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 March 31, 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: 001-38701

SI-BONE, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware	**26-2216351**
(State or Other Jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification Number)**
471 El Camino Real, Suite 101, Santa Clara, California	**95050**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: **(408) 207-0700**

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

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common Stock, par value $0.0001 per share	SIBN	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	☒	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 7(a)(2)(B) of the Securities Act. ☐

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

The number of shares outstanding of the registrant's Common Stock was 42,614,514 as of April 30, 2025.

TABLE OF CONTENTS

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements. All statements other than statements of historical facts contained in this Quarterly Report, including statements regarding our future results of operations and financial position, business strategy, prospective products and product candidates, sales force expansion, physician adoption, reimbursement determinations, clinical trial results, and U.S. Food and Drug Administration ("FDA") approvals, are forward-looking statements.

These statements involve known and unknown risks, uncertainties 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.

In some cases, you can identify forward-looking statements by terms such as “may,” “will,” “should,” “expect,” “plan,” “anticipate,” “could,” “intend,” “target,” “project,” “contemplate,” “believe,” “estimate,” “predict,” “potential” or “continue” or the negative of these terms or other similar expressions, although not all forward-looking statements contain these identifying words. These forward-looking statements speak only as of the date of this Quarterly Report and are subject to a number of risks, uncertainties and assumptions, including those described under the sections in this Quarterly Report titled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” These forward-looking statements include, but are not limited to, statements about the following:

- our expectation that a significant portion of our revenue will be derived from sales of similar products addressing the sacropelvic anatomy;
- our ability to develop and commercialize additional revenue opportunities, including new indications for use and new products;
- our ability to retain and grow our sales team based on the demand for our products;
- our ability to identify, train, and retain physicians to perform procedures using our products;
- our ability to obtain and maintain favorable coverage and reimbursement determinations from third-party payors;
- our estimates of our market opportunity;
- our expectations regarding the scope of protection from intellectual property rights covering our products;
- developments or disputes concerning our intellectual property or other proprietary rights;
- timing of and results from our clinical trials and other studies;
- marketing clearances and authorization from the FDA and regulators in other jurisdictions and CE Certificates of Conformity from Notified Bodies;
- timing of regulatory filings and feedback;
- competition in the markets we serve;
- our expectations of the reliability and performance of our products;
- our expectations of the benefits of our products to patients, providers, and payors;
- the impact of proposed tariffs on our business, including the impact on gross margins related to our international product sales and the impact of resulting economic uncertainty on demand for our products;
- factors impacting the supply chains we rely on, including tariffs and the availability of raw materials and skilled labor serving our suppliers, and the cost of these factors of production which may in turn impact the prices we pay for our devices;
- our reliance on a limited number of suppliers, including sole source suppliers, which may impact the availability of instruments and materials;
- our ability to sustain or increase demand for our products;
- our estimates regarding our costs and risks associated with our international operations and expansion;
- our expectations regarding our ability to retain and recruit key personnel;

- our ability to attract and retain employees, including those with specialized skills and experience;
- our expectations regarding acquisitions and strategic operations;
- our ability to access capital markets;
- our ability to fund our working capital requirements;
- our compliance with, and the cost of, federal, state, and foreign regulatory requirements;
- the factors that may impact our financial results; and
- anticipated trends and challenges in our business and the markets in which we operate.

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. As a result, any or all of our forward-looking statements in this report may turn out to be inaccurate. Furthermore, if the forward-looking statements prove to be inaccurate, the inaccuracy may be material. In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified time frame, or at all. In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this Quarterly Report on Form 10-Q, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

Factors that may cause actual results to differ materially from current expectations include, among other things, those listed under "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2024, together with any updates in the section titled "Risk Factors" in this Quarterly Report on Form 10-Q. These statements, like all statements in this report, speak only as of their date. We caution investors that our business and financial performance are subject to substantial risks and uncertainties. Except as required by law, we assume no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future, except as may be required by law.

PART I-FINANCIAL INFORMATION

Item 1. Financial Statements

SI-BONE, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share amounts)
(Unaudited)

	March 31, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 41,187	$ 34,948
Short-term investments	103,227	115,094
Accounts receivable, net of allowance for credit losses of $591 and $588, respectively	26,705	27,459
Inventory	30,379	27,074
Prepaid expenses and other current assets	2,704	3,204
Total current assets	204,202	207,779
Property and equipment, net	21,074	20,374
Operating lease right-of-use assets	1,702	1,984
Other non-current assets	302	300
TOTAL ASSETS	$ 227,280	$ 230,437
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 7,705	$ 6,488
Accrued liabilities and other	15,157	19,492
Operating lease liabilities, current portion	1,090	1,152
Total current liabilities	23,952	27,132
Long-term borrowings	35,481	35,452
Operating lease liabilities, net of current portion	583	879
Other long-term liabilities	—	10
TOTAL LIABILITIES	60,016	63,473
Commitments and contingencies (Note 6)		
STOCKHOLDERS' EQUITY		
Preferred stock, $0.0001 par value; 5,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock, $0.0001 par value; 100,000,000 shares authorized; 42,479,600 and 42,086,477 shares issued and outstanding, respectively	4	4
Additional paid-in capital	604,836	598,070
Accumulated other comprehensive income	320	244
Accumulated deficit	(437,896)	(431,354)
TOTAL STOCKHOLDERS' EQUITY	167,264	166,964
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 227,280	$ 230,437

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

SI-BONE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(In thousands, except share and per share amounts)
(Unaudited)

	Three Months Ended March 31,	
	2025	**2024**
Revenue	$ 47,290	$ 37,867
Cost of goods sold	9,595	8,002
Gross profit	37,695	29,865
Operating expenses:		
Sales and marketing	30,681	29,387
Research and development	4,534	4,345
General and administrative	9,960	8,176
Total operating expenses	45,175	41,908
Loss from operations	(7,480)	(12,043)
Interest and other income (expense), net:		
Interest income	1,592	2,113
Interest expense	(662)	(881)
Other income (expense)	8	(93)
Net loss	$ (6,542)	$ (10,904)
Other comprehensive income (loss):		
Changes in foreign currency translation	157	29
Unrealized loss on marketable securities	(81)	(98)
Comprehensive loss	$ (6,466)	$ (10,973)
Net loss per share, basic and diluted	$ (0.15)	$ (0.27)
Weighted-average number of common shares used to compute basic and diluted net loss per share	42,337,481	40,934,392

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

SI-BONE, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

(In thousands, except share amounts)

(Unaudited)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balance as of December 31, 2024	42,086,477	$ 4	$ 598,070	$ 244	$ (431,354)	$ 166,964
Issuance of common stock upon exercise of stock options, net of shares withheld	20,045	—	103	—	—	103
Issuance of common stock upon vesting of restricted stock units	373,078	—	—	—	—	—
Stock-based compensation	—	—	6,663	—	—	6,663
Foreign currency translation	—	—	—	157	—	157
Net unrealized loss on marketable securities	—	—	—	(81)	—	(81)
Net loss	—	—	—	—	(6,542)	(6,542)
Balance as of March 31, 2025	**42,479,600**	**$ 4**	**$ 604,836**	**$ 320**	**$ (437,896)**	**$ 167,264**

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balance as of December 31, 2023	40,693,299	$ 4	$ 569,477	$ 335	$ (400,441)	$ 169,375
Issuance of common stock upon exercise of stock options, net of shares withheld	29,892	—	105	—	—	105
Issuance of common stock upon vesting of restricted stock units	355,571	—	—	—	—	—
Stock-based compensation	—	—	7,030	—	—	7,030
Foreign currency translation	—	—	—	29	—	29
Net unrealized loss on marketable securities	—	—	—	(98)	—	(98)
Net loss	—	—	—	—	(10,904)	(10,904)
Balance as of March 31, 2024	**41,078,762**	**$ 4**	**$ 576,612**	**$ 266**	**$ (411,345)**	**$ 165,537**

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

SI-BONE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Three Months Ended March 31,	
	2025	**2024**
Cash flows from operating activities		
Net loss	$ (6,542)	$ (10,904)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	6,663	7,030
Depreciation and amortization	1,278	1,089
Accounts receivable credit losses	91	82
Amortization of discount and premium on marketable securities	(916)	(1,561)
Inventory reserve	394	—
Amortization of debt issuance costs	29	42
Loss on disposal of property and equipment	287	388
Changes in operating assets and liabilities:		
Accounts receivable	552	(196)
Inventory	(3,767)	(772)
Prepaid expenses and other assets	494	524
Accounts payable	952	2,371
Accrued liabilities and other	(4,426)	(5,664)
Net cash used in operating activities	(4,911)	(7,571)
Cash flows from investing activities		
Maturities of marketable securities	60,000	67,000
Purchases of marketable securities	(47,298)	(58,571)
Purchases of property and equipment	(2,072)	(2,082)
Net cash provided by investing activities	10,630	6,347
Cash flows from financing activities		
Proceeds from the exercise of stock options	103	105
Net cash provided by financing activities	103	105
Effect of exchange rate changes on cash and cash equivalents	417	(112)
Net increase (decrease) in cash and cash equivalents	6,239	(1,231)
Cash and cash equivalents at		
Beginning of period	34,948	33,271
End of period	$ 41,187	$ 32,040
Supplemental disclosure of non-cash information		
Unpaid purchases of property and equipment	815	1,228

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

1. The Company and Nature of Business

SI-BONE, Inc. (the "Company") was incorporated in the state of Delaware on March 18, 2008 and is headquartered in Santa Clara, California. The Company is a medical device company that has pioneered a proprietary minimally invasive surgical implant system to fuse the sacroiliac joint for treatment of musculoskeletal disorders of the sacropelvic anatomy. The Company's products include a series of patented titanium implants and the instruments used to implant them, as well as implantable bone products. Since launching its first generation iFuse in 2009, the Company has launched multiple titanium implant product lines, including iFuse-3D in 2017, iFuse TORQ in 2021, iFuse Bedrock Granite in 2022, and iFuse INTRA and iFuse TORQ TNT in 2024. In the United States, iFuse, iFuse-3D, iFuse TORQ and iFuse Bedrock Granite have clearances for applications in sacroiliac joint dysfunction, adult spinal deformity and pelvic trauma. iFuse TORQ TNT has clearances for applications in pelvic trauma and sacroiliac joint dysfunction.

2. Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP") and applicable rules and regulations of the Securities and Exchange Commission ("SEC") regarding interim financial reporting. As permitted under those rules, certain footnotes or other financial information that are normally required by U.S. GAAP have been condensed or omitted, and accordingly the balance sheet as of December 31, 2024 has been derived from the audited consolidated financial statements at that date but does not include all of the information required by U.S. GAAP for complete financial statements. These unaudited interim condensed consolidated financial statements have been prepared on the same basis as the Company's annual financial statements and, in the opinion of management, reflect all adjustments that are necessary for a fair statement of the Company's consolidated financial information. The results of operations for the three months ended March 31, 2025 are not necessarily indicative of the results to be expected for the year ending December 31, 2025 or for any other interim period or for any other future year.

