NEXOBRID® NORTH AMERICAN LICENSE AGREEMENT SUMMARY

MAY 7, 2019

Safe Harbor

This presentation contains forward-looking statements, including, without limitation, statements concerning anticipated progress, objectives and expectations regarding profitability, growth in revenue, the commercial potential of our products, and objectives of the company, all of which involve certain risks and uncertainties. These statements are often, but are not always, made through the use of words or phrases such as “anticipates,” “intends,” “estimates,” “plans,” “expects,” “we believe,” “target,” “goals” and similar words or phrases, or future or conditional verbs such as “will,” “would,” “should,” “potential,” “could,” “may,” or similar expressions. Actual results may differ significantly from the expectations contained in the forward-looking statements.

Among the factors that may result in differences are the inherent risks and uncertainties associated with our financial goals, growth in revenues, profit and margins, impact to adjusted EBITDA, timing and conduct of clinical trial and product development activities, timing or likelihood of regulatory submissions and approvals, estimating the commercial potential and margins of our products and product candidates, increasing market penetration for Epicel, cost savings and patent protection for NexoBrid, product performance, competitive developments, ability to achieve or sustain profitability, our need to generate significant sales to become profitable, potential fluctuations in sales volumes and our results of operations, market demand for our products, our ability to secure consistent reimbursement for our products, any disruption or delays in operations at our facilities, our dependence on a limited number of third party suppliers, our ability to maintain and expand our network of direct sales employees, and our ability to supply or meet customer demand for our products. 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, 2018, filed with the Securities and Exchange Commission (“SEC”) on February 26, 2019, Quarterly Reports on Form 10-Q and other documents filed by the Company with the SEC from time to time.

These forward-looking statements reflect management’s current views and Vericel does not undertake 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.

NexoBrid Overview

Biological orphan product that enzymatically removes nonviable burn tissue (eschar) in patients with deep partial- and full-thickness burns within 4 hours without harming viable tissue

- Approved in the EU and other international markets
- Designated as an orphan biologic in the United States
- Pivotal U.S. Phase 3 clinical study met primary and all secondary endpoints
- $132 million BARDA contract includes funding support for development costs to obtain U.S. approval and medical countermeasure procurement
- Orphan and biologic exclusivities in the U.S.; patent protection until 2029
- BLA filing targeted for Q4 2019 (Q2 2020 if 12-month safety data required at filing)

Strategic Rationale for NexoBrid License Agreement

Excellent Strategic Fit with Vericel's Advanced Therapy Portfolio

- Innovative biological orphan product that represents a paradigm shift in burn patient standard of care
- High-value product in area of significant unmet need, with focused call points and consultative sales model

De-Risked Asset with Compelling Clinical and Pharmacoeconomic Data

- Approved in EU/OUS markets and positive top-line results from pivotal U.S. Phase 3 DETECT clinical study
- Published pharmacoeconomic benefits demonstrating significant potential cost savings

Highly Synergistic with Existing Commercial Franchise and Significantly Expands Presence in the Burn Care Market

- Leverages capabilities and supports broader commercial footprint to drive NexoBrid uptake and increase Epicel penetration
- Expands target addressable market, with a focus on a significantly larger segment of hospitalized burn patients
- Builds critical mass in burn care franchise revenue base and reduces quarterly revenue volatility

Attractive Financial Profile

- BARDA funding support for development costs required to obtain U.S. approval as well as medical countermeasure procurement
- Long-term margins consistent with expected margins for current portfolio

Performance-Based Deal Structure

- $25 million through approval, with first sales milestone of $7.5 million triggered at $75 million in annual net sales
- Single to low double-digit royalties on net sales

Early Eschar Removal is a Critical 1st Step in Burn Treatment

Eschar Removal

Before… **…After**

- Prevents local infection and sepsis
- Avoids further deterioration and scarring
- Early debridement enables faster initiation of wound healing
- Allows direct visual assessment of wound bed, enabling an informed treatment plan

