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,” “believes,” “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, likelihood of the FDA’s potential approval of the NexoBrid® Biologics License Application (BLA) resubmission seeking approval for the treatment of severe burns in the United States, 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, negative impacts on the global economy and capital markets resulting from the conflict in Ukraine, geopolitical tensions or record inflation 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 a future resurgence of COVID-19 infections 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 pandemic 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 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 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, Vericel’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2022, filed with the SEC on August 3, 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.
Portfolio of Innovative Cell Therapies and Specialty Biologics with Significant Barriers to Entry

Delivering Sustained High Revenue Growth with a Strong Profitability and Operating Cash Flow Profile

SPORTS MEDICINE

maci®

The leading restorative cartilage repair product in the sports medicine market

SEVERE BURNS

Epicel®
(cultured epidermal autografts)
The leading permanent skin replacement in the severe burn care field

NexoBrid®
North American commercial rights to the next generation eschar removal product

Focused on changing the standard of care for patients with cartilage damage and severe burns

NexoBrid is an investigational product in the U.S. and is not approved for commercial use or sale in the U.S. at this time.
Strong Track Record of Revenue and Profit Growth

Top-Tier Revenue Growth
- Sports Med
- Burn Care
- 25% CAGR
- $156M
- +26%

Robust Profitability Profile
- Adjusted EBITDA
- $29M
- $19M
- $21M
- $5M
- ($9M)

- Multiple years of top-tier revenue growth
- Diversified across two franchises
- More than 12,000 patients treated with Vericel products

- Converting strong revenue growth into cash flow generation
- ~$131 million in cash\(^1\) and investments as of 6/30/22
- 1%+ Free Cash Flow yield

\(^1\) Including restricted cash
Well-Positioned to Sustain High Revenue and Profit Growth Over the Long Term

Expect to Maintain Strong Growth Trajectory in 2022 and Beyond¹

Expect Continued Long-Term Margin Expansion¹

- **GROSS MARGIN**
  - 70%+

- **ADJUSTED EBITDA**
  - 30%+

- Significantly underpenetrated markets (~$2B-3B)
- Limited competition with strong barriers to entry
- Strong reimbursement profile
- Substantial operating leverage across business
- Increasing margins and operating cash flow
- Premium-value products with concentrated call points

¹ Based on internal estimated long-term financial projections.
Articular Cartilage Structure and Function

Articular cartilage function

▷ Provide a smooth, lubricated surface allowing for nearly frictionless movement
▷ Facilitate transmission of loads to underlying subchondral bone
▷ Protect joints from compressive, tensile and shearing forces

Chondrocytes are the resident cells responsible for the production, maintenance and repair of articular cartilage
# Knee Cartilage Defects and Treatment Options

Knee cartilage injuries are a significant cause of musculoskeletal morbidity

Cartilage defects are found in ~60% of knee arthroscopies

- Damage is caused by acute and repetitive trauma and degenerative conditions
- Limited capacity for intrinsic healing and repair
- Untreated lesions may lead to debilitating joint pain, dysfunction, and osteoarthritis

## Treatment Goals

- Reduce symptoms
- Improve function
- Prevent degeneration

## Palliative

Techniques intended to relieve or prevent pain with little repair of underlying defect

- Lavage and debridement
- Thermal chondroplasty

## Reparative

Marrow-stimulation techniques that result in formation of fibrocartilage

- Microfracture/microdrilling
- Augmented microfracture

## Restorative

Techniques designed to recreate hyaline-like cartilage at the site of the defect

- Autologous chondrocyte implant
- Autograft or allograft
Large Addressable Knee Cartilage Repair Market for MACI

Estimated Annual Addressable Patient Population (U.S.)

- **~750,000¹** Cartilage Repair Procedures
- **~315,000²** Patients Consistent With Label
- **~125,000²** Patients MD’s Consider Clinically Appropriate For MACI
- **~60,000²** Patients With Larger Lesions

$2+ Billion Addressable Market in the U.S.