The accompanying condensed consolidated financial statements should be read in conjunction with the audited financial statements and related notes thereto for the year ended December 31, 2024 contained in the Company's Annual Report on Form 10-K filed with the SEC on February 25, 2025 (the "2024 Annual Report").

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant accounting estimates and management judgments reflected in the condensed consolidated financial statements primarily includes the fair value of performance-based restricted stock unit awards. Estimates are based on historical experience, where applicable and other assumptions believed to be reasonable by the management. Actual results could differ from those estimates.

Significant Accounting Policies

The Company's significant accounting policies are disclosed in the 2024 Annual Report. There have been no material changes to these accounting policies.

Segments

The Company's chief operating decision makers ("CODMs") are the Chief Executive Officer and Chief Financial Officer. The Company has determined that it has a single operating and reportable segment. The CODMs use revenue and net loss at the consolidated level to measure segment profit and loss, allocate resources, monitor plan versus actual results, and manage operations. Significant expenses within net loss include cost of goods sold, sales and marketing, research and development, and general and administrative at the consolidated level. Other segment items within net loss include interest income, interest expense, and other income (expense), net.

Substantially all of the segment revenue is derived from sales to customers in the U.S. Description of segment products are included in Note 1. The Company and Nature of Business. Revenue by geography is based on billing address of the customer. International revenue accounted for less than 10% of the total revenue during the periods presented. Long-lived assets held outside the U.S. are immaterial. The following table summarizes the Company's revenue by geography:

	Three Months Ended March 31,	
	2025	2024
	(in thousands)	
United States	$ 44,836	$ 35,425
International	2,454	2,442
	$ 47,290	$ 37,867

Recent Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures ("ASU 2023-09"). ASU 2023-09 requires public business entities to disclose additional information in specified categories with respect to the reconciliation of the effective tax rate to the statutory rate (the rate reconciliation) for federal, state, and foreign income taxes. It also requires greater detail about individual reconciling items in the rate reconciliation to the extent the impact of those items exceeds a specified threshold. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024. The Company is currently evaluating the impacts of ASU 2023-09 on its disclosures.

In November 2024, the FASB issued ASU 2024-03, Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses (“ASU 2024-03”). ASU 2024-03 requires disclosure in the notes to the financial statements of specified information about certain costs and expenses. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026 and for interim periods within fiscal years beginning after December 15, 2027. ASU 2024-03 should be applied either prospectively to financial statements issued for reporting periods after the effective date of this ASU or retrospectively to any or all prior periods presented in the financial statements. The Company is currently evaluating the impact of ASU 2024-03 on its disclosures.

3. Marketable Securities

All of the Company's marketable securities were available-for-sale and were classified based on their maturities. Marketable securities with remaining maturities at the date of purchase of three months or less are classified as cash equivalents. Short-term investments are securities that original maturity or remaining maturity is greater than three months and not more than twelve months. Long-term investments are securities for which the original maturity or remaining maturity is greater than twelve months.

The table below summarizes the marketable securities:

	March 31, 2025			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Aggregate Fair Value
	(in thousands)			
Money market funds	$ 34,515	$ —	$ —	$ 34,515
Cash equivalents	34,515	—	—	34,515
U.S. treasury securities	100,866	16	(6)	100,876
U.S. agency bonds	2,351	—	—	2,351
Short-term investments	103,217	16	(6)	103,227
Total marketable securities	$ 137,732	$ 16	$ (6)	$ 137,742

	December 31, 2024			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Aggregate Fair Value
	(in thousands)			
Money market funds	$ 27,326	$ —	$ —	$ 27,326
Cash equivalents	27,326	—	—	27,326
U.S. treasury securities	112,649	91	(2)	112,738
U.S. agency bonds	2,355	1	—	2,356
Short-term investments	115,004	92	(2)	115,094
Total marketable securities	$ 142,330	$ 92	$ (2)	$ 142,420

The amortized cost of the Company's available-for-sale securities approximates their fair value. Unrealized losses are generally due to interest rate fluctuations, as opposed to credit quality. However, the Company reviews individual securities that are in an unrealized loss position in order to evaluate whether or not they have experienced or are expected to experience credit losses. As of March 31, 2025 and December 31, 2024, unrealized gains and losses from the investments were not the result of a decline in credit quality. As a result, the Company did not recognize any credit losses related to its investments and that all unrealized gains and losses on available-for-sale securities are recorded in accumulated other comprehensive income (loss) on the condensed consolidated balance sheets as of March 31, 2025 and December 31, 2024.

The Company elected to present accrued interest receivable separately from short-term investments on its condensed consolidated balance sheets. Accrued interest receivable were $0.4 million and $0.3 million as of March 31, 2025 and December 31, 2024, respectively, and was recorded in prepaid expenses and other current assets. The Company also elected to exclude accrued interest receivable from the estimation of expected credit losses on its marketable securities and reverse accrued interest receivable through interest income (expense) when amounts are determined to be uncollectible. The Company did not write off any accrued interest receivable during the three months ended March 31, 2025 or year ended December 31, 2024.

4. Fair Value Measurement

Carrying amounts of certain of the Company's financial instruments, including cash equivalents, accounts receivable, accounts payable and accrued liabilities, approximate fair value due to their relatively short maturities and market interest rates, if applicable. The carrying value of the Company's long-term debt also approximates fair value based on management's estimation that a current interest rate would not differ materially from the stated rate. There were no other financial assets and liabilities that require fair value hierarchy measurements and disclosures for the periods presented.

The table below summarizes the fair value of the Company's marketable securities measured at fair value on a recurring basis based on the three-tier fair value hierarchy:

	March 31, 2025			
	Level 1	Level 2	Level 3	Total
	(in thousands)			
Marketable securities				
Money market funds	$ 34,515	$ —	$ —	$ 34,515
U.S. treasury securities	100,876	—	—	100,876
U.S. agency bonds	—	2,351	—	2,351
Total marketable securities	$ 135,391	$ 2,351	$ —	$ 137,742

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
	(in thousands)			
Marketable securities				
Money market funds	$ 27,326	$ —	$ —	$ 27,326
U.S. treasury securities	112,738	—	—	112,738
U.S. agency bonds	—	2,356	—	2,356
Total marketable securities	$ 140,064	$ 2,356	$ —	$ 142,420

5. Balance Sheet Components

Inventory

As of March 31, 2025, inventory consisted of finished goods of $26.4 million and work-in-progress and components of $4.0 million. As of December 31, 2024, inventory consisted of finished goods of $24.0 million and work-in-progress and components of $3.1 million.

Property and Equipment, net:

	March 31, 2025	December 31, 2024
	(in thousands)	
Instrument trays	$ 24,431	$ 23,158
Machinery and equipment	3,167	3,188
Construction in progress	6,926	6,212
Computer and office equipment	3,124	3,098
Leasehold improvements	3,873	3,873
Furniture and fixtures	388	386
	41,909	39,915
Less: Accumulated depreciation and amortization	(20,835)	(19,541)
	$ 21,074	$ 20,374

As of March 31, 2025, construction in progress pertains to the cost of individual components of an instrument tray used for surgical placement of the Company's products that have not yet been placed into service of $5.9 million and software costs of $1.0 million. As of December 31, 2024, construction in progress pertains to cost of individual components of an instrument tray used for surgical placement of the Company's products that have not yet been placed into service of $5.6 million and software costs of $0.6 million. Depreciation expense was $1.3 million and $1.1 million for the three months ended March 31, 2025 and 2024, respectively.

Accrued Liabilities and Other:

	March 31, 2025	December 31, 2024
	(in thousands)	
Accrued compensation and related expenses	$ 9,771	$ 13,914
Accrued royalty	2,027	2,054
Accrued rebates	1,190	1,384
Accrued professional services	1,125	1,202
Others	1,044	938
	$ 15,157	$ 19,492

Accounts Receivable and Allowance for Credit Losses:

The movement in the allowance for credit losses was as follows:

	March 31, 2025	December 31, 2024
	(in thousands)	
Balance at beginning of period	$ 588	$ 1,118
Provision	91	470
Write-offs	(88)	(1,000)
Balance at end of period	$ 591	$ 588

6. Commitments and Contingencies

Operating Leases

The Company has a non-cancelable operating lease for an office building space, located in Santa Clara, California, with an original lease period expiring in May 2025. On July 18, 2024, the Company extended the term of the lease for an additional period of fourteen months commencing on June 1, 2025 and expiring July 31, 2026.

The Company also has non-cancelable leases for a building used for research and development and warehouse space in Santa Clara, California which expires in October 2026, and office building space in Gallarate, Italy which expires in August 2027.

The Company also leases vehicles under operating lease arrangements for certain of its personnel in Europe which expire at various times throughout 2025 to 2028.

Supplemental information related to lease expense and valuation of the lease assets and lease liabilities are as follows:

	Three Months Ended March 31,	
	2025	2024
Operating lease expense	$ 311	$ 383
Variable lease expense	210	135
Total lease expense	$ 521	$ 518
Cash paid for amounts included in the measurement of operating lease liabilities	$ 386	$ 397

	March 31, 2025	December 31, 2024
Weighted average remaining lease term (in years)	1.54	1.76
Weighted average discount rate	7.06%	7.15%

Future minimum lease payments under non-cancelable operating leases as of March 31, 2025 was as follows:

Year Ending December 31,	(in thousands)
Remainder of 2025	$ 851
2026	879
2027	20
2028	11
2029	—
Thereafter	—
Total operating lease payments	1,761
Less: imputed interest	(88)
Total operating lease liabilities	$ 1,673

As of March 31, 2025, the Company had no operating lease liabilities that had not commenced.

Purchase Commitments and Obligations

The Company has certain purchase commitments related to its inventory management with certain manufacturing suppliers based on the agreements or blanket purchase orders. The contractual obligations represent future cash commitments and liabilities under agreements with third parties and exclude orders for goods and services entered into in the normal course of business that are not enforceable or legally binding. These outstanding commitments amounted to $0.6 million and $0.4 million as of March 31, 2025 and December 31, 2024, respectively.

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, but 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.

Legal Contingencies

In October 2024, the Company received a civil investigative demand ("CID") from the U.S. Department of Justice, Civil Division, in connection with an investigation under the federal Anti-Kickback Statute and Civil False Claims Act (the "Investigation"). The CID requests information and documents primarily relating to meals and consulting service payments provided to health care professionals. The Company is cooperating with the Investigation but is currently unable to express a view regarding the likely duration, or ultimate outcome, of the Investigation or estimate the possibility of, or amount or range of, any possible financial impact. Depending on how the Investigation progresses, there may be a material impact on the Company's business, results of operations, or financial condition.