Current Standard of Care

Non-Surgical Eschar Removal

- Autolysis
- Topical medications
- Enzymes, chemicals, biologicals

Significant Limitations

- Limited debriding efficacy; surgery often needed
- Protracted; increased eschar-related morbidities
- Less useful for deep and extensive burns
- Multiple dressing changes/wound handlings

Surgical Eschar Removal

- Tangential excision
- Dermabrasion
- Hydro-jet surgery

Significant Limitations

- Traumatic and non-selective
- Loss of healthy tissue and blood
- Challenging in delicate areas
- OR access may delay start of debridement

Clear unmet need for selective and effective debridement treatment for severe burns

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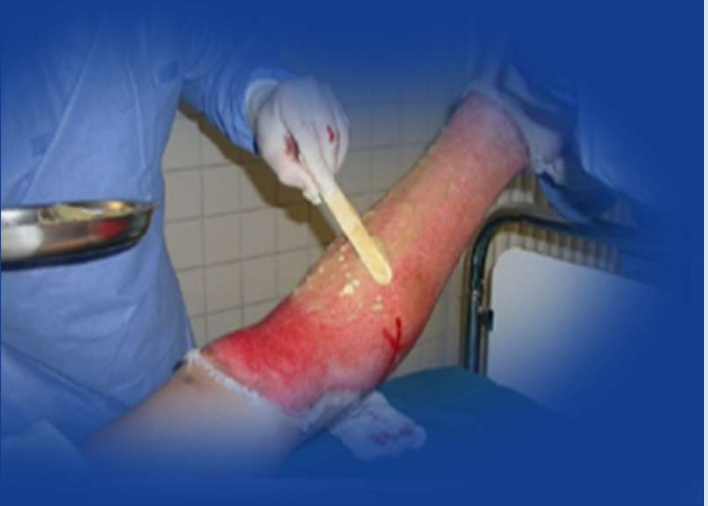
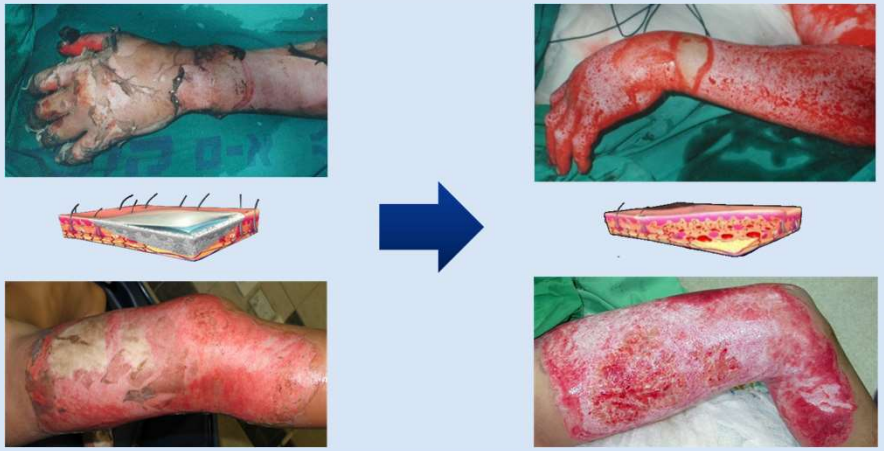
NexoBrid Product Overview



Effectively and selectively removes burn eschar within four hours without harming surrounding viable tissue

- Bromelain-based biological product containing a sterile mixture of proteolytic enzymes
- Easy-to-use, single, non-surgical topical application at the patient's bedside
- Allows for early visual assessment of the wound, enabling development of an informed treatment plan
- European pharmacoeconomic studies suggest that NexoBrid can lead to cost savings of up to 30% compared to standard of care