Annual Cartilage Repair Revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>$Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$44</td>
</tr>
<tr>
<td>2018</td>
<td>$68</td>
</tr>
<tr>
<td>2019</td>
<td>$92</td>
</tr>
<tr>
<td>2020</td>
<td>$95</td>
</tr>
<tr>
<td>2021</td>
<td>$112</td>
</tr>
</tbody>
</table>

² Health Advances LLC MACI market assessment report (2018)
MACI Production and Administration

- **BIOPSY TAKEN**
- **DEFECT DEBRIDED**
- **CHONDROCYTES EXTRACTED, EXPANDED, & LOADED**
- **TEMPLATE CREATED**
- **MACI DELIVERED**
- **MACI IMPLANTED**
MACI Product Attributes Driving Strong Growth Since Launch

**Broad Label with Strong Clinical Data**
- **SUMMIT Clinical Study Results – Superiority of MACI Implant Versus Microfracture Treatment**
- Cartilic compared to Microfracture: Superiority in clinical outcomes. Cartilic outperformed Microfracture in all measured parameters.

**Simpler, Less Invasive Procedure**
- MACI:
  - Simpler, less invasive AG procedure
  - Eliminates periosteal harvest and sutures
  - Significant reduction in surgical time
  - Uniform distribution of cells
  - Improved post-operative course

**Shorter Rehab Protocols**
- **ACHIEVE ROUTINE**
  - Early ambulation
  - Full weight-bearing
- **BUILD STRENGTH**
  - Strengthening exercises
- **BE ACTIVE**
  - Early Return to Activity

**Strong Reimbursement Profile**
- **MACI Insurance Approval Rates**
  - 89% of all MACI surgeries were approved by the insurer on initial submission
  - 9% Approved on appeal
  - 5% Not appealed
  - 1% Denied after appeal

Published MACI rehabilitation protocols achieve full weight-bearing in 6-8 weeks compared to 10-12 weeks for published Cartilic rehabilitation protocols.
MACI Product and Procedure Enhancements Driving Broader Surgeon Adoption

1995

Cells in Suspension
- Highly invasive, technically exacting procedure
- Required periosteal harvest from tibia and suture fixation to confine cells
- Extended surgical time
- High rate of subsequent procedures

2017

Cells on Collagen Membrane
- Simpler, less invasive ACI procedure
- Eliminates periosteal harvest and sutures
- Significant reduction in surgical time
- Uniform cell distribution
- Improved post-operative course

2019

Advanced Instrumentation
- Simplifies templating
- Exact match of implant to defect size
- Reduced implant handling
- Reduced operative time

2025+

Additional Delivery Option
- Less invasive
- Improved visualization
- Potentially faster patient recovery

ARTHROTOMY

MINI-ARTHROTOMY

MINI-ARTHROTOMY

ARTHROSCOPY
MACI for the treatment of cartilage defects in the ankle represents a $700 million market opportunity and increases the overall MACI TAM in the U.S. to ~ $3 billion.

1 SmartTrak Cartilage Repair Procedures; resurfacing includes microfracture, OATs, OCA, etc. and does not include chondroplasty/debridement only.
2 Cello Health MACI Ankle quantitative market research survey (2021).
3 Assumes MACI ASP of $40,000+.
Burn Injury Size and Depth Determine Treatment Pathway

- **Full thickness burn injuries of any size** and **partial thickness burn injuries >10% TBSA** are most often transferred to specialized burn centers.

- **Full thickness and deep partial-thickness burns** require **eschar removal and grafting** to achieve wound closure.

**TREATMENT PATHWAY**

**EMERGENCY ADMIT**
- Patient admittance to hospital
- Patient stabilization & wound assessment

**INITIAL ASSESSMENT**
- Superficial/Superficial Partial Thickness
- Deep Partial Thickness
- Full Thickness

**DEBRIDEMENT**
- Surgical or enzymatic debridement

**EVALUATION**
- Post debridement evaluation

**TREATMENT/HEALING**
- Spontaneous healing
- Spontaneous healing
- Skin grafting (if necessary)
- Skin grafting (permanent skin coverage)
Burn Franchise Addressable Market Opportunity

Upon approval, NexoBrid will significantly expand the total addressable market opportunity for Vericel’s burn franchise.