From time to time, the Company may become involved in legal proceedings arising in the ordinary course of its business. Except with regards to the Investigation, the Company is not presently a party to any material legal proceedings that, if determined adversely to the Company, would have a material adverse effect on the Company.

7. Borrowings

Term Loan

The following table summarizes the outstanding borrowings from the term loan as of periods presented:

	March 31, 2025	December 31, 2024
	(in thousands)	
Principal outstanding	$ 36,000	$ 36,000
Less: Unamortized debt issuance costs and lender fees	(519)	(548)
Outstanding debt, net of debt issuance costs and unaccreted value of final payment fee	$ 35,481	$ 35,452
Classified as:		
Long-term borrowings	$ 35,481	$ 35,452

The outstanding debt is related to a Loan and Security Agreement dated August 12, 2021 (the "Original Loan Agreement") entered into by the Company with Silicon Valley Bank, a California corporation ("SVB"). Pursuant to the Original Loan Agreement, SVB provided a term loan in the aggregate principal amount of $35.0 million to the Company (the "Original Term Loan").

On January 6, 2023, the Company entered into a First Amendment to Loan and Security Agreement with SVB pursuant to which the Company received a new term loan facility in an aggregate principal amount of $36.0 million (the "First Amendment" and with the Original Loan Agreement, collectively the "Amended Loan Agreement"). Upon entry into the Amended Loan Agreement, the Company borrowed $36.0 million pursuant to the term loan (the "First Amendment Term Loan"), which was substantially used to repay in full the $35.0 million Original Term Loan outstanding under the Original Loan Agreement and the Company obtained a secured revolving credit facility in an aggregate principal amount of up to $15.0 million (the "Revolving Line"). The First Amendment also provided for a final payment fee payable to SVB of 2% of the original principal amount of the First Amendment Term Loan due upon the earlier of the First Amendment Term Loan Maturity Date, termination of the Amended Loan Agreement, acceleration by the Lender following an event of default, or prepayment of the First Amendment Term Loan.

On January 25, 2024, the Company entered into a Second Amendment to Loan and Security Agreement with Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as successor in interest to SVB ("First Citizens") which amended the Company's Amended Loan Agreement (the "Second Amendment" and together with the Amended Loan Agreement, collectively, the "Second Amended Loan Agreement"). The Second Amendment revised certain provisions related to financial covenants and the periods in which such covenants applied.

On November 8, 2024, the Company entered into a Third Amendment to the Loan and Security Agreement with First-Citizens (the "Third Amendment" and together with the Second Amended Loan Agreement, collectively, the "Third Amended Loan Agreement"), pursuant to which a new term loan in the original aggregate principal amount of $36.0 million was extended by First-Citizens to the Company (the "Third Amendment Term Loan"), which was substantially used to refinance and repay in full the then-outstanding $36.0 million existing First Amendment Term Loan. The Company also paid a final payment fee of $0.7 million due relative to such prior First Amendment Term Loan. The Third Amendment sets the maturity date for the Third Amendment Term Loan as September 1, 2029 (the "Third Amendment Term Loan Maturity Date"), set the first principal repayment due date relative to the Third Amendment Term Loan to October 1, 2027; provided that upon the achievement of the Performance Milestone (as defined in the Third Amendment), the first principal payment shall become due on October 1, 2028. Interest on the Third Amendment Term Loan will be payable monthly at a floating rate per annum equal to the greater of 4.25% and the WSJ Prime Rate minus 0.5%. The Company may elect to prepay the Third Amendment Term Loan in whole prior to the Third Amendment Term Loan Term Loan Maturity Date, subject to a prepayment fee equal to 1.5% of the original principal amount of the Third Amendment Term Loan if the loan is prepaid within 18 months following the closing of the Third Amendment. The Third Amendment further revised certain provisions related to financial covenants and the periods in which such covenants apply.

The Company accounted for the Third Amended Loan Agreement as a debt modification. Accordingly, the remaining unamortized debt issuance costs related to the Second Amended Loan Agreement together with any lender fees incurred in connection with the entry of the Third Amended Loan Agreement are amortized to interest expense using the straight-line method over the new term of the loan through August 2029.

The effective interest rates were 7.3% and 9.3% for the three months ended March 31, 2025 and March 31, 2024, respectively.

The table below summarizes the future principal payments under the Third Amendment Term Loan as of March 31, 2025:

Year ending December 31,	**(in thousands)**
Remainder of 2025	$ —
2026	—
2027	6,000
2028	18,000
2029	12,000
Total principal payments	$ 36,000

The Third Amended Loan Agreement includes affirmative and negative covenants applicable to the Company and certain of its foreign subsidiaries. The affirmative covenants include, among others, covenants requiring the Company to maintain its legal existence and governmental compliance, deliver certain financial reports, and maintain insurance coverage. The negative covenants include, among others, restrictions regarding transferring collateral, pledging the Company's intellectual property to other parties, engaging in mergers or acquisitions, paying dividends or making other distributions, incurring indebtedness, transacting with affiliates, and entering into certain investments, in each case subject to certain exceptions. As of March 31, 2025, the Company was in compliance with all debt covenants.

8. Stock-Based Incentive Compensation Plans

Stock Options

The table below summarizes the stock option activity for the three months ended March 31, 2025:

	Number of Shares	Weighted-Average Exercise Price	Weighted-Average Contractual Remaining Life (Years)	Aggregate Intrinsic Value (in thousands)
Outstanding as of December 31, 2024	1,041,131	$ 10.98		
Exercised	(20,045)	$ 5.11		
Canceled and forfeited	—	$ —		
Outstanding as of March 31, 2025	1,021,086	$ 11.10	2.61	$ 5,745
Options vested and exercisable, March 31, 2025	1,021,086	$ 11.10	2.61	$ 5,745
Options vested and expected to vest, March 31, 2025	1,021,086	$ 11.10	2.61	$ 5,745

As of March 31, 2025, there is no unrecognized compensation cost related to stock options.

There were no stock options granted during the three months ended March 31, 2025 and 2024.

Restricted Stock Units ("RSUs")

RSUs are share awards that entitle the holder to receive freely tradable shares of the Company's common stock upon vesting. RSUs generally vest over one to four years based upon continued services and are settled at vesting in shares of the Company's common stock. Certain RSUs vest based upon continued services and the achievement of financial milestones. The grant date fair value of the RSUs is equal to the closing price of the Company's common stock on the grant date.

The Company granted performance-based restricted stock unit awards subject to market and service vesting conditions to certain executive officers under SI-BONE's 2018 Equity Incentive Plan ("PSUs"). The shares subject to PSUs vest over a three-year performance period. The actual number of PSUs that will vest in each measurement period will be determined by the Compensation Committee based on the Company's total shareholder return ("TSR") relative to the TSR of the Median Peer Companies (as defined in the award agreement). The grant date fair value of each stock award with a market condition was determined using the Monte Carlo valuation model. The table below summarizes the assumptions used to estimate the grant date fair value of the PSUs granted:

	Three Months Ended March 31,					
	2025			2024		
Expected volatility of common stock	49.0%	to	57.0%	47.0%	to	59.0%
Expected volatility of peer companies	30.0%	to	126.0%	29.0%	to	97.0%
Correlation coefficient of peer companies	0.05	to	1.00	(0.01)	to	1.00
Risk-free interest rate	4.1%	to	4.2%	4.1%	to	4.7%
Dividend yield	—%	to	1.0%	0.6%	to	4.7%

The table below summarizes RSU and PSU activity for the three months ended March 31, 2025:

	RSUs		PSUs	
	Number of Shares	Weighted Average Grant Date Fair Value	Number of Shares	Weighted Average Grant Date Fair Value
Outstanding as of December 31, 2024	1,884,640	$18.47	610,541	$16.47
Granted	1,128,922	16.79	337,110	15.89
Vested	(252,923)	20.20	(120,155)	15.75
Canceled and forfeited	(51,377)	18.76	(42,039)	19.50
Outstanding as of March 31, 2025	2,709,262	17.61	785,457	16.17

Employee Stock Purchase Plan

The Company's 2018 Employee Stock Purchase Plan (the "ESPP") allows eligible employees to purchase shares of the Company's common stock through payroll deductions at the price equal to 85% of the lesser of the fair market value of the stock as of the first date or the ending date of each six month offering period. The offering period generally commences in May and November. On March 26, 2020, the Company's Compensation Committee approved the amendment of the terms of future offerings under the ESPP which, among other things, increased the maximum number of shares that may be purchased on any single purchase date, provided for automatic enrollment in a new offering.

The fair value of the ESPP shares is estimated using the Black-Scholes option pricing model, which is being amortized over the requisite service period. The Company did not issue any shares under ESPP for the three months ended March 31, 2025 and 2024. As of March 31, 2025 and December 31, 2024, total accumulated ESPP related employee payroll deductions amounted to $1.3 million and $0.3 million, respectively, which were included within accrued compensation and related expenses in the condensed consolidated balance sheets.

Stock-Based Compensation

The table below presents the detail of stock-based compensation expense amounts included in the condensed consolidated statements of operations:

	Three Months Ended March 31,	
	2025	2024
	(in thousands)	
Cost of goods sold	$ 160	$ 235
Sales and marketing	2,623	3,221
Research and development	834	820
General and administrative	3,046	2,754
	$ 6,663	$ 7,030

Warrants

The table below summarizes common stock warrants activity for the three months ended March 31, 2025:

Date		Outstanding Balance at December 31, 2024	Price per Share	Warrants Issued	Warrant Exercised	Warrant Expired	Outstanding Balance at March 31, 2025
Issuance	Expiration						
3/1/2017	3/1/2027	1,388	$ 5.94	—	—	—	1,388
10/20/2015	10/20/2025	41,650	$ 16.47	—	—	—	41,650
11/9/2015	11/9/2025	25,709	$ 16.47	—	—	—	25,709
12/22/2016	12/22/2026	9,712	$ 10.03	—	—	—	9,712
		78,459		—	—	—	78,459

9. Net Loss Per Share of Common Stock

The table below summarizes the computation of basic and diluted net loss per share:

	Three Months Ended March 31,	
	2025	2024
	(in thousands, except share and per share data)	
Net loss	$ (6,542)	$ (10,904)
Weighted-average shares used to compute basic and diluted net loss per share	42,337,481	40,934,392
Net loss per share, basic and diluted	$ (0.15)	$ (0.27)

Because the Company has reported a net loss in all periods presented, outstanding stock options, restricted stock units, ESPP purchase rights and common stock warrants are anti-dilutive and therefore diluted net loss per common share is the same as basic net loss per common share for the periods presented. The following anti-dilutive common stock equivalents were excluded from the computation of diluted net loss per share for the periods presented:

	Three Months Ended March 31,	
	2025	2024
Stock options	1,021,086	1,158,816
Restricted stock units	3,494,719	2,847,021
ESPP purchase rights	145,509	102,172
Common stock warrants	78,459	85,139
	4,739,773	4,193,148

10. Income Taxes

In determining quarterly provisions for income taxes, the Company uses the annual estimated effective tax rate applied to the actual year-to-date profit or loss, adjusted for discrete items arising in that quarter. The Company updates its estimate of its annual effective tax rate at the end of each quarterly period. The estimate takes into account annual forecasted income (loss) before income taxes, the geographic mix of income (loss) before income taxes and any significant permanent tax items. The Company did not have provision for income taxes for the three months ended March 31, 2025 and 2024. The Company continues to maintain a full valuation allowance against its net deferred tax assets due to the uncertainty surrounding realization of such assets.