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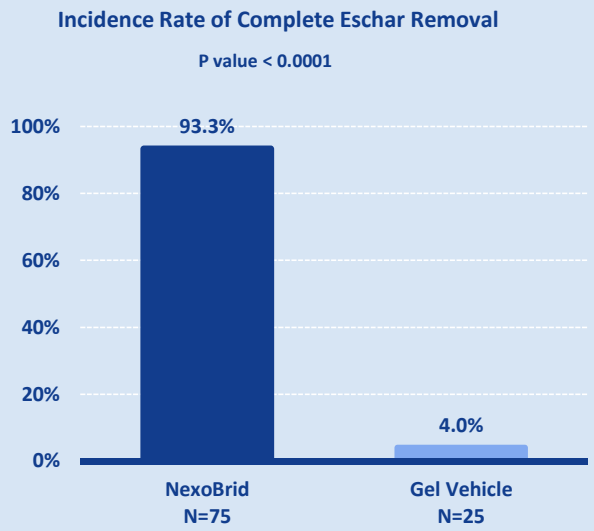
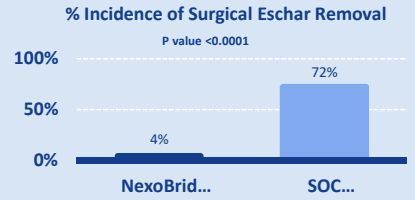
Positive Top-Line Results From Pivotal U.S Phase 3 Clinical Study (DETECT)

DETECT study met its primary endpoint with a significantly higher incidence of complete eschar removal

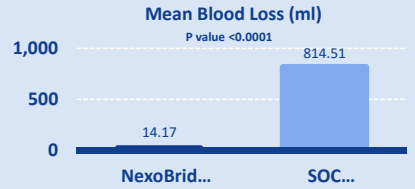


DETECT study met all secondary endpoints and a key safety endpoint compared to standard of care

- ✓ Statistically significantly lower incidence of surgical eschar removal



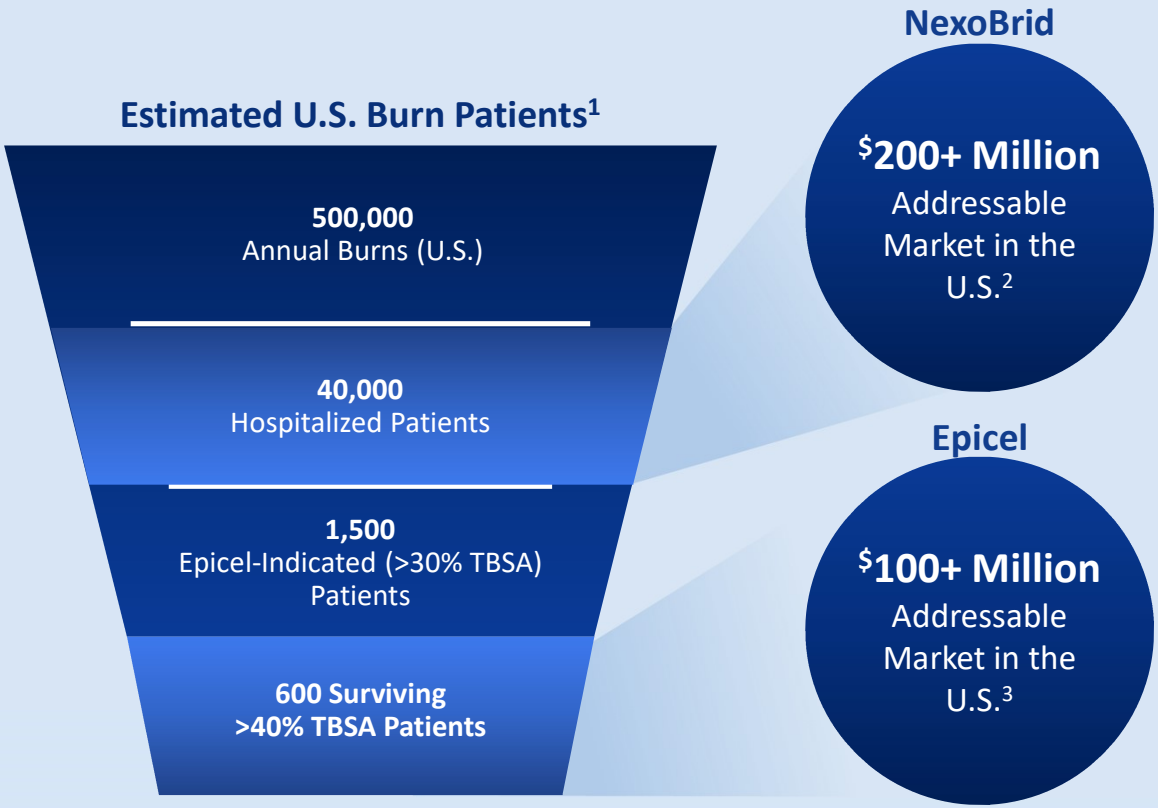
- ✓ Statistically significantly lower blood loss compared to standard of care



