction and Disputes Related to Arbitration, Sao Paulo, Brazil (the Brazilian State Court) alleging that Silimed infringes ELSA's Process Patent. It is estimated that, around the middle of 2027, the Brazilian State Court will hold a hearing on the merits.

On October 30, 2025, ELSA filed a patent infringement lawsuit against GC Aesthetics ParentCo Limited, et al., or the GCA Group, in the Unified Patent Court, Brussels Local Division, Belgium (the UPC Court), alleging that GCA infringes ELSA's Patent No. EP 3 107 487 B1 (the UPC Patent), which is one of ELSA's patents concerning the surface architecture of its SmoothSilk silicone breast implants. On February 16, 2026, GCA filed a statement of defense and counterclaim alleging, among other things, that the GCA Group does not infringe the UPC Patent and ELSA's UPC Patent should be revoked in relevant jurisdictions. This matter is in the discovery, or disclosure, phase. On September 21, 2026, the UPC Court will hold a case management hearing. On December 2, 2026, the UPC Court will hold a hearing on the merits.

On February 13, 2026, GC Aesthetics Holdings (Brazil) Ltd (GCA (Brazil) filed a patent revocation lawsuit against ELSA in the Business & Property Court of England & Wales, Chancery Division, Patents Court, in England, United Kingdom (the UK Court), alleging that ELSA's Patent No. EP (UK) 3 107 487 B (UK Patent) is invalid. On April 28, 2026, the Company served a defense against GCA (Brazil) and a counterclaim against four separate GCA defendants, or GCA Defendants, alleging that the GCA Defendants infringe ELSA's UK Patent. This matter is in the discovery, or disclosure, phase. Expert evidence is due in November 2026. In April 2027, the UK Court will conduct a liability trial on the merits.

The Company is currently unable to predict the ultimate outcome of these matters. Legal proceedings, including claims regarding potential infringement or misappropriation of intellectual property, often involve complex, technical issues and have outcomes that require judgments, estimates and involve inherent uncertainties. Given the inherent uncertainties associated with legal proceedings, there can be no assurance that these matters, or any future legal proceedings, will be resolved in a manner that does not adversely affect the Company's business, financial condition, results of operations, or cash flows.

ITEM 1A. RISK FACTORS

We have described under the heading "Risk Factors" included in Part I, Item 1A. in our Form 10-K filed with the SEC on February 27, 2026, a number of risks and uncertainties that could cause our actual results of operations and financial condition to vary materially from past, or from anticipated future, results of operations and financial condition. There have been no material changes from these risk factors previously described in our Form 10-K filed with the SEC on February 27, 2026. These risks and uncertainties are not the only risks facing us. Additional risks and uncertainties not presently known to us or that we currently deem not material may also adversely affect our business, financial condition, results of operations or the market price of our common stock.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

None.

ITEM 5. OTHER INFORMATION

Insider Trading Arrangements

On May 27, 2026, Edward J. Schutter, a member of our Board of Directors, adopted a Rule 10b5-1 trading plan pursuant to which up to 15,000 common shares may be sold in accordance with the trading plan's specifications. The plan is intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Exchange Act. The shares subject to the plan will sell starting on August 25, 2026 if a pre-established stock price threshold per share is met. The trading plan will expire once all of the shares have been sold or on December 31, 2026, whichever is earlier. Actual sale transactions will be disclosed publicly through Form 4 filings with the Securities and Exchange Commission, as required.

On June 12, 2026, Bryan Slotkin, a member of our Board of Directors, adopted a Rule 10b5-1 trading plan pursuant to which up to 13,422 common shares may be sold in accordance with the trading plan's specifications. The plan is intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Exchange Act. The shares subject to the plan will sell starting on September 14, 2026 if a pre-established stock price threshold per share is met. The trading plan will expire once all of the shares have been sold or on May 21, 2027, whichever is earlier. Actual sale transactions will be disclosed publicly through Form 4 filings with the Securities and Exchange Commission, as required.

ITEM 6. EXHIBITS

(a) Exhibits.

Exhibit Number	Description of Exhibit	Incorporation by Reference
3.1	Memorandum and Articles of Association of the Registrant	Incorporated by reference from Exhibit 3.1 to Registrant's Current Report on Form 8-K filed on May 31, 2023
10.1	Credit Agreement and Guaranty, dated as of April 30, 2026, by and among Establishment Labs Holdings Inc., its subsidiaries party thereto as guarantors, the lenders from time to time party thereto, and Oaktree Fund Administration, LLC, as administrative agent for the lenders.	Incorporated by reference from Exhibit 10.1 to Registrant's Current Report on Form 8-K filed on April 30, 2026
31.1	Certification of Principal Executive Officer pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	
31.2	Certification of Principal Financial Officer pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	
32.1*	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	
101.INS	Inline XBRL Instance Document	
101.SCH	Inline XBRL Taxonomy Extension Schema Document	
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document	
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)	

** The certifications filed as Exhibits 32.1 are not deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 and are not to be incorporated by reference into any filing of the Company under the Securities Act of 1933 or the*

Securities Exchange Act of 1934, whether made before or after the date hereof irrespective of any general incorporation by reference language contained in any such filing, except to the extent that the registrant specifically incorporates it by reference.

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.

ESTABLISHMENT LABS HOLDINGS INC.

		By:	*/s/ Filippo “Peter” Caldini*
Date:	August 7, 2026	**Name:**	Filippo “Peter” Caldini
		Title:	Chief Executive Officer (Principal Executive Officer)
Date:	August 7, 2026	**By:**	*/s/ Cassandra “Sandra” Harris*
		Name:	Cassandra “Sandra” Harris
		Title:	Chief Financial Officer (Principal Financial and Accounting Officer) (Authorized Representative in the United States)

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Filippo "Peter" Caldini, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Establishment Labs Holdings 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 13(a)-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 7, 2026

/s/ Filippo "Peter" Caldini
Filippo "Peter" Caldini
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Cassandra “Sandra” Harris, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Establishment Labs Holdings 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 13(a)-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 7, 2026

/s/ Cassandra “Sandra” Harris

Cassandra “Sandra” Harris
Chief Financial Officer
(Principal Financial and Accounting Officer)
(Authorized Representative in the United States)

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER 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 Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), Filippo "Peter" Caldini, as Interim Chief Executive Officer, and Cassandra “Sandra” Harris, as Chief Financial Officer, of Establishment Labs Holdings Inc. (the “Company”), hereby certifies that to the best of his and her knowledge:

(1) The Company’s Quarterly Report on Form 10-Q for the period ended June 30, 2026, to which this Certification is attached as Exhibit 32.1 (the “Report”), fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and

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

Date:	August 7, 2026	*/s/ Filippo "Peter" Caldini*
		Filippo "Peter" Caldini *Chief Executive Officer* *(Principal Executive Officer)*
Date:	August 7, 2026	*/s/ Cassandra “Sandra” Harris*
		Cassandra “Sandra” Harris *Chief Financial Officer* *(Principal Financial and Accounting Officer)* *(Authorized Representative in the United States)*

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Establishment Labs Holdings Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.