The Company accounts for the uncertainty in income taxes by utilizing a comprehensive model for the recognition, measurement, presentation and disclosure in financial statements of any uncertain tax positions that have been taken or are expected to be taken on an income tax return. There had been no changes in the estimated uncertain tax benefits recorded as of March 31, 2025 compared to December 31, 2024.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements and the related notes to those statements included elsewhere in this Quarterly Report on Form 10-Q, and with the consolidated financial statements and management's discussion and analysis of our financial condition and results of operations in our Annual Report on Form 10-K filed with the SEC on February 25, 2025. Some of the information contained in this discussion and analysis, or set forth elsewhere in this Quarterly Report on Form 10-Q, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks and uncertainties. As a result of many important factors, including those set forth in the "Risk Factors" section of our Annual Report on Form 10-K filed on February 25, 2025, our actual results could differ materially from the results described in, or implied, by these forward-looking statements.

Overview

We are a medical device company dedicated to solving musculoskeletal disorders of the sacropelvic anatomy. Leveraging our knowledge of pelvic anatomy and biomechanics, we have pioneered proprietary minimally invasive surgical implant systems to address sacroiliac joint dysfunction as well as address unmet clinical needs in pelvic fixation and management of pelvic fractures.

Our products include a series of patented titanium implants and the instruments used to implant them, as well as implantable bone products. Since launching our first generation iFuse in 2009, we have launched multiple implant product lines, including iFuse-3D in 2017, iFuse TORQ in 2021, iFuse Bedrock Granite in 2022, and iFuse INTRA and iFuse TORQ TNT in 2024. In the United States, iFuse, iFuse-3D, iFuse TORQ and iFuse Bedrock Granite have clearances for applications in sacroiliac joint dysfunction, adult spinal deformity and pelvic trauma. iFuse TORQ TNT has clearances for applications in pelvic trauma and sacroiliac joint dysfunction.

We market our products primarily with a direct sales force as well as a number of third-party sales agents in the United States, and with a combination of a direct sales force, and sales agents and resellers in other countries. As of March 31, 2025, over 120,000 procedures have been performed using our products by over 4,500 physicians in the United States and 38 other countries since we introduced iFuse in 2009.

Factors Affecting Results of Operations and Key Performance Indicators

We monitor certain key performance indicators that we believe provide us and our investors indications of conditions that may affect results of our operations. Our revenue growth rate and commercial progress is impacted by, among other things, our key performance indicators, including our ability to expand access to solutions, increase physician penetration, launch new products, address human capital needs and gain operational efficiencies.

Expand Access to Solutions

As we expand our portfolio, the experience, caliber, and strong clinician relationships of our sales force, including our network of third-party sales agents, will be crucial to drive adoption of our future products and procedures. Since our initial public offering in 2018, we have made significant investments in our commercial infrastructure to build a valuable sales team to expand the market, drive physician engagement and deliver revenue growth.

While we will continue to selectively expand our sales force, we are also focused on increasing our sales managers' capacity and driving sales force productivity by adding more clinical support specialists and implementing hybrid models, including selectively adding third-party sales agents for case coverage, and by placing instrument trays and implants at select sites of service. This expansion of our sales force is one aspect of increasing the overall number of procedures in a given period that we can support with products, which is what we call "surgical capacity." Our surgical capacity is also limited by the volume of implant inventory and the number of instrument trays held ready for surgery, either at our headquarters facility, forward deployed with our sales force or placed at customer facilities. As we grow, and as adoption of our solutions continues to mature, our overall surgical capacity may become an important driver of the amount of revenue that we can generate.

As of March 31, 2025, our U.S. sales force consisted of 85 territory sales managers and 78 clinical support specialists directly employed by us and 278 third-party sales agents, compared to 85 territory sales managers and 67 clinical support specialists directly employed by us and 183 third-party sales agents as of March 31, 2024. As of March 31, 2025, our international sales force consisted of 10 sales representatives directly employed by us and a total of 29 third-party sales agents and resellers, compared to 12 sales representatives directly employed by us and a total of 28 third-party sales agents and resellers as of March 31, 2024.

For the quarter ended March 31, 2025, over 30 percent of our procedures for sacroiliac joint dysfunction were performed at ambulatory surgery centers (ASCs) or Office-Based Labs (OBLs). With the steady increase in the numbers of minimally invasive procedures, including sacroiliac joint fusion procedures, being performed at ASCs or OBLs, we continue to actively engage with these facilities to educate their management groups on our clinical evidence, exclusive commercial payor coverage and focus on driving improved education and pathways between pain physicians and surgeons.

Physician Engagement

Engaging and educating physician and other healthcare professionals about the clinical merits and patient benefits of our solutions will be important to grow physician adoption. Our medical affairs team works closely with our sales team to increase physician engagement and activation. Physician activity includes both the number of physicians performing our procedures as well as the number of procedures performed per physician. In addition to training new physicians, we have several initiatives to re-engage inactive physicians.

We use a combination of hands-on cadaveric and dry-lab training, as well as the SI-BONE SImulator - a portable, radiation-free, haptics and computer-based simulator - for training purposes, and optimize our programs to improve adoption rate, time to first case and ultimately physician productivity.

We are currently targeting over 12,000 U.S. physicians, including over 8,000 orthopedic and neurological surgeons and approximately 4,500 interventional spine physicians, to perform our procedures. As of March 31, 2025 and 2024, in the United States more than 3,400 and 2,700 physicians, respectively, have been trained on our products and have treated at least one patient. Outside the United States, as of March 31, 2025 and 2024, more than 1,100 and 1,000 physicians, respectively, have been trained on our product and have treated at least one patient. Since launching our academic training program in August 2018, we have trained residents and fellows in over 275 academic programs in the United States, resulting in the training of approximately 1,900 surgical residents and fellows.

Expand Addressable Markets

Expanding our platform of sacropelvic solutions to address sacroiliac joint dysfunction, pelvic fixation and pelvic trauma has been a key tenet of our strategy, and we have made substantial progress on this mission. With iFuse-3D, iFuse TORQ, iFuse Bedrock Granite and iFuse TORQ TNT, we believe that the value of our innovative, versatile, and complementary product portfolio provides physicians with a comprehensive set of alternatives, and positions us as the top choice for physicians for sacropelvic solutions. We also offer an allograft bone implant for physicians who believe that this kind of implant can be important in addressing sacroiliac joint dysfunction.

In June 2022, we completed enrollment in SILVIA, a two-year prospective international multi-center randomized controlled trial of two different methods for pelvic fixation in adult patients undergoing multi-segmental, or long-construct, spinal fusion. We anticipate the results for the primary endpoint in second half of 2025. In September 2022, we began enrolling patients in our SAFFRON study, a prospective randomized controlled trial of surgery using our iFuse TORQ device vs. non-surgical management in patients with debilitating sacral fragility or insufficiency fractures. We are no longer actively recruiting patients in SAFFRON and anticipate publishing follow-up results in second half of 2025. We are working with a select group of physicians on STACI, a prospective study on the use of iFuse TORQ in patients with sacroiliac joint dysfunction. The purpose of STACI is to provide post-market information on the safety and effectiveness of minimally invasive sacroiliac joint fusion procedures performed with iFuse TORQ.

We continue to invest in research and development initiatives to bring new and differentiated solutions to the market that deliver on our vision of improving patient quality of life through differentiated solutions to target segments with a clear unmet clinical need. Robust clinical evidence is central to drive adoption and favorable reimbursement, and we remain focused on continuing to set the industry standard in delivering evidence-based care through best-in-class clinical trials that demonstrate the efficacy, safety, and economic benefit of our solutions. During the three months ended March 31, 2025, we spent $4.5 million on research and development, equating to 10% of our revenue. During the three months ended March 31, 2024, we spent $4.3 million on research and development, equating to 11% of our revenue.

Enhance Employee Experience and Engagement

Our ability to recruit, develop and retain highly skilled talent is a significant determinant of our success. To attract, develop and retain our talent, we seek to create a diverse and inclusive workplace with opportunities for our employees to thrive and advance in their careers. We support this with market-competitive compensation, comprehensive benefits, and health and wellness programs.

In addition to fostering an inclusive workplace and ensuring equitable compensation for our employees, we maintain a strong focus on enhancing employee retention and job satisfaction. To achieve this, we have established a feedback mechanism to continually monitor and respond to employee sentiment. Using this feedback, we deploy strategies that enhance the skills of our people managers and improve internal communications with employees. Furthermore, we provide ongoing learning and leadership training opportunities to support professional growth.

In 2024, we conducted instructor-led trainings designed to build people leadership capabilities and train managers on delivering actionable feedback. We have also adopted a goal for each of our managers to have regular check-ins with employees to discuss their personal goals and career plans in furtherance of our commitment to career and professional development.

Gain operational efficiency

To support our growing portfolio of solutions, we continue to evolve our business processes to identify, measure and improve operational efficiency. The information developed will allow us to optimize processes, increase sales force productivity and improve asset utilization.

We are focused on increasing our territory sales managers' and sales representatives' capacity, efficiency and productivity. We may do this by adding more clinical support specialists and third-party sales agents as part of hybrid arrangements for case coverage, and by consigning instrument trays and implants at select sites of service. As of March 31, 2025, our trailing twelve month average revenue per territory sales manager has increased to approximately $2.0 million from $1.6 million as of March 31, 2024.

