VERICEL

VERICEL
Q4 2021 RESULTS

FEBRUARY 24, 2022

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 presentation. 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.

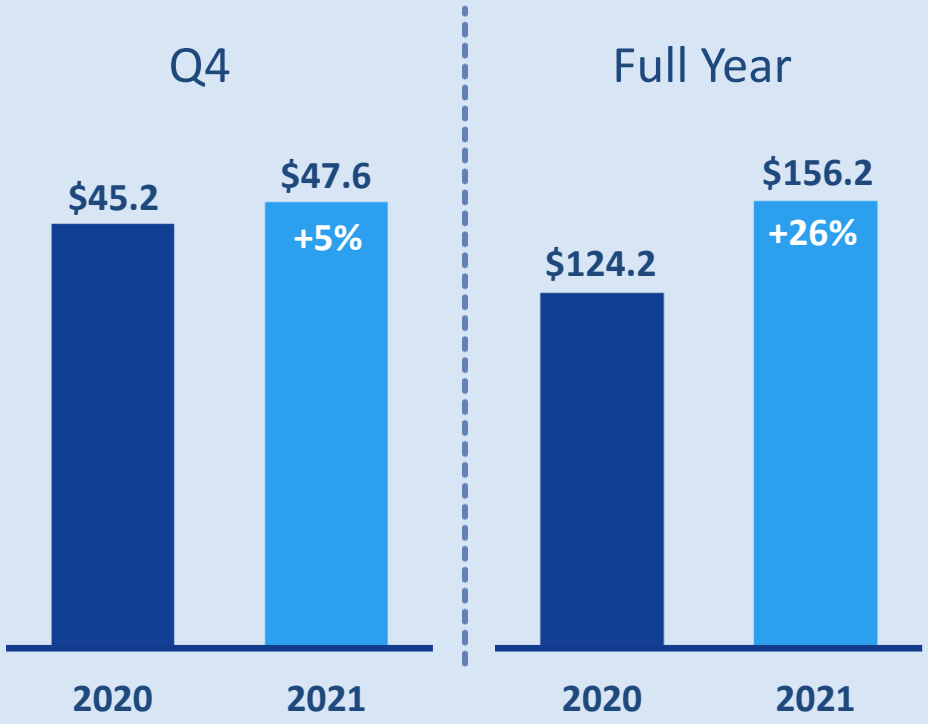
Among the factors that could cause actual results to differ materially from those set forth in the forward-looking statements include, but are not limited to, uncertainties associated with our expectations regarding future revenue, growth in revenue, market penetration for MACI® and Epicel®, growth in profit, gross margins and operating margins, 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 of the resubmission to the Food & Drug Administration (FDA) of a Biologics License Application (BLA) for NexoBrid® seeking approval for the treatment of severe burns in the United States following MediWound's receipt of a complete response letter on June 28, 2021, timing or likelihood of approval by the FDA of the NexoBrid BLA resubmission, the estimate of the commercial growth potential of our products and product candidates, availability of funding from BARDA under its agreement with MediWound for use in connection with NexoBrid development activities, competitive developments, changes in third-party coverage and reimbursement, our ability to supply or meet customer demand for our products, and the ongoing impacts of the COVID-19 pandemic on our business or the economy generally.

With respect to COVID-19, we are currently unable to predict whether the recent spread of the COVID-19 Delta and Omicron variants or a future resurgence of COVID-19 infections that may limit the effectiveness of approved vaccines will result in future restrictions on the performance of elective surgical procedures or affect the availability of physicians and/or their treatment prioritizations, cause healthcare facility staffing shortages, effect the willingness or ability of patients to seek treatment, or heighten the impact of the outbreak on the overall healthcare infrastructure. Other disruptions or potential disruptions include restrictions on the ability of Company personnel to travel and access customers for training, promotion and case support, delays in product development efforts, and additional government-imposed quarantines and requirements to "shelter at home" or other incremental mitigation efforts or initiatives that may impact our ability to source supplies for our operations or our ability or capacity to manufacture, sell and support the use of our products. With respect to NexoBrid, the COVID-19 pandemic may impact the FDA's response times to future regulatory submissions, its ability to monitor our clinical trials, and/or conduct necessary reviews or inspections of manufacturing facilities involved in the production of NexoBrid, any or all of which may result in timelines being materially delayed, which could affect the development and ultimate commercialization of NexoBrid. The total impact of these disruptions could have a material impact on the Company's financial condition, cash flows and results of operations.

