

VERICEL Q1 2023 RESULTS

MAY 10, 2023

Safe Harbor

Vericel cautions you that all statements other than statements of historical fact included in this presentation that address activities, events or developments that we expect, believe or anticipate will or may occur in the future are forward-looking statements. Although we believe that we have a reasonable basis for the forward-looking statements contained herein, they are based on current expectations about future events affecting us and are subject to risks, assumptions, uncertainties and factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control. Our actual results may differ materially from those expressed or implied by the forward-looking statements in this press release. These statements are often, but are not always, made through the use of words or phrases such as “anticipates,” “intends,” “estimates,” “plans,” “expects,” “continues,” “believe,” “guidance,” “outlook,” “target,” “future,” “potential,” “goals” and similar words or phrases, or future or conditional verbs such as “will,” “would,” “should,” “could,” “may,” or similar expressions.

Among the factors that could cause actual results to differ materially from those set forth in the forward-looking statements include, but are not limited to, uncertainties associated with our expectations regarding future

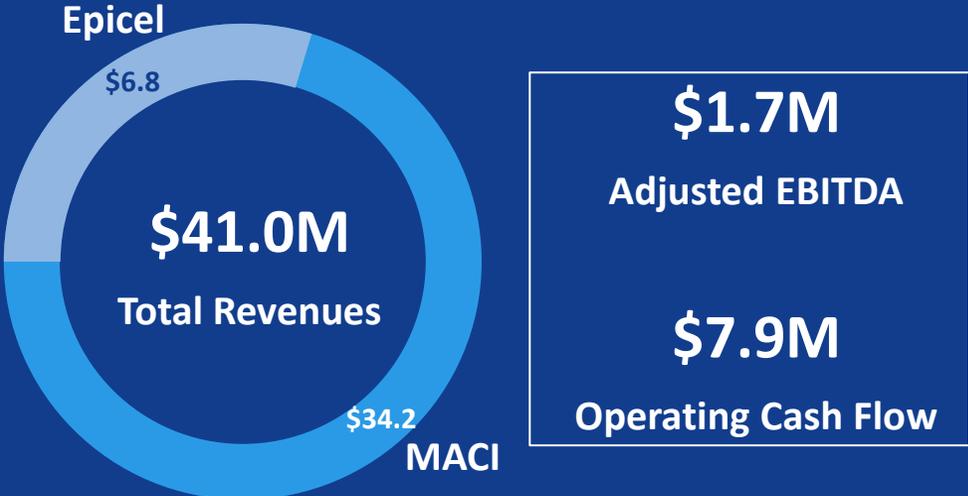
revenue, growth in revenue, market penetration for MACI[®], Epicel[®], and NexoBrid[®], growth in profit, gross margins and operating margins, the ability to continue to scale our manufacturing operations to meet the demand for our cell therapy products, including the timely completion of a new headquarters and manufacturing facility in Burlington, Massachusetts, the ability to achieve or sustain profitability, contributions to adjusted EBITDA, the expected target surgeon audience, potential fluctuations in sales and volumes and our results of operations over the course of the year, timing and conduct of clinical trial and product development activities, timing and likelihood of the FDA’s potential approval of the arthroscopic delivery of MACI to the knee or the use of MACI to treat cartilage defects in the ankle, the estimate of the commercial growth potential of our products and product candidates, competitive developments, changes in third-party coverage and reimbursement, the ultimate timing of the commercial launch of NexoBrid in the United States, physician and burn center adoption of NexoBrid, supply chain disruptions or other events affecting MediWound Ltd.’s ability to manufacture and supply NexoBrid to meet customer demand, negative impacts on the global economy and capital markets resulting from the conflict in Ukraine, global geopolitical tensions or record inflation

and the ongoing or future impacts of the COVID-19 pandemic on our business or the economy generally.