We have made significant investments in instrument trays used to perform surgeries. Our goal is to deploy instrument trays to the market where the demand exists to increase our asset utilization rates over time and use capital more effectively by having our instrument trays used in more surgeries in any given time period. Given supply chain disruptions impacting the industry, we are working closely with our suppliers to reduce lead time for our implants to ensure we can support our expanding physician footprint and over time build the resilience in our supply chain to reduce our cash investment in inventory. Additionally, we are partnering with our suppliers around design for manufacturing, specifically for newer products, to reduce the overall cost of the implants as we scale, and reduce waste and rework. Lastly, we are integrating our demand planning and manufacturing systems, to ensure we leverage actual usage trends as we build surgical capacity to support our growth.

Components of Results of Operations

Revenue

Our revenue from sales of implants fluctuates based on volume of cases (procedures performed), discounts, mix of international and U.S. sales, different implant pricing and the number of implants used for a particular patient. Similar to other orthopedic companies, our case volume can vary from quarter to quarter due to a variety of factors including reimbursement, sales force changes, physician activities, product launches, and seasonality. In addition, our revenue is impacted by changes in average selling price as we respond to the competitive landscape and price differences at different medical facilities, such as hospitals, ASCs and OBLs. Further, revenue results can differ based upon the mix of business between U.S. and international sales mix of our products used, and the sales channel through which each procedure is supported. Our revenue from international sales is impacted by fluctuations in foreign currency exchange rates between the U.S. dollar (our reporting currency) and the local currency.

Our business is affected by seasonal variations. For instance, we have historically experienced lower sales in the summer months and higher sales in the last quarter of the fiscal year as patients have more time in the winter months to have the procedure completed or want to take advantage of their annual limits on deductibles, co-payments and other out-of-pocket payments specified in their insurance plans. However, taken as a whole, seasonality does not have a material impact on our financial results from year to year.

Cost of Goods Sold, Gross Profit, and Gross Margin

We utilize third-party manufacturers for production of our implants and instrument trays. Cost of goods sold consists primarily of costs of the components of implants and instruments, instrument tray depreciation, royalties, scrap and inventory obsolescence, as well as distribution-related expenses such as logistics and shipping costs. Our cost of goods sold has historically increased as case levels increase and from changes in our product mix.

Operating Expenses

Our operating expenses consist of sales and marketing, research and development, and general and administrative expenses. Personnel costs are the most significant component of operating expenses and consist of salaries, sales commissions and other cash and stock-based compensation related expenses. We intend to make investments to execute our strategic plans and operational initiatives. We anticipate certain operating expenses will continue to increase to support our growth.

Sales and Marketing Expenses

Sales and marketing expenses primarily consist of salaries, stock-based compensation expense, and other compensation related costs, for personnel employed in sales, marketing, medical affairs, reimbursement and professional education departments. In addition, our sales and marketing expenses include commissions and bonuses, generally based on a percentage of sales, as well as certain commission guarantees paid to our senior sales management, territory sales managers, clinical support specialists and third-party sales agents.

Research and Development Expenses

Our research and development expenses primarily consist of engineering, product development, clinical and regulatory expenses (including clinical study expenses), consulting services, outside prototyping services, outside research activities, materials, depreciation, and other costs associated with development of our products. Research and development expenses also include related personnel compensation and stock-based compensation expense. We expense research and development costs as they are incurred.

Research and development expenses for engineering projects fluctuate with project timing. Based upon our broader set of product development initiatives and the stage of the underlying projects, we expect to continue to make investments in research and development. As such, we anticipate that research and development expenses will continue to increase in the future.

General and Administrative Expenses

General and administrative expenses primarily consist of salaries, stock-based compensation expense, and other costs for finance, accounting, legal, insurance, compliance, and administrative matters.

Interest Income

Interest income is primarily related to our investments of excess cash in money market funds and marketable securities.

Interest Expense

Interest expense is primarily related to borrowings, amortization of debt issuance costs, and accretion of final fees on the First-Citizens Third Amended Loan Agreement.

Other Income (Expense), Net

Other income (expense), net consists primarily of net foreign exchange gains and losses on foreign transactions.

Results of Operations

We manage and operate as one reportable segment. The table below summarizes our results of operations for the periods presented (percentages are amounts as a percentage of revenue), which we derived from the accompanying condensed consolidated financial statements:

	Three Months Ended March 31,			
	2025		2024	
	Amount	%	Amount	%
	(in thousands, except for percentages)			
Consolidated Statements of Operations Data:				
Revenue	$ 47,290	100 %	$ 37,867	100 %
Cost of goods sold	9,595	20 %	8,002	21 %
Gross profit	37,695	80 %	29,865	79 %
Operating expenses:				
Sales and marketing	30,681	65 %	29,387	78 %
Research and development	4,534	10 %	4,345	11 %
General and administrative	9,960	21 %	8,176	22 %
Total operating expenses	45,175	96 %	41,908	111 %
Loss from operations	(7,480)	(16)%	(12,043)	(32)%
Interest and other income (expense), net:				
Interest income	1,592	3 %	2,113	6 %
Interest expense	(662)	(1)%	(881)	(2)%
Other income (expense), net	8	— %	(93)	— %
Net loss	$ (6,542)	(14)%	$ (10,904)	(28)%

We derive the majority of our revenue from sales to customers in the U.S. Revenue by geography is based on billing address of the customer. The table below summarizes our revenue by geography:

	Three Months Ended March 31,			
	2025		2024	
	Amount	%	Amount	%
	(in thousands except for percentages)			
United States	$ 44,836	95 %	$ 35,425	94 %
International	2,454	5 %	2,442	6 %
	$ 47,290	100 %	$ 37,867	100 %

Comparison of the Three Months Ended March 31, 2025 and 2024

Revenue, Cost of Goods Sold, Gross Profit, and Gross Margin:

	Three Months Ended March 31,			
	2025	2024	$ Change	% Change
	(in thousands, except for percentages)			
Revenue	$ 47,290	$ 37,867	$ 9,423	25%
Cost of goods sold	9,595	8,002	1,593	20%
Gross profit	$ 37,695	$ 29,865	$ 7,830	26%
Gross margin	80 %	79 %		

Revenue. The increase in revenue for the three months ended March 31, 2025 as compared to the three months ended March 31, 2024 was primarily driven by a $9.4 million increase in our U.S. revenue from increased case volumes due to our expanded product portfolio.

Gross Profit and Gross Margin. Gross profit increased $7.8 million for the three months ended March 31, 2025 as compared to the three months ended March 31, 2024, mainly driven by higher revenue. The gross margin was 80% for the three months ended March 31, 2025 compared to a gross margin of 79% for the three months ended March 31, 2024 due to lower product costs, partially offset by higher royalties and reserves.

Operating Expenses:

	Three Months Ended March 31,			
	2025	2024	$ Change	% Change
	(in thousands, except for percentages)			
Sales and marketing	$ 30,681	$ 29,387	$ 1,294	4 %
Research and development	4,534	4,345	189	4 %
General and administrative	9,960	8,176	1,784	22 %
Total operating expenses	$ 45,175	$ 41,908	$ 3,267	8 %

Sales and Marketing Expenses. The increase in sales and marketing expenses for the three months ended March 31, 2025 as compared to the three months ended March 31, 2024 was primarily due to a $2.5 million increase in commissions and personnel cost driven by higher revenues, partially offset by a decrease of $1.2 million related to travel, stock-based compensation and consulting.

Research and Development Expenses. The slight increase in research and development expenses for the three months ended March 31, 2025 compared to the three months ended March 31, 2024 was primarily due an increase in employee-related costs and stock-based compensation due to an increase in headcount within research and development departments.

General and Administrative Expenses. The increase in general and administrative expenses for the three months ended March 31, 2025 compared to the three months ended March 31, 2024 was primarily due to a $0.7 million increase in employee-related costs and stock-based compensation due to an increase in headcount within general and administrative departments and a $1.0 million increase in legal and consulting fees.

Interest and Other Income (Expense), Net:

	Three Months Ended March 31,			
	2025	2024	$ Change	% Change
	(in thousands, except for percentages)			
Interest income	$ 1,592	$ 2,113	$ (521)	(25)%
Interest expense	(662)	(881)	219	25 %
Other income (expense), net	8	(93)	101	109 %
Total interest and other expense, net	$ 938	$ 1,139	$ (201)	(18)%

Interest Income. The decrease in interest income for the three months ended March 31, 2025 as compared to the three months ended March 31, 2024 was primarily due to lower investment balances.

Interest Expense. The decrease in interest expense for the three months ended March 31, 2025 as compared to the three months ended March 31, 2024 was due to lower interest rates associated with the First-Citizens Third Amendment Term Loan.

Other Income (Expense), Net. The change in other income (expense), net for the three months ended March 31, 2025 as compared to the three months ended March 31, 2024 was primarily due to foreign currency fluctuations.

Liquidity and Capital Resources

As of March 31, 2025, we had cash and marketable securities of $144.4 million as compared to $150.0 million as of December 31, 2024. We have financed our operations primarily through the sale of our common stock in our public offerings and debt financing arrangements. As of both March 31, 2025 and December 31, 2024, we had $35.5 million in outstanding debt.

As of March 31, 2025, we had an accumulated deficit of $437.9 million as compared to $431.4 million as of December 31, 2024. During the three months ended March 31, 2025, we incurred a net loss of $6.5 million. During the years ended December 31, 2024 and 2023, we incurred a net loss of $30.9 million and $43.3 million, respectively, and expect to incur additional losses in the future. We have not achieved positive cash flow from operations to date.

Based upon our current operating plan, we believe that our existing cash and marketable securities will enable us to fund our operating expenses and capital expenditure requirements over the next 12 months from the filing of this Form 10-Q. However, the financial impact of a potential economic downturn or capital market disruptions pose risks to and uncertainties in our future available capital resources. We may face challenges and uncertainties and, as a result, may need to raise additional capital as our available capital resources may be consumed more rapidly than currently expected due to, but not limited to (a) decreases in sales of our products and the uncertainty of future revenues from new products; (b) changes we may make to the business that affect ongoing operating expenses; (c) changes we may make in our business strategy; (d) regulatory and reimbursement developments affecting our existing products; (e) changes we may make in our research and development spending plans; and (f) other items affecting our forecasted level of expenditures and use of cash resources. In addition, as we seek to deploy new product offerings, the need for additional capital to fund the purchase of inventories of implants and instrument trays may become more acute and may limit the number of revenue opportunities that we pursue. Each new product family introduced typically requires the purchase of consumable implant inventory as well as investment in a fleet of instrument trays required to support procedures nationwide.

Term Loan

Our outstanding debt is related to a Loan and Security Agreement (the “Original Loan Agreement”) dated August 12, 2021 (the “Effective Date”), entered into by us and Silicon Valley Bank, a California corporation (“SVB”). Pursuant to the Original Loan Agreement, SVB provided us with a term loan in the aggregate principal amount of $35.0 million (the “Original Term Loan”).