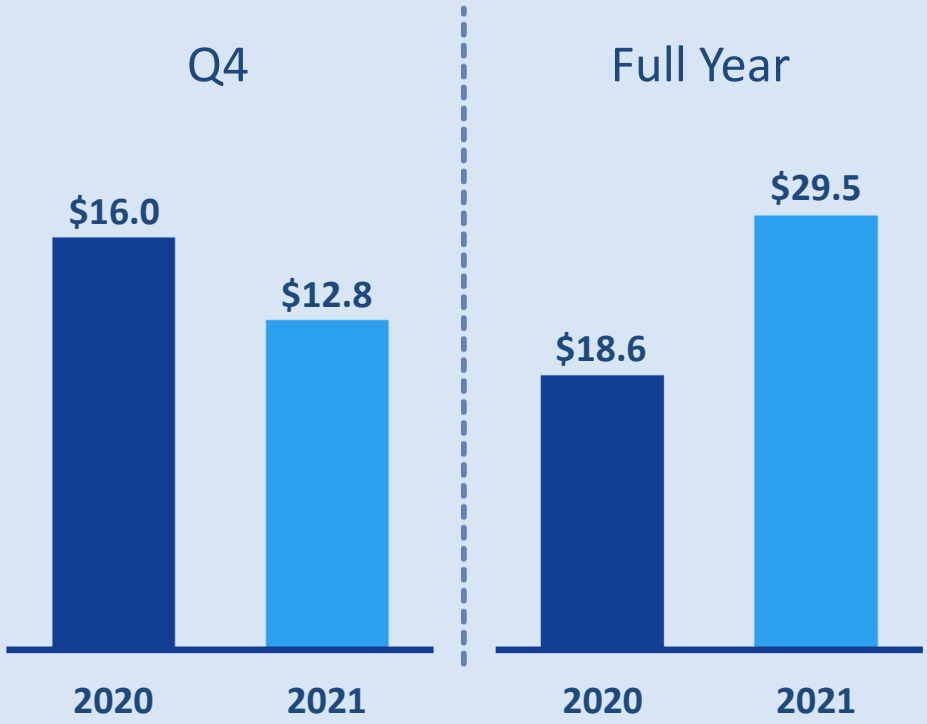
These and other significant factors are discussed in greater detail in Vericel's Annual Report on Form 10-K for the year ended December 31, 2021, filed with the Securities and Exchange Commission (SEC) on February 24, 2022, and in other filings with the SEC. These forward-looking statements reflect our 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 presentation, except as required by law.

Q4 and Full Year 2021 Financial Results

Total Net Revenue ($M)



Non-GAAP Adjusted EBITDA ($M)



Key Brand and Business Updates

MACI

- Full-year revenue growth of 18%, achieving record quarterly revenue in the fourth quarter
- 20% growth in surgeons taking MACI biopsies and 30% growth in biopsies for the year
- Record quarterly high in the number of biopsies and surgeons taking biopsies in Q4
- Announced plans for key lifecycle management initiatives for arthroscopic delivery of MACI and ankle indication