- **Estimated U.S. Burn Patients**
  - 500,000 Annual Burns (U.S.)
  - 40,000 Hospitalized Patients
  - 1,500 Epicel-Indicated (>30% TBSA) Patients
  - 600 Surviving >40% TBSA Patients

- **$200+ Million Addressable Market in the U.S.**
  - NexoBrid
  - Epicel

- **$200+ Million Addressable Market in the U.S.**
  - NexoBrid
  - Epicel

---

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 120 grafts per patient x ~$3,000+ per graft.
Early Eschar Removal is a Critical 1\textsuperscript{st} Step in Burn Treatment

### Eschar Removal

**Before...**
- Eschar

**...After**
- Dermis
- Subcutaneous Fat

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

### Current Standard of Care

#### Surgical Excision
- Tangential excision
- Dermabrasion
- Hydro-jet surgery

#### Non-Surgical Approaches
- Autolysis
- Topical medications
- Enzymes, chemicals, biologicals

### Significant Limitations

#### Surgical Excision
- Traumatic and non-selective
- Loss of healthy tissue and blood
- Challenging in delicate areas
- OR access may delay start of excision

#### Non-Surgical Approaches
- Limited efficacy; surgery often needed
- Protracted; increased morbidities
- Less useful for deep/extensive burns
- Multiple dressing changes/wound handlings

---

**Clear unmet need for selective and effective eschar removal agent for severe burns**
NexoBrid

Approved in EU & other OUS markets

Investigational product with orphan biologic designation in the U.S.

Pivotal U.S. Phase 3 clinical study met primary and all secondary endpoints

BLA resubmission under review, PDUFA date of January 1, 2023

Orphan and biologic exclusivities upon approval in the U.S.; patent protection until 2029

BARDA funding supports U.S. development, expanded access and medical countermeasure procurement

Selectively Removes Nonviable Burn Tissue (Eschar) in Patients with Deep Partial- and Full-Thickness Burns

- Bromelain-based biological product containing a sterile mixture of proteolytic enzymes
- Easy-to-use, single, non-surgical topical application at the patient’s bedside to remove eschar
- Four-hour treatment enables early visual assessment of the wound, enabling development of an informed treatment plan
**EPICEL OVERVIEW**

**Epicel is a permanent skin replacement** for full thickness burns \( \geq 30\% \) of total body surface area

- Only FDA-approved permanent skin replacement for adult and pediatric patients with full-thickness burns
- Important treatment option for severe burn patients where little skin is available for autografts
Epicel Production and Administration

1. **Biopsy Harvest**
2. **Keratinocyte Expansion**
3. **Production**
4. **Epicel Graft**
5. **Administration**
6. **Grafts Applied**
7. **Takedown Procedure**
8. **New Skin Exposed**

---

Epicel

Vericel

Cutting-edge solutions for skin and regeneration.
Comparison of Epicel Patient Database to National Burn Repository\textsuperscript{1}
Data Demonstrates Lower Mortality Rate

\textbf{Mortality Rate by TBSA Decile}

Stratified CMH Chi-square $p < 0.0001$
Chi-square for all subgroups $> 40\%$TBSA $p < 0.0001$

Twenty-five Years’ Experience and Beyond with Cultured Epidermal Autografts (CEA) for Coverage of Large Burn Wounds in Adult and Pediatric Patients, 1989-2015; Hickerson, Journal of Burn Care & Research, irv061, https://doi.org/10.1093/jbcr/irv061.
\textsuperscript{1} American Burn Association, National Burn Repository 2016, Version 12.
Building a Pipeline Through Current Portfolio and Business Development