On January 6, 2023, we entered into a First Amendment to Loan and Security Agreement with SVB (the “First Amendment”, and together with the Original Loan Agreement, collectively the “Amended Loan Agreement”). Upon entry into the Amended Loan Agreement, we borrowed $36.0 million pursuant to a new term loan (the “First Amendment Term Loan”), which was substantially used to repay in full the $35.0 million Original Term Loan outstanding under the Original Loan Agreement, and we also obtained a secured a revolving credit facility in an aggregate principal amount of up to $15.0 million (the “Revolving Line").

On January 25, 2024, we entered into a Second Amendment to Loan and Security Agreement with Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as successor in interest to SVB (“First-Citizens”) which further amended our Amended Loan Agreement (the “Second Amendment” and together with the Amended Loan Agreement, collectively, the “Second Amended Loan Agreement”). The Second Amendment revised certain provisions related to financial covenants and the periods in which such covenants applied.

On November 8, 2024, we entered into a Third Amendment to Loan and Security Agreement with First-Citizens (the "Third Amendment" and together with the Second Amended Loan Agreement, collectively, the "Third Amended Loan Agreement"), relative to a new term loan in the original aggregate principal amount of $36.0 million extended by First-Citizens to the Company (the "Third Amendment Term Loan"), which was substantially used to refinance and repay in full the then-outstanding $36.0 million existing First Amendment Term Loan. We also paid a certain final payment fee due relative to such prior First Amendment Term Loan. The Third Amendment set the maturity date for the Third Amendment Term Loan to September 1, 2029 (the "Third Amendment Term Loan Maturity Date"), and set the first principal repayment due date relative to the Third Amendment Term Loan to October 1, 2027; provided that upon the achievement of the Performance Milestone (as defined in the Third Amendment), the first principal payment shall become due on October 1, 2028. Interest on the outstanding principal balance of the Third Amendment Term Loan is payable monthly at a floating rate per annum equal to the greater of 4.25% and the WSJ prime rate minus 0.5%. The Company may elect to prepay the Third Amendment Term Loan in whole prior to the Third Amendment Term Loan Maturity Date, subject to a prepayment fee equal to 1.5% of the original principal amount of the Third Amendment Term Loan if the loan is prepaid within 18 months following the closing of the Third Amendment. The Third Amendment further revised certain provisions related to financial covenants and the periods in which such covenants apply, and First-Citizens and the Company also agreed to terminate the Revolving Line and an uncommitted accordion term loan provision.

Our material cash requirements include various contractual and other obligations consisting of long-term debt obligations with First-Citizens, operating lease obligations and purchase obligations with some of our suppliers and have not changed materially since the Form 10-K filed with the SEC on February 25, 2025. As of March 31, 2025, expected timing of those payments are as follows:

		Payments Due By Period			
	Total	Less than 1 year	1-3 years	4-5 years	More than 5 years
		(in thousands)			
Principal obligations (1)	$ 36,000	$ —	$ 6,000	$ 30,000	$ —
Interest obligations (2)	8,844	1,925	5,056	1,863	—
Operating lease obligations	1,761	851	899	11	—
Purchase obligations	554	554	—	—	—
Total	$ 47,159	$ 3,330	$ 11,955	$ 31,874	$ —

(1) Represents the principal obligations of our First-Citizens Third Amendment Term Loan.

(2) Represents the future interest obligations on our First-Citizens Third Amendment Term Loan estimated using an interest rate of 7% as of March 31, 2025.

This compares to $48.1 million of contractual obligations as of December 31, 2024.

Cash Flows

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

	Three Months Ended March 31,		
	2025	2024	$ Change
Net cash provided by (used in):		(in thousands)	
Operating activities	$ (4,911)	$ (7,571)	$ 2,660
Investing activities	10,630	6,347	4,283
Financing activities	103	105	(2)
Effects of exchange rate changes on cash and cash equivalents	417	(112)	529
Net increase (decrease) in cash and cash equivalents	$ 6,239	$ (1,231)	$ 7,470

Cash Used in Operating Activities

Net cash used in operating activities for the three months ended March 31, 2025 of $4.9 million resulted from cash outflows due to a net loss of $6.5 million, adjusted for $7.8 million of non-cash items, and cash outflows from net changes in operating assets and liabilities of $6.2 million. Net cash used in operating activities for the three months ended March 31, 2024 of $7.6 million resulted from cash outflows due to a net loss of $10.9 million, adjusted for $7.1 million of non-cash items, and cash outflows from changes in operating assets and liabilities of $3.7 million. The decrease in net loss, net of non-cash items for the three months ended March 31, 2025 as compared to the three months ended March 31, 2024 was mainly due to increased revenues. Net cash outflows from changes in operating assets and liabilities for the three months ended March 31, 2025 was primarily due to higher inventory build-up related to our new product introductions and higher account payable and lower accrued liabilities attributable to the normal timing of expenses. Net cash outflows from changes in operating assets and liabilities for the three months ended March 31, 2024 was primarily due to higher account payables and lower accrued liabilities attributable to the normal course timing of expenses.

Cash Flows From Investing Activities

Net cash provided by investing activities in the three months ended March 31, 2025 was $10.6 million as compared to cash used in investing activities of $6.3 million in the three months ended March 31, 2024. Net cash provided by investing activities for the three months ended March 31, 2025 consisted of maturities of our marketable securities net of purchases of $12.7 million, and purchases of property and equipment of $2.1 million primarily related to individual components in instrument sets to support revenue growth. Net cash used in investing activities for the three months ended March 31, 2024 consisted of purchases of our marketable securities net of maturities of $8.4 million, and purchases of property and equipment of $2.1 million primarily related to individual components in instrument sets.

Cash Provided by Financing Activities

Cash provided by financing activities in the three months ended March 31, 2025 and 2024 was $0.1 million resulting from the issuance of common stock under our stock-based incentive compensation plans.

Critical Accounting Policies, Significant Judgments, and Use of Estimates

This discussion and analysis of our financial condition and results of operations is based on our condensed consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of these condensed consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements, as well as the reported revenue generated, and expenses incurred during the reporting periods. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Our critical accounting policies and estimates are described in "Management's Discussion and Analysis of Financial Condition and Results of Operations - Critical Accounting Policies, Significant Judgments, and Use of Estimates" in our 2024 Annual Report. There had been no material changes to the descriptions of these accounting policies, judgments and estimates.

Seasonality

Our business is affected by seasonal variations. For instance, we have historically experienced lower sales in the summer months and higher sales in the last quarter of the fiscal year. However, taken as a whole, seasonality does not have a material impact on our financial results.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

We are exposed to market risks, including changes to foreign currency exchange rates and interest rates.

Foreign Currency Exchange Risk

We have foreign currency risks related to our revenue and operating expenses denominated in currencies other than the U.S. dollar, primarily the Euro. Accordingly, changes in exchange rates, and in particular a strengthening of the U.S. dollar, have in the past, and may in the future, negatively affect our revenue and other operating results as expressed in U.S. dollars.

We have experienced and will continue to experience fluctuations in net loss as a result of transaction gains or losses related to remeasuring certain current asset and current liability balances denominated in currencies other than the functional currency of the entities in which they are recorded. At this time, we have not entered into, but in the future we may enter into, derivatives or other financial instruments in an attempt to hedge our foreign currency exchange risk. It is difficult to predict the effect hedging activities would have on our results of operations. Foreign currency gains or losses, net recognized in the three months ended March 31, 2025 and 2024 were not material. A hypothetical 100 basis point change in foreign exchange rates during any of the periods presented would not have had a material impact on our condensed consolidated financial statements.

Interest Rate Risk

Our exposure to changes in interest rates relates to interest earned and market value on our cash and cash equivalents and short-term investments. Our cash and cash equivalents and short-term investments consist of cash, money market funds, U.S. government securities. The market value of our marketable securities may decline if current market interest rates rise. Our investment policy and strategy are focused on preservation of capital and supporting our liquidity requirements. We do not make investments for trading or speculative purposes.

With the execution of the Third Amendment with First-Citizens relative to the Third Amendment Term Loan, interest is payable monthly at a floating annual rate set at the greater of the prime rate as published in the Wall Street Journal minus 0.5% or 4.25%. Rising interest rates will increase the amount of interest paid on this debt. We believe that our exposure to interest rate risk is not significant due to the low risk profile of our investments and the amount of our Third Amendment Term Loan, therefore a hypothetical 100 basis point in market interest rates during any of the periods presented would not have had a material impact on our condensed consolidated financial statements.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Securities and Exchange Act of 1934 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 our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Internal control over financial reporting has inherent limitations. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. Internal control over financial reporting also can be circumvented by collusion or improper management override. Because of such limitations, there is a risk that material misstatements will not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk.

As of March 31, 2025, our management, with the participation of our Chief Executive Officer ("CEO") and our Chief Financial Officer ("CFO"), have evaluated our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934). Based on that evaluation, our CEO and our CFO have concluded that, as of March 31, 2025, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in internal control over financial reporting

During the quarter ended March 31, 2025, there were no changes in our internal controls over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

We are involved in various claims, complaints, investigations and legal actions that arise from time to time in the normal course of business, including commercial and employment matters. There are no matters pending that we currently believe are material. There can be no assurance that existing or future legal proceedings arising in the ordinary course of business or otherwise will not have a material adverse effect on our business, financial condition or results of operations.

Item 1A. Risk Factors

Except as set forth below, there have been no material changes from the risk factors disclosed in Part I, Item 1A. "Risk Factors" of our 2024 Annual Report. The risk factors described in our 2024 Annual Report, as well as other information set forth in this Quarterly Report on Form 10-Q, could materially adversely affect our business, financial condition, results of operations and prospects, and should be carefully considered. The risks and uncertainties that we face, however, are not limited to those described in the 2024 Annual Report. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business and the trading price of our securities.

Risks Related to Our Business and Our Industry

Disruptions in the supply of the materials and components used in manufacturing our products or the sterilization of our products by third-party suppliers could adversely affect our business, financial condition and results of operations.

Our suppliers purchase many of the materials and components used in the manufacture of our products from third-party suppliers. Certain of these materials and components can only be obtained from a single source or a limited number of sources due to quality considerations, expertise, costs or constraints resulting from regulatory requirements. In certain cases, our suppliers may not be able to establish additional or replacement suppliers for such materials or components or outsourced activities in a timely or cost-effective manner. A reduction or interruption in the supply of materials or components used in manufacturing our products, such as due to one or more suppliers experiencing reductions in operations and/or worker absences due to health epidemics, an inability to timely develop and validate alternative sources if required, or a significant increase in the price of such materials or components, such as that caused by tariffs and retaliatory countermeasures, inflation or rising interest rates, could adversely affect our business, financial condition and results of operations. For example, certain of our products require titanium, which is sourced from third-party suppliers. While the titanium required for such products is not directly sourced from Russia, the current geopolitical events involving Russia and Ukraine are negatively impacting the wider titanium supply chain. These geopolitical events and related factors and results, including related sanctions, may negatively impact the ability of our suppliers' third-party supply sources to timely supply titanium to our suppliers and may increase or result in additional costs to us. The imposition of tariffs on titanium sourced from Canada or elsewhere could further exacerbate these challenges and increase the cost of our implants.