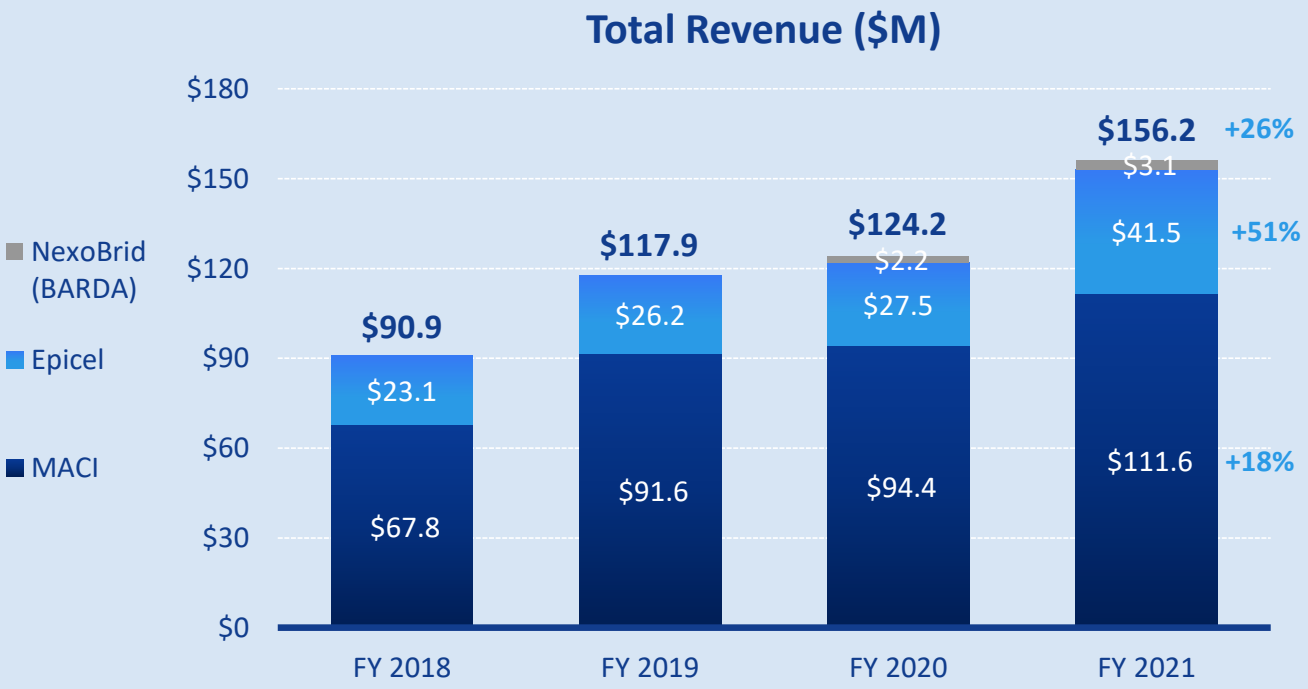
Epicel

- Full-year net revenue growth of 51%, with fifth straight quarter of revenue over $9.5 million in the fourth quarter
- Over 30% growth in Epicel biopsies and burn centers treating patients with Epicel for the year

Corporate Updates

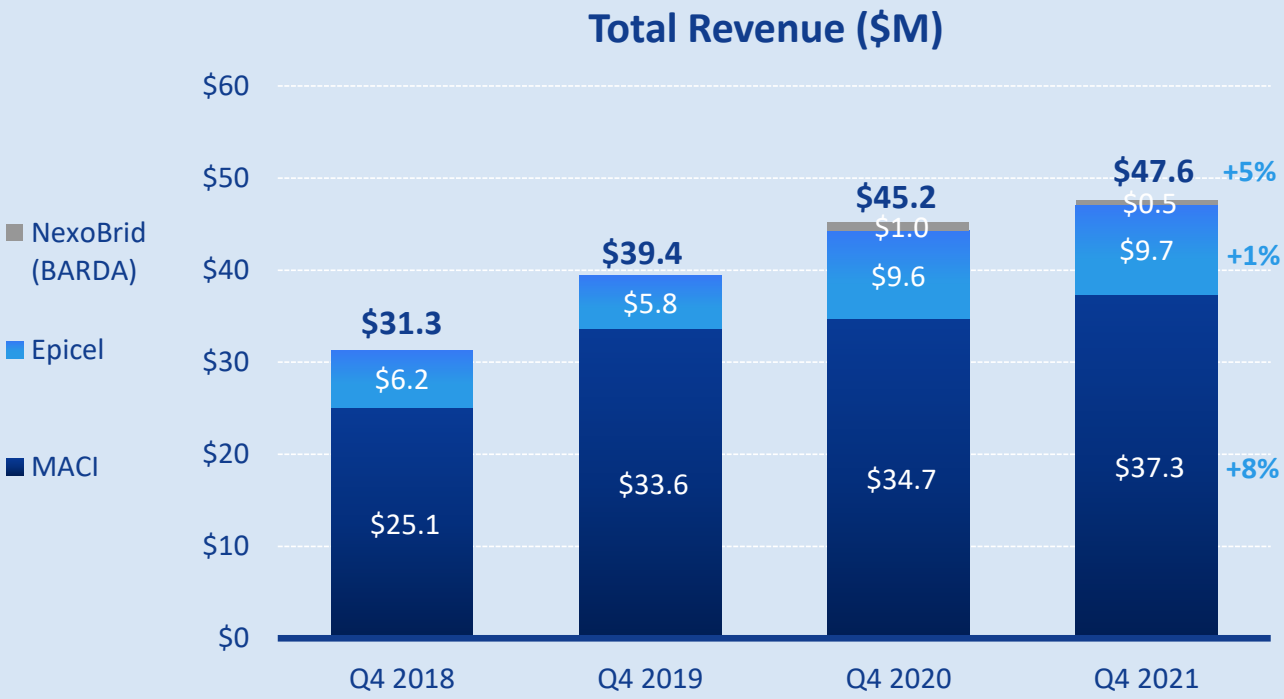
- Announced plans for a new state-of-the-art cell therapy manufacturing facility and corporate headquarters to support long-term growth of MACI and Epicel
- Resubmission of NexoBrid BLA remains on track for mid-2022

Strong Revenue Growth for MACI and Epicel in 2021



Total revenue growth of 26% in 2021 driven by growth in both franchises

MACI Growth in the Fourth Quarter Despite Significant Headwinds Due to COVID-19 Surge in December