<table>
<thead>
<tr>
<th>PRODUCT</th>
<th>INDICATION/STUDY</th>
<th>IN DEVELOPMENT</th>
<th>PHASE I</th>
<th>PHASE II</th>
<th>PHASE III</th>
<th>REGISTRATION</th>
<th>APPROVAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Treatment of Symptomatic Cartilage Defects of the Knee in Adults</td>
<td>Commercialized</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pediatric (PEAK) Study – Knee</td>
<td>Currently Enrolling</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Arthroscopic Delivery – Knee</td>
<td>Study Pending¹</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Treatment of Cartilage Defects – Ankle</td>
<td>Study Pending¹</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Epiceal</td>
<td>Treatment of Large Deep Dermal and Full-Thickness Burns</td>
<td>Commercialized</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NexoBrid</td>
<td>Burn Eschar Removal in Adults</td>
<td>BLA Resubmission Under Review, PDUFA Date of January 1, 2023</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pediatric (CIDS) Study</td>
<td>Enrollment Complete</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

¹ Study design pending feedback from FDA discussions planned in H2 2022
Strategic Transactions to Maximize Long-Term Value

Business development activities focused on opportunities having a strategic fit with current franchises or advanced cell therapy platform.
Vericel is a leader in advanced therapies for the sports medicine and severe burn care markets.

**INVESTMENT HIGHLIGHTS**

- Innovative Portfolio with Significant Barriers to Entry
- Sustainable Revenue Growth in Large Addressable Markets
- Attractive Business Model with Robust Profitability Profile
- Strong Balance Sheet and Shareholder Base
2021 Environmental, Social, and Governance Report Summary

2021 Revenue

- $111.6M Total Net Revenue, 18% Growth
- $41.5M Total Net Revenue, 51% Growth
- $3.1M Total Net Revenue* related to BARDA procurement for emergency response preparedness

12,000+ patients have benefited from our innovative advanced cell therapy products to date

281 Full-Time Employees*

*As of December 31, 2021

We are proud of our diversity and believe that diversity, equity, and inclusion foster an environment that promotes the collaboration, innovation, and perspectives necessary to successfully serve our patients, business partners, and communities.

In 2021, we established a Diversity and Inclusion Advisory Committee as part of our commitment to Diversity, Equity, and Inclusion.
### Reconciliation of Reported GAAP Net Income (Loss) to Adjusted EBITDA (Non-GAAP Measure) – Unaudited

**Twelve Months Ended December 31,**

<table>
<thead>
<tr>
<th>Annual Adjusted EBITDA</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income (loss) (GAAP)</td>
<td>$(17,286)</td>
<td>$(8,137)</td>
<td>$(9,665)</td>
<td>$2,864</td>
<td>$(7,471)</td>
</tr>
<tr>
<td>Non-recurring license agreement purchase</td>
<td>-</td>
<td>-</td>
<td>17,500</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Stock-based compensation expense</td>
<td>2,680</td>
<td>7,223</td>
<td>13,179</td>
<td>13,843</td>
<td>34,322</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>1,612</td>
<td>1,426</td>
<td>1,744</td>
<td>2,383</td>
<td>2,965</td>
</tr>
<tr>
<td>Net interest expense (income)</td>
<td>1,093</td>
<td>835</td>
<td>(1,606)</td>
<td>(685)</td>
<td>(220)</td>
</tr>
<tr>
<td>Change in fair value of warrants</td>
<td>257</td>
<td>2,524</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loss on extinguishment of debt</td>
<td>860</td>
<td>838</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Revenue reserve related to a dispute between pharmacy provider and payer</td>
<td>1,418</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Income tax expense (benefit)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>180</td>
<td>(111)</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA (Non-GAAP)</strong></td>
<td><strong>$(9,366)</strong></td>
<td><strong>$4,709</strong></td>
<td><strong>$21,152</strong></td>
<td><strong>$18,585</strong></td>
<td><strong>$29,485</strong></td>
</tr>
</tbody>
</table>