In addition, many of our products require sterilization prior to sale, and our suppliers use contract sterilizers to perform this service. To the extent that these contract sterilizers are unable to sterilize our products, whether due to capacity, availability of materials for sterilization, regulatory or other constraints, including reductions in operations and/or worker absences due to health epidemics, we may be unable to transition to other contract sterilizers, sterilizer locations or sterilization methods in a timely or cost effective manner or at all, which could have a material impact on our results of operations and financial condition.

Various factors outside our direct control may adversely affect manufacturing, sterilization, and distribution of our products.

The manufacture, sterilization, and distribution of our products is challenging. Changes that our suppliers may make outside the purview of our direct control can have an impact on our processes, quality of our products, and the successful delivery of products to our customers. Mistakes and mishandling are not uncommon and can affect supply and delivery. Some of these risks include:

- failure to complete sterilization on time or in compliance with the required regulatory standards;
- transportation and import and export risk;
- delays in analytical results or failure of analytical techniques that we depend on for quality control and release of products;
- large-scale epidemics of communicable diseases;
- supply chain disruptions, including those caused by material and labor supply shortages, tariffs and retaliatory countermeasures, and prolonged inflation;
- natural disasters, labor disputes, financial distress, raw material availability, issues with facilities and equipment, or other forms of disruption to business operations affecting our manufacturers or suppliers; and
- latent defects that may become apparent after products have been released and that may result in a recall or field safety corrective action with respect to such products.
- If any of these risks were to materialize, our ability to provide our products to customers on a timely basis could be adversely impacted.

Risks Related to Ownership of Our Common Stock

The price of our common stock may be volatile, and the value of an investment in our common stock could decline.

Medical device stocks have historically experienced volatility, and the trading price of our common stock may fluctuate substantially. These fluctuations could cause our stockholders to lose all or part of their investment in our common stock. Factors that could cause fluctuations in the trading price of our common stock include the following:

- changes in interest rates, tariff policy investor risk appetite and other macroeconomic factors impacting the market for securities issued by medical device companies;
- the risk of inflation, interest rate increases, economic downturn or instability and other macroeconomic factors impacting patients' economic ability and likelihood of undergoing elective procedures, whether real or as perceived by investors;
- actual or anticipated changes or fluctuations in our results of operations;
- the impact of infectious diseases, and measures taken to combat them, on our business;
- results of our clinical trials and that of our competitors' products;
- regulatory actions with respect to our products or our competitor's products;
- announcements of new offerings, products, services or technologies, commercial relationships, acquisitions, or other events by us or our competitors;
- price and volume fluctuations in the overall stock market from time to time;
- significant volatility in the market price and trading volume of healthcare companies, in general, and of companies in the medical device industry in particular;
- fluctuations in the trading volume of our shares or the size of our public float;
- negative publicity;
- whether our results of operations meet the expectations of securities analysts or investors or those expectations change;
- litigation involving us, our industry, or both;
- regulatory developments in the United States, foreign countries, or both;
- lock-up releases and sales of large blocks of our common stock;
- additions or departures of key employees or scientific personnel; and
- general economic conditions and trends.

In addition, if the market for healthcare stocks or the stock market, in general, experience a further loss of investor confidence, the trading price of our common stock could decline for reasons unrelated to our business, results of operations, or financial condition. The trading price of our common stock might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has often been brought against that company. If our stock price is volatile, we may become the target of securities litigation. Securities litigation could result in substantial costs and divert our management's attention and resources from our business. This could have a material adverse effect on our business, results of operations, and financial condition.

Risks Related to Our Legal and Regulatory Environment

Inadequate funding for the FDA and other government agencies, disruptions or diminishment of the workforces of these government agencies, or a work slowdown or stoppage at those agencies as part of a broader federal government shutdown, or comparable scenarios with foreign regulatory authorities, could hinder their ability to hire and retain key leadership and other personnel, prevent new products and services from being developed or commercialized in a timely manner, or otherwise prevent those agencies from performing normal business functions on which the operation of our business may rely, which could negatively impact our business.

The ability of the FDA to review and approve or clear new products can be affected by a variety of factors, including government budget and funding levels, ability to hire and retain key personnel and accept the payment of user fees, and statutory, regulatory, and policy changes and other events that may otherwise affect the FDA's ability to perform routine functions. Disruptions at FDA and other agencies may also slow the time necessary for new product applications to be reviewed and/or approved by necessary government agencies, which could adversely affect our business. For example, in recent years, including for 35 days beginning on December 22, 2018, the U.S. government shut down several times and certain regulatory agencies, such as the FDA, had to furlough critical employees and stop critical activities. Average review times at FDA have fluctuated in recent years as a result. In addition, government funding of other government agencies on which our operations may rely is subject to the political process, which is inherently fluid and unpredictable. More recently, the FDA and other governmental agencies in the U.S. have been subject to sudden and dramatic reductions in the workforces due to termination of probationary employees, broad-based offers of early retirement to government employees and other efforts led by the Department of Government Efficiency under the current presidential administration. The impact of these reductions to the federal workforce remains to be seen.

If a prolonged government shutdown occurs, continued reductions in the U.S. governmental workforce, or if global health concerns or other political or world events prevent the FDA or other regulatory authorities from conducting their regular reviews or other regulatory activities, it could significantly impact the ability of the FDA to timely review and process our regulatory submissions, which could have a material adverse effect on our business. Future government shutdowns or delays could also impact our ability to access the public markets and obtain capital to fund the growth of our operations. Similar considerations and concerns apply to foreign regulatory authorities.

Our ability to access credit on favorable terms, if necessary, for the funding of our operations and capital projects may be limited due to changes in credit markets.

In the past, the credit markets and the financial services industry have experienced disruption characterized by the bankruptcy, failure, collapse or sale of various financial institutions, increased volatility in securities prices, diminished liquidity and credit availability and intervention from the U.S. and other governments. Continued concerns about the systemic impact of potential long-term or widespread downturn, energy costs, geopolitical issues, tariff policy and potential trade wars, the availability and cost of credit, the global commercial and residential real estate markets and related mortgage markets and reduced consumer confidence have contributed to increased market volatility. The cost and availability of credit has been and may continue to be adversely affected by these conditions. We cannot be certain that funding for our capital needs will be available from our existing financial institutions and the credit markets if needed, and if available, to the extent required and on acceptable terms. On November 8, 2024, we entered into a Third Amendment to Loan and Security Agreement (the "Third Amendment") with Silicon Valley Bank, a division of First-Citizens Bank & Trust Company ("First-Citizen"), which amends the Company's Loan and Security Agreement, dated as of August 12, 2021 (the "Original Loan Agreement"), as amended by that certain First Amendment to Loan and Security Agreement, dated as of January 6, 2023 (the "First Amendment") and that certain Second Amendment to Loan and Security Agreement, dated as of January 25, 2024 (the "Second Amendment" and collectively with the Original Loan Agreement, as amended by the First Amendment, Second Amendment and Third Amendment, the "Third Amended Loan Agreement"). The Third Amendment Term Loan extended by First-Citizens to us pursuant to the current Third Amended Loan Agreement terminates and matures on September 1, 2029, and if we cannot renew or refinance this Third Amendment Term Loan, if needed at such time, or obtain funding when needed, in each case on acceptable terms, such conditions may have an adverse effect on our ability to operate our business. See "Note 7. Borrowings" to the "Notes to Consolidated Financial Statements" included in this report for additional information.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not Applicable.

Item 5. Other Information

On May 5, 2025, our Board of Directors approved, at the recommendation of the Compensation Committee of the Board of Directors, an amendment to the Participation Agreement of Laura Francis, our Chief Executive Officer, for use with our Severance Benefit Plan, to provide for the following enhanced benefits upon termination without Cause or for Good Reason (each, as defined in the Severance Benefit Plan) within three months prior to or one year following a Change in Control (as defined in the Severance Benefit Plan): a lump-sum cash severance amount equal to 24 months of Ms. Francis's then effective base salary, a target bonus equals to 1.5 times Ms. Francis's target annual cash bonus, 18 months' continued benefits and full acceleration of Ms. Francis's outstanding equity awards, in each case subject to the execution and non-revocation of a release of claims. In the event of a termination other than for Cause and not in connection with a Change in Control, the severance payments include a lump sum cash payment equal to 18 months' base salary and benefit coverage for 18 months.

Item 6. Exhibits

Exhibit Number	Description	Incorporation By Reference			
		Form	SEC File No.	Exhibit/ Reference	Filing Date
3.1	Amended and Restated Certificate of Incorporation.	8-K	001-38701	3.1	10/19/2018
3.2	Second Amended and Restated Bylaws.	8-K	001-38701	3.1	9/20/2023
3.3	Amendment to Amended and Restated Certificate of Incorporation	8-K	001-38701	3.1	6/26/2024
4.1	Form of Common Stock Certificate of the Company.	S-1/A	333-227445	4.1	10/5/2018
4.2	Reference is made to Exhibits 3.1 and 3.2.				
10.1*	Second Amended and Restated Participation Agreement dated May 5, 2025 between the Registrant and Laura Francis.				
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				
32.1**	Certification of Principal Executive Officer and Principal 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 - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL 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)				

* Filed herewith.

** Furnished herewith. Exhibit 32.1 is being furnished and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section, nor shall such exhibit be deemed to be incorporated by reference in any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as otherwise specifically stated in such filing.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized, in Santa Clara, California, on May 6, 2025.

SI-BONE, Inc.

Date: May 6, 2025

By: /s/ Laura A. Francis

Laura A. Francis

Chief Executive Officer

(Duly Authorized Officer and Principal Executive Officer)

SI-BONE, Inc.

Date: May 6, 2025

By: /s/ Anshul Maheshwari

Anshul Maheshwari

Chief Financial Officer

(Duly Authorized Officer and Principal Financial and Accounting Officer)

Second Amended and Restated Participation Agreement

This Second Amended and Restated Participation Agreement (this "***Second Restated Agreement***") is entered into as of this 5th day of May 2025, by and between SI-BONE, Inc. (the "***Company***") and Laura A. Francis (the "***Participant***"), and amends and restates that certain Amended and Restated Participation Agreement dated as of April 20, 2021 (the "***First Restated Agreement***"), which in turn amended and restated that certain Participation Agreement dated July 20, 2020 (the "***Original Participation Agreement***"), each of which was authorized by the Company's Board of Directors ("***Board***") and entered into pursuant to the SI-BONE, Inc. Severance Benefit Severance Plan adopted by Board on July 16, 2020 (the "***Severance Plan***").