Disruptions to MACI case scheduling patterns and patients testing positive for COVID-19 ahead of surgery negatively impacted MACI during Q4

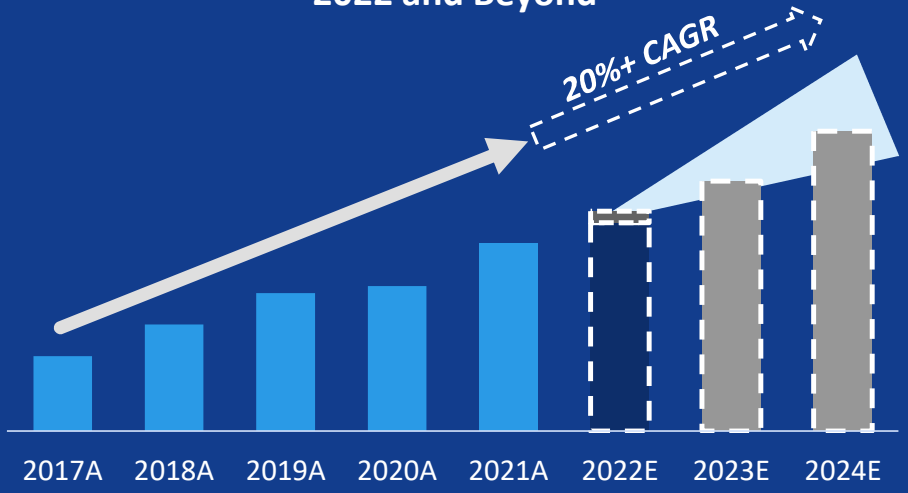
Fourth Quarter and Full-Year 2021 Financial Results

Unaudited, amounts in millions except per share amounts	Three Months Ended December 31, 2021	Three Months Ended December 31, 2020	Twelve Months Ended December 31, 2021	Twelve Months Ended December 31, 2020
Net Revenue	$ 47.6	$ 45.2	$ 156.2	$ 124.2
Gross Profit	34.0	33.6	106.0	84.2
Gross Margin	*72%*	*74%*	*68%*	*68%*
Research and Development	3.9	3.1	16.3	13.0
Selling, General and Administrative	26.0	18.2	97.6	68.9
Total Operating Expenses	29.9	21.4	113.9	81.9
Operating Income (Loss)	4.1	12.3	(7.9)	2.3
Net Income (Loss) Per Share (Diluted)	$ 0.09	$ 0.25	$ (0.16)	$ 0.06
Weighted average shares outstanding (Diluted)	49.9	48.1	46.5	47.3
Adjusted EBITDA	$ 12.8	$ 16.0	$ 29.5	$ 18.6
Adjusted EBITDA Margin	*27%*	*35%*	*19%*	*15%*
Stock-based compensation included in Operating and Net Income (Loss)	*$ 7.8*	*$ 3.0*	*$ 34.3*	*$ 13.8*

- Full Year Operating Cash Flow of approximately $29 million
- $129 million in cash and investments as of December 31, 2021, and no debt

2022 Financial Guidance

Expect to Maintain Strong Growth Trajectory in 2022 and Beyond[1]



- 25% CAGR since launch of MACI in 2017
- 26% total net revenue growth in 2021

2022 Guidance Details

TOTAL REVENUE	*$178M-$189M*
GROSS MARGIN	*~70%*
ADJUSTED EBITDA MARGIN	*~21%*

- MACI Revenue of $132M-$141M
- Epicel Revenue of $45.5M-$47.5M

[1] Based on 2022 financial guidance and internal estimated long-term financial projections.

VERICEL Q4 2021 FINANCIAL RESULTS

APPENDIX

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

(unaudited, amounts in thousands)

	Three Months Ended December 31,	
Adjusted EBITDA	**2021**	**2020**
Net Income (GAAP)	**$4,535**	**$12,220**
Stock-based compensation expense	7,841	3,024
Depreciation and amortization	780	734
Net interest income	(60)	(116)
Income tax (benefit) expense	(326)	180
Adjusted EBITDA (Non-GAAP)	**$12,770**	**$16,042**

	Year Ended December 31,	
Adjusted EBITDA	**2021**	**2020**
Net Income (Loss) (GAAP)	**($7,471)**	**$2,864**
Stock-based compensation expense	34,322	13,843
Depreciation and amortization	2,965	2,383
Net interest income	(220)	(685)
Income tax (benefit) expense	(111)	180
Adjusted EBITDA (Non-GAAP)	**$29,485**	**$18,585**

Vericel Capitalization Table

Capitalization (as of December 31, 2021)	Shares
Common Stock	46,879,685
Options Outstanding	5,669,690
Unvested Restricted Stock Units	398,748
Total	**52,948,123**