VERICEL
Q2 2021 RESULTS

AUGUST 4, 2021

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 or likelihood of approval by the U.S. Food & Drug Administration (FDA) of a Biologics License Application for NexoBrid® for the treatment of severe burns in the United States following MediWound Ltd.'s (MediWound) receipt of a complete response for NexoBrid on June 28, 2021, the estimate of the commercial growth potential of our products and product candidates, availability of funding from the U.S. Biomedical Research and Development Authority 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 wide-ranging 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 a resurgence of COVID-19 infections or the spread of COVID-19 variants 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, 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, 2020, filed with the Securities and Exchange Commission (SEC) on February 24, 2021, Vericel's Quarterly Report on Form 10-Q for the quarter ended June 30, 2021, filed with the SEC on August 4, 2021, 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.

Strong Second Quarter Financial and Commercial Performance

Q2 2021 Financial Performance vs. Q2 2020

Total Revenue Growth

Gross Margin Expansion

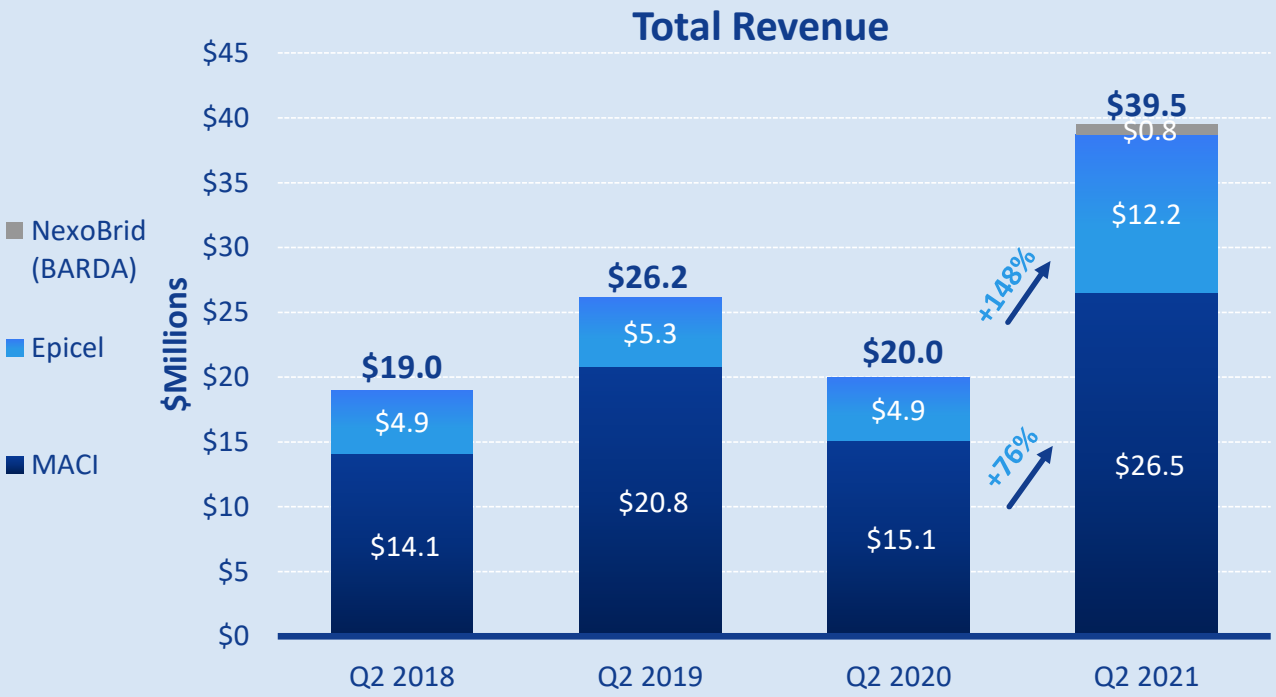
Adjusted EBITDA Growth

Operating Cash Flow Growth

Q2 2021 Business Highlights

- Record quarterly and monthly highs in biopsies, with MACI biopsy growth of more than 50% compared to the first half of 2020
- Record quarterly high in the number of surgeons taking MACI biopsies
- Record quarterly Epicel revenue
- Record quarterly high in the number of Epicel biopsies and grafting burn centers