These and other significant factors are discussed in greater detail in Vericel’s Annual Report on Form 10-K for the year ended December 31, 2022, filed with the Securities and Exchange Commission (SEC) on February 23, 2023, Vericel’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2023, filed with the SEC on May 10, 2023, and in other filings with the SEC. These forward-looking statements reflect our views as of the date hereof and Vericel does not assume and specifically disclaims any obligation to update any of these forward-looking statements to reflect a change in its views or events or circumstances that occur after the date of this release except as required by law.

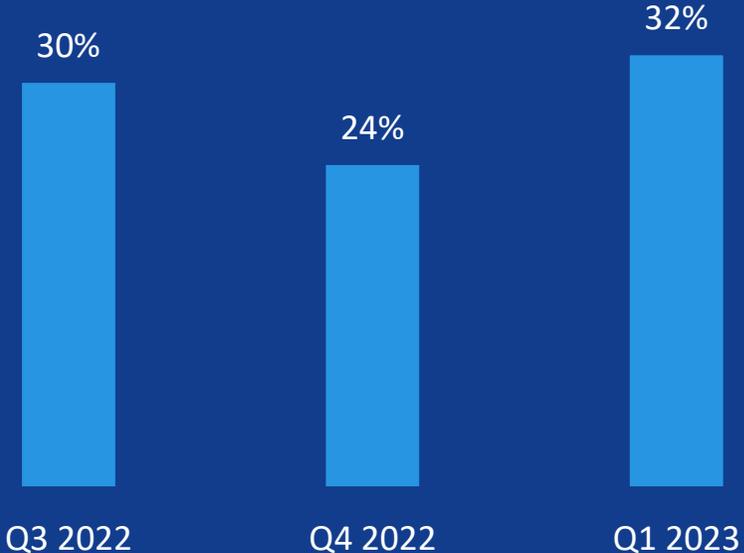
Q1 2023 Financial Highlights

Q1 Financial Highlights



As of March 31, 2023, approximately \$139 million in cash and investments, and no debt

Recent MACI Growth Rates



MACI trailing three quarter growth of 28%

Key Brand and Business Updates

MACI

- ▶ Highest first quarter MACI revenue since launch, representing growth of 32% compared to the prior year
- ▶ Highest number of surgeons taking MACI biopsies and second highest number of MACI biopsies in a quarter since launch
- ▶ MACI arthroscopic delivery program remains on track for an anticipated 2024 commercial launch