RECITALS

Whereas, the Company and the Participant are parties to the Original Participation Agreement which was superseded by the First Restated Participation Agreement;

Whereas, Section 9(b) of the Severance Plan permits amendments to such plan provided that any such amendment will not be effective as to a particular employee who is or may be adversely impacted by such amendment or termination and has an effective Participation Agreement without the written consent of such employee;

Whereas, the Board has approved certain changes to the Participant's severance benefits as more fully reflected herein; and

Whereas, the parties desire to amend and restated the First Restated Agreement to provide for the modifications set forth herein.

Now, Therefore, the parties agree that each of the Letter Agreement and the Participation Agreement, as amended, is hereby amended, automatically effective upon the Effective Date to reflect the following:

Name: Laura A. Francis

Section 1. Eligibility.

You have been designated as eligible to participate in the Severance Plan, a copy of which is attached to this Second Restated Agreement. Capitalized terms not explicitly defined in this Second Restated Agreement but defined in the Severance Plan shall have the same definitions as in the Severance Plan. You will receive the benefits set forth below if you meet all the eligibility requirements set forth in the Severance Plan, including, without limitation, timely executing a Release for benefit of the Company and allowing such Release to become effective in accordance with its terms. Notwithstanding the schedule for provision of benefits set forth below, the schedule and timing of payment of any benefits under this Participant Agreement is subject to any delay in payment that may be required under Section 5 of the Severance Plan.

Section 2. Change in Control Severance Benefits.

(a) If you are terminated in a Covered Termination that occurs during the Change in Control Period, you will receive the severance benefits set forth in this Section 2. All severance benefits described herein are subject to standard deductions and withholdings.

(a) Base Salary. You shall receive a cash payment in an amount equal to **24 months** (the "***Severance Period***") of payment of your Base Salary. The Base Salary payment will be paid to you in a lump sum cash payment no later than the second regular payroll date following the later of (i) the effective date of the Release or (ii) the Closing, but in any event not later than March 15 of the year following the year in which your Separation from Service occurs.

(b) Bonus Payment. You will be entitled to **1.5 times** the annual target cash bonus established for you, if any, pursuant to the annual performance bonus or annual variable compensation plan established by the Board of Directors or Committee (or any authorized committee or designee thereof) for the year in which your Covered Termination occurs. If at the time of the Covered Termination you are eligible for the annual target cash bonus for the year in which the Covered Termination occurs, but the target percentage (or target dollar amount, if specified as such in the applicable bonus plan) for such bonus has not yet been established for such year, the target percentage shall be the target percentage established for you for the preceding year (but adjusted, if necessary for your position for the year in which the Covered Termination occurs). For the avoidance of doubt, the amount of the annual target bonus to which you are entitled under this Section 2(b) will be calculated (1) assuming all articulated performance goals for such bonus (including, but not limited to, corporate and individual performance, if applicable), for the year of the Covered Termination were achieved at target levels; (2) as if you had provided services for the entire year for which the bonus relates; and (3) ignoring any reduction in your Base Salary that would give rise to your right to resignation for Good Reason (such bonus to which you are entitled under this Section 2(b), the "***Annual Target Bonus Severance Payment***"). The Annual Target Bonus Severance Payment shall be paid in a lump sum cash payment no later than the second regular payroll date following the later of (i) the effective date of the Release or (ii) the Closing, but in any event not later than March 15 of the year following the year in which your Separation from Service occurs.

(c) Payment of Continued Group Health Plan Benefits. If you timely elect continued group health plan coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("***COBRA***") following your Covered Termination date, the Company shall pay directly to the carrier the full amount of your COBRA premiums on behalf of you for your continued coverage under the Company's group health plans, including coverage for your eligible dependents, until the earliest of (i) the date **18 months** following the date of your Covered Termination, (ii) the expiration of your eligibility for the continuation coverage under COBRA, or (iii) the date when you become eligible for substantially equivalent health insurance coverage in connection with new employment (such period from your termination date through the earliest of (i) through (iii), the "***COBRA Payment Period***"). Upon the conclusion of such period of insurance premium payments made by the Company, you will be responsible for the entire payment of premiums (or payment for the cost of coverage) required under COBRA for the duration of your eligible COBRA coverage period, if any. For purposes of this Section, (1) references to COBRA shall be deemed to refer also to analogous provisions of state law and (2) any applicable insurance premiums that are paid by the Company shall not include any amounts payable by you under an Internal Revenue Code Section 125 health care reimbursement plan, which amounts, if any, are your sole responsibility. You agree to promptly notify the Company as soon as you become eligible for health insurance coverage in connection with new employment or self-employment.

Notwithstanding the foregoing, if at any time the Company determines, in its sole discretion, that it cannot provide the COBRA premium benefits without potentially incurring

financial costs or penalties under applicable law (including, without limitation, Section 2716 of the Public Health Service Act), then in lieu of paying COBRA premiums directly to the carrier on your behalf, the Company will instead pay you on the last day of each remaining month of the COBRA Payment Period a fully taxable cash payment equal to the value of your monthly COBRA premium for the first month of COBRA coverage, subject to applicable tax withholding (such amount, the "***Special Severance Payment***"), such Special Severance Payment to be made without regard to your election of COBRA coverage or payment of COBRA premiums and without regard to your continued eligibility for COBRA coverage during the COBRA Payment Period. Such Special Severance Payment shall end upon expiration of the COBRA Payment Period.

(d) Equity Acceleration. The vesting and exercisability of each outstanding unvested stock option and other stock award, as applicable, that you hold covering Company common stock (each, an "***Equity Award***") shall be accelerated in full and any reacquisition or repurchase rights held by the Company in respect of common stock issued pursuant to any Equity Award granted to you shall lapse in full. For purposes of determining the number of shares that will vest pursuant to the foregoing provision with respect to any performance based vesting Equity Award for which the performance period has not ended and that has multiple vesting levels depending upon the level of performance, vesting acceleration with respect to any ongoing performance period(s) shall occur with respect to the number of shares subject to the award as if the applicable performance criteria had been attained at a 100% level or, if greater, based on actual performance as of the termination of your Continuous Service to the Company. Notwithstanding anything to the contrary set forth herein, your Equity Awards shall remain subject to the terms of the Equity Plan (or other applicable Company plan) and award documents under which such Equity Award was granted, including any provision for earlier termination of such Equity Awards.

(e) Extension of Post-Termination Exercise Period. All outstanding Equity Awards which carry a right to exercise that you hold as of the date of your Covered Termination will expire on the earlier of (A) the original term of such outstanding Equity Awards as set forth in the applicable award agreement or the equity incentive plan, subject to earlier termination in the event of a Change in Control as set forth in the terms of the applicable equity incentive plan and definitive agreement for such Change in Control transaction, and (B) the date which occurs on the second anniversary of termination of your Continuous Service to the Company.

Section 3. Non-Change in Control Severance Benefits. If your employment is terminated by the Company without Cause that occurs at a time that is not during the Change in Control Period, you will receive:

(a) the base salary cash payment described in Section 2(a) above, but the Severance Period for purposes of calculating such benefits shall be **18 months**; and

(b) the COBRA benefits described in Section 2(c) above, but the Severance Period for purposes of calculating such benefits shall be **18 months**.

(c) You shall not be eligible to receive any other benefits under the Severance Plan except as described in Section 3(a) and Section 3(b) above.

For the avoidance of doubt, in no event shall you be entitled to benefits under both Section 2 and this Section 3. If you are eligible for severance benefits under both Section 2 and this Section 3,

you shall receive the benefits set forth in Section 2 and such benefits shall be reduced by any benefits previously provided to you under Section 3.

Section 4. Acknowledgements.

As a condition to participation in the Severance Plan, you hereby acknowledge each of the following:

(a) The benefits that may be provided to you under this Second Restated Agreement are subject to certain reductions and termination under Section 2 and Section 3 of the Severance Plan.

(b) Your eligibility for and receipt of any severance benefits to which you may become entitled as described in Section 2 or Section 3 above is expressly contingent upon your execution of and compliance with the terms and conditions of the Severance Plan, the Release and the Confidentiality Agreement. Severance benefits under this Second Restated Agreement shall immediately cease in the event of your violation of the provisions of Confidentiality Agreement or any other written agreement with the Company.

(c) As further described in Section 2(c) of the Severance Plan, this Second Restated Agreement and the Severance Plan supersede and replace any change in control or severance benefits previously provided to you and by executing below you expressly agree to such treatment. In particular, you previously entered into the Original Participation Agreement dated July 20, 2020 under the Severance Plan as well as the First Restated Agreement dated April 20, 2021. Section 9(b) of the Severance Plan permits amendments to such plan provided that such amendment with the written consent of such employee. This Second Restated Agreement, and the severance benefits set forth herein, shall supersede and replace in their entirety the Original Participation Agreement and the First Restated Agreement, and the severance benefits set forth respectively therein.

[Remainder of Page Intentionally Left Blank]

To accept the terms of this Second Restated Agreement and continue to participate in the Severance Plan under the amended terms set forth herein, please sign and date this Agreement in the space provided below and promptly return it to Timothy E. Davis.

SI-BONE, Inc.

By: /s/ Timothy E. Davis
Timothy E. Davis,
Lead Independent Director and
Compensation Committee Chairman

Eligible Employee

/s/ Laura A. Francis
Laura A. Francis

Date: 5/1/2025

5.

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Laura A. Francis, certify that:

1. I have reviewed this Form 10-Q of SI-BONE, 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(s) 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 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(s) 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: May 6, 2025

/s/ Laura A. Francis
Laura A. Francis
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Anshul Maheshwari, certify that:

1. I have reviewed this Form 10-Q of SI-BONE, 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(s) 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 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(s) 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: May 6, 2025

/s/ Anshul Maheshwari
Anshul Maheshwari
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER AND PRINCIPAL FINANCIAL OFFICER

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), Laura A. Francis, Chief Executive Officer of SI-BONE, Inc. (the "Company"), and Anshul Maheshwari, Chief Financial Officer of the Company, each hereby certifies that, to the best of his or her knowledge:

1. The Company's Quarterly Report on Form 10-Q for the period ended March 31, 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.

/s/ Laura A. Francis

Date: May 6, 2025

Laura A. Francis
Chief Executive Officer
(Principal Executive Officer)

/s/ Anshul Maheshwari

Date: May 6, 2025

Anshul Maheshwari
Chief Financial Officer
(Principal Financial and Accounting Officer)

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 SI-BONE, 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.