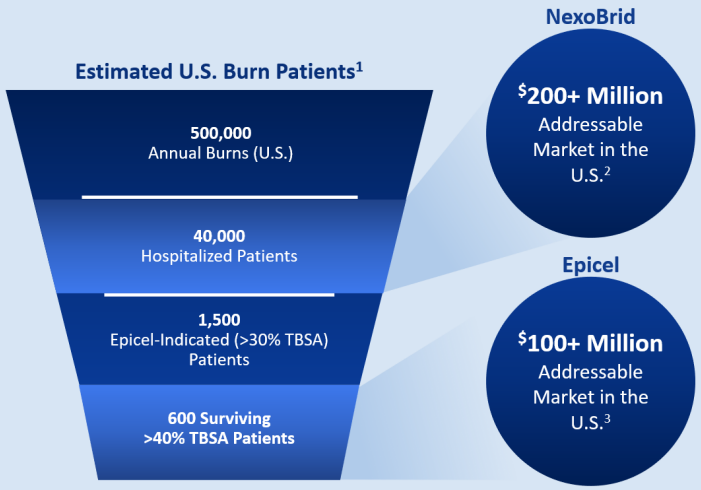
Second Quarter 2021 Revenue Details



Total revenue growth of 97%, with strong revenue growth for both MACI and Epicel

Increasing Estimated Total Addressable Market for Epicel Based on Updated Utilization Trends

Previous

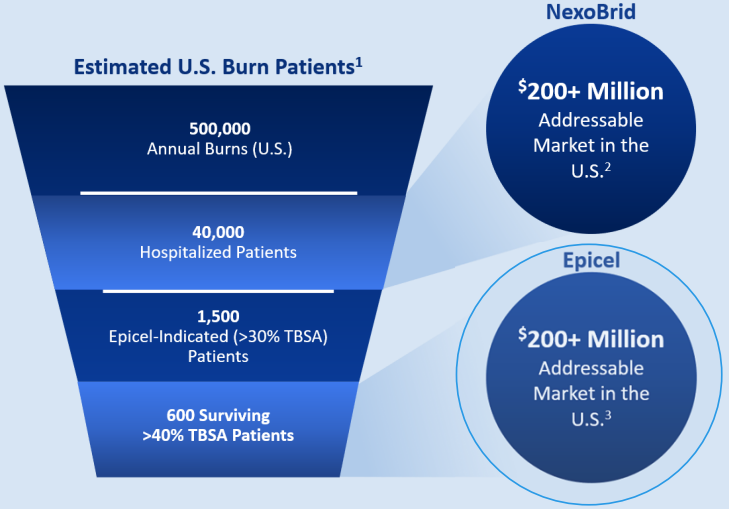


~90+ grafts per patient*
~$3K per graft

*Estimated based on historical Epicel usage prior to 2019

[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.

Updated



~120+ grafts per patient**
~$3K+ per graft

**Estimated based on historical Epicel usage since mid-2020

[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 120 grafts per patient x ~$3,000+ per graft.