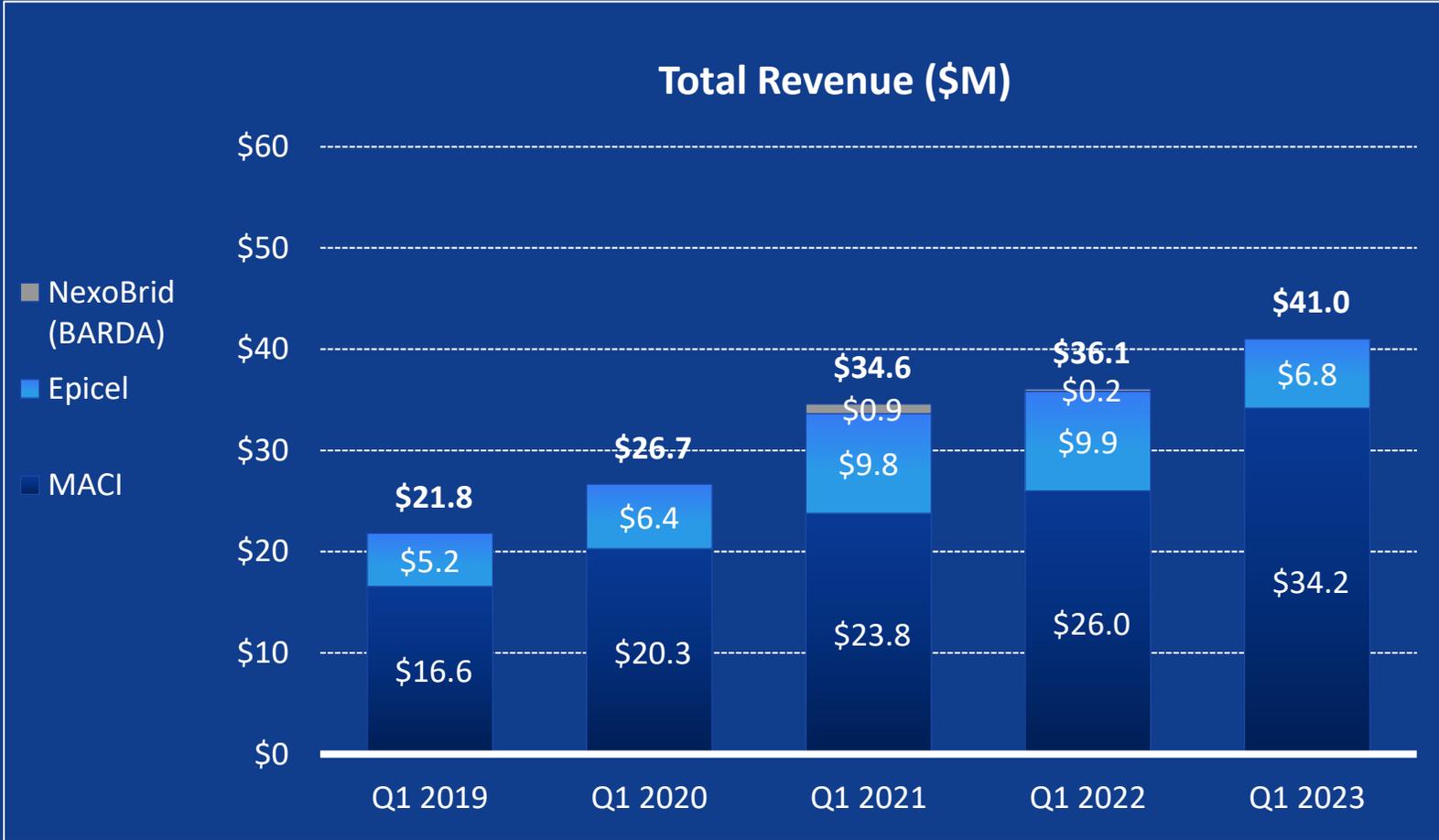
Burn Care

- ▶ Tracking ahead of initial goals on NexoBrid Pharmacy and Therapeutics (P&T) committee submissions and approvals at target burn centers
- ▶ NexoBrid selected for inclusion in the pre-conference healthcare professional educational sessions at American Burn Association (ABA) annual meeting with hands-on demonstrations by leading burn surgeons

Corporate Highlights

- ▶ Record first quarter total revenue of \$41 million
- ▶ 11th straight quarter of positive adjusted EBITDA and operating cash flow