- ✓ Statistically significantly shorter time to achieve complete eschar removal
- ✓ Non-inferior time to complete wound closure

Source: MediWound

Burn Franchise Addressable Market Opportunity



NexoBrid significantly expands the total addressable market opportunity for Vericel's burn franchise

[1] 2017 National Burn Repository Report Version 13.
[2] ~90% of hospitalized patients with thermal burns; ~90% of eligible patients are debrided (management estimate); ~10% TBSA for average patient with pricing analysis ongoing; ~85% of TAM in burn centers based on 75% of all hospitalized patients admitted into burn centers (http://ameriburn.org/who-we-are/media/burn-incidence-fact-sheet/) and burn centers having a higher rate of debridement.
[3] Assumes 600 patients x 1.25 (25% re-order rate) x ~70 grafts per order x ~$3,000 per graft.

Transaction Summary

Consideration to MediWound	• $17.5 million upfront payment • $7.5 million upon U.S. approval • $7.5 million sales milestone triggered when annual net sales exceed $75 million (total of $125 million in contingent sales milestones) • Tiered royalties on net sales ranging from single to low double-digit percentages • Percentage of gross profits on initial BARDA procurement orders and royalty on subsequent purchases
Financial Impact to Vericel	• BARDA funding for development costs required to obtain U.S. approval as well as medical countermeasure procurement • Long-term margins consistent with expected margins for current portfolio (70%+ gross margins, including supply price and royalty payments) • Neutral expected impact to adjusted EBITDA in 2019 and 2020 as a result of expected upfront BARDA orders
Financing	• Sufficient cash on hand to fund transaction

Strategic Transactions to Maximize Long-Term Value

ADVANCED CELL THERAPY DEVELOPMENT AND MANUFACTURING PLATFORM

Sports Medicine Franchise

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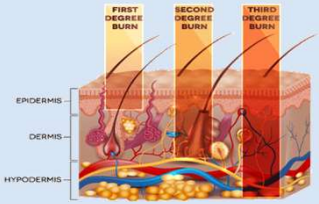
Severe Burn Care Franchise



Epicel® (cultured epidermal autografts)

NexoBrid®

New Advanced Cell Therapy Vertical(s)

NexoBrid transaction perfectly aligned with business development strategy focused on opportunities having a **strategic fit with current franchises** or advanced cell therapy **platform**

Summary

Innovative biological orphan product that is an excellent fit with Vericel's advanced therapy portfolio

De-risked asset with compelling clinical and pharmacoeconomic benefits

Highly synergistic with existing commercial franchise and significantly expands burn care addressable market

Attractive financial profile with long-term margins consistent with expected margins for current portfolio

Vericel is uniquely positioned to maximize the value of NexoBrid in the U.S. market