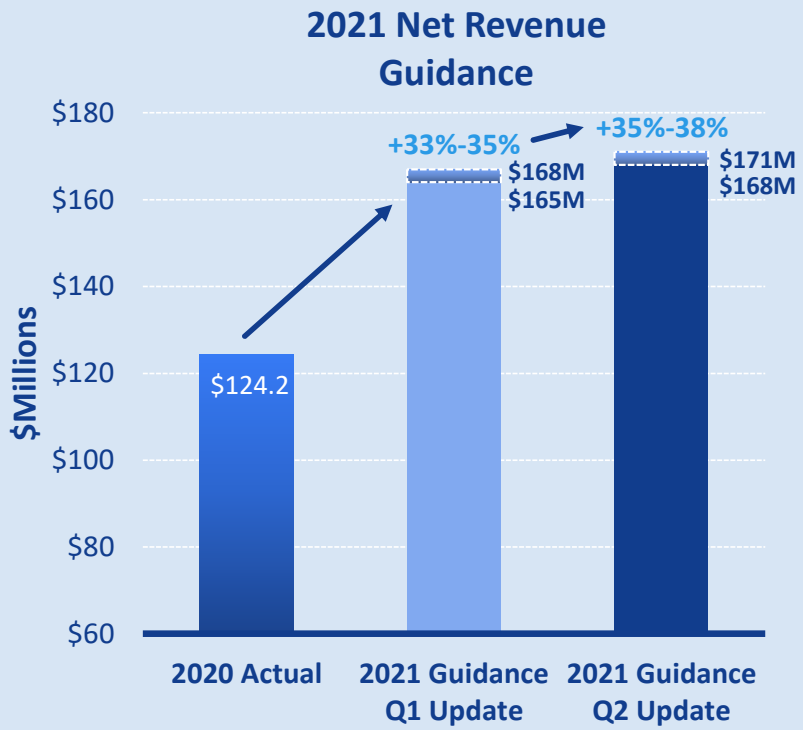
Second Quarter 2021 Financial Results

Unaudited, amounts in thousands except per share amounts	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020
Net Revenue	$ 39,519	$ 20,014	$ 74,087	$ 46,692
Gross Profit	26,910	11,354	49,895	28,110
Gross Margin	*68%*	*57%*	*67%*	*60%*
Research and Development	4,449	3,226	8,079	6,989
Selling, General and Administrative	26,190	16,486	48,850	34,555
Total Operating Expenses	30,639	19,712	56,929	41,544
Operating Income (Loss)	(3,729)	(8,358)	(7,034)	(13,434)
Net Income (Loss) Per Share (Diluted)	$ (0.08)	$ (0.18)	$ (0.15)	$ (0.29)
Weighted average number of common shares outstanding (Diluted)	46,403	45,137	46,195	45,031
Adjusted EBITDA	$ 7,805	$ (3,493)	$ 12,414	$ (4,201)
Adjusted EBITDA Margin	*20%*	*-17%*	*17%*	*-9%*

- Q2 2021 Operating Cash Flow of $4.8 million; H1 2021 Operating Cash Flow of $14.8 million
- $116 million in cash and investments as of June 30, 2021, and no debt

Increasing 2021 Revenue Guidance

- ↑ Total net revenue of **$168 - $171 million**
  - ▷ MACI revenue growth in the mid-30% range
  - ↑ ▷ Epicel revenue growth in the low-40% range
  - ▷ Includes ~$3.5 million of anticipated revenue related to BARDA procurement of NexoBrid
- Operating expenses of **$115 million**
- Gross margin expected to be **70% - 71%**
- ↑ Adjusted EBITDA margin expected to be **23% - 25%**



↑ *Increased since previous guidance*

VERICEL Q2 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)

Quarterly Adjusted EBITDA	Three Months Ended June 30, 2021	2020
Net Loss (GAAP)	**($3,786)**	**($8,269)**
Stock compensation expense	10,866	4,376
Depreciation and amortization	695	546
Net interest expense (income)	(42)	(146)
Income tax provision	72	-0-
Adjusted EBITDA (Non-GAAP) (unaudited)	**$7,805**	**($3,493)**

Quarterly Adjusted EBITDA	Six Months Ended June 30, 2021	2020
Net Loss (GAAP)	**($7,075)**	**($12,974)**
Stock compensation expense	17,885	8,144
Depreciation and amortization	1,506	1,079
Net interest expense (income)	(117)	(450)
Income tax provision	215	-0-
Adjusted EBITDA (Non-GAAP) (unaudited)	**$12,414**	**($4,201)**

Vericel Capitalization Table

Capitalization (as of June 30, 2021)	Shares
Common Stock	46,578,626
Options Outstanding	5,959,543
Unvested Restricted Stock Units	413,427
Fully Diluted Shares Outstanding	**52,951,596**