Q1 Revenue Details



MACI First Quarter Net Revenue Increased 32% to \$34.2 Million

First-Quarter 2023 Financial Results

Three Months Ended
March 31,

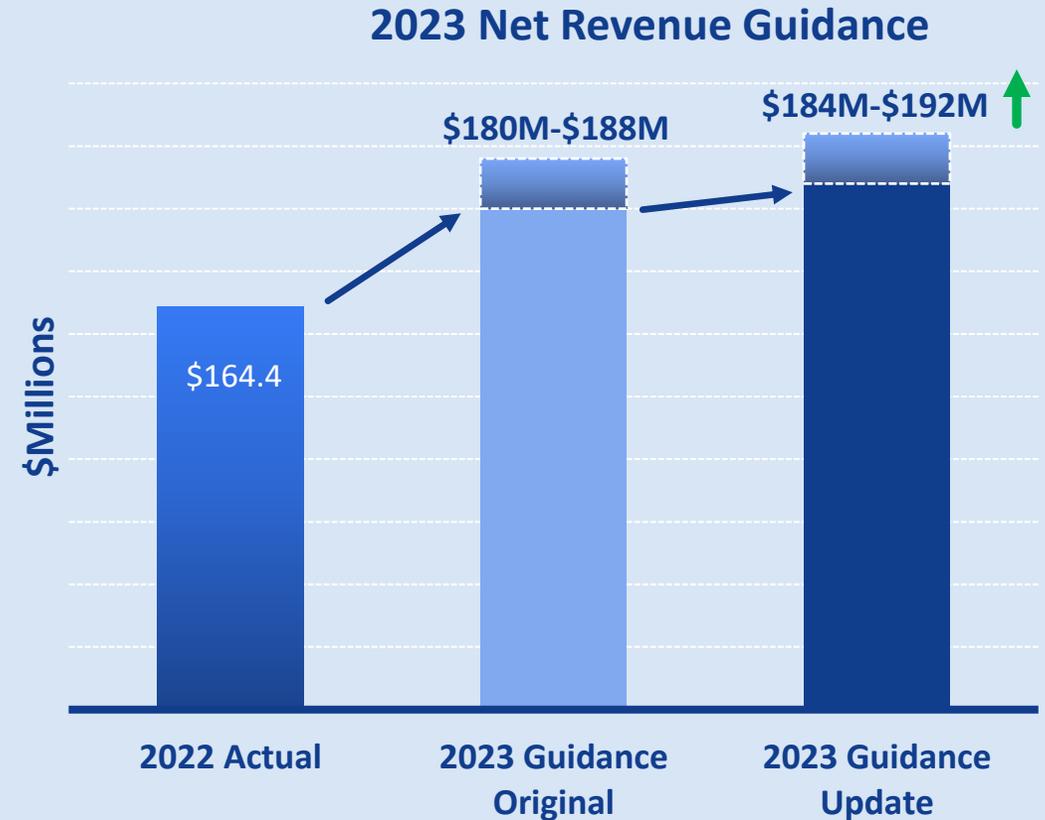
Unaudited, amounts in millions except per share amounts	2023	2022
Net Revenue	\$41.0	\$36.1
Gross Profit	26.5	23.5
Gross Margin	65%	65%
Research and Development	5.2	4.9
Selling, General and Administrative	<u>29.5</u>	<u>25.9</u>
Total Operating Expenses	34.7	30.7
Operating Loss	<u>(8.2)</u>	<u>(7.3)</u>
Net Loss Per Share (Diluted)	(\$0.16)	(\$0.15)
Weighted average shares outstanding (Diluted)	47.4	47.0
Adjusted EBITDA	1.7	3.2
Adjusted EBITDA Margin	4%	9%
Stock-based compensation included in Operating and Net Loss	8.7	9.5

- ▷ Q1 2023 Operating Cash Flow of \$7.9 million
- ▷ ~\$139 million in cash and investments as of March 31, 2023, and no debt

Increasing 2023 Revenue Guidance

- ↑ Total net revenue of **\$184–\$192 million**
 - ↑ ❖ MACI revenue of **\$156–\$160 million** with growth of 18%–21% vs. 2022
 - ❖ Burn Care revenue of **\$28–\$32 million**
- Gross margin in the **high-60% range**
Adjusted EBITDA margin in the **mid-teens % range**

↑ *Increased since previous guidance*



VERICEL Q1 2023 FINANCIAL RESULTS

APPENDIX

Reconciliation of Reported Net Loss (GAAP) to Adjusted EBITDA (Non-GAAP Measure) – Unaudited

Three Months Ended
March 31,

Adjusted EBITDA (In Thousands)	2023	2022
Net Loss (GAAP)	\$ (7,495)	\$ (7,091)
Stock-based compensation expense	8,731	9,531
Depreciation and amortization	1,158	873
Net interest income	(694)	(70)
Adjusted EBITDA (Non-GAAP)	\$ 1,700	\$ 3,243

Vericel Capitalization Table

Capitalization (as of March 31, 2023)	Shares
Common Stock	47,507,256
Options Outstanding	6,917,666
Unvested Restricted Stock Units	954,256
Total	<u>55,379,178</u>