UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): **January 14, 2025**

Vericel Corporation

(Exact name of registrant as specified in its charter)

Michigan	**001-35280**	**94-3096597**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

64 Sidney Street **Cambridge, MA**	**02139**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(617) 588-5555**

Not Applicable
Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, no par value	VCEL	NASDAQ

Indicate by a check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§240.12b-2 of this chapter). Emerging Growth Company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Condition.

In connection with its participation in the 43rd Annual J.P. Morgan Healthcare Conference, on January 14, 2025, Vericel Corporation (the "Company") issued a press release and updated its corporate presentation, both of which include estimates of operating and financial results as of and for the year ended December 31, 2024. The Company's corporate presentation includes additional updates regarding its business.

Because the Company's financial statements for the year ended December 31, 2024, have not been finalized or audited, these preliminary statements regarding the Company's operating and financial results as of and for the year ended December 31, 2024, are subject to change and the Company's actual results as of the end of this period may differ materially from this preliminary estimate. Accordingly, stockholders should not place undue reliance on this preliminary estimate. A copy of the Company's January 14, 2025, press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K (this "Report").

Item 7.01. Regulation FD Disclosure.

The information set forth in Item 2.02 of this Report is incorporated into this Item 7.01 by reference.

The Company will participate in the 43rd Annual J.P. Morgan Healthcare Conference in San Francisco, California, which is being held on Wednesday, January 15, 2024, at 7:30 a.m. Pacific Time, and has updated the corporate presentation that the Company intends to use at the conference. The Company may use this updated corporate presentation in meetings with investors from time to time as well. The Company's updated corporate presentation includes disclosure regarding the Company's estimated, preliminary and unaudited full-year revenue for fiscal year 2024, preliminary adjusted EBITDA and adjusted EBITDA margin for 2024, preliminary and unaudited 2024 gross margin percentage, preliminary and unaudited 2024 net income, its estimated cash, restricted cash and investments balance as of December 31, 2024, and additional financial and business updates.

A copy of the Company's updated corporate presentation is attached hereto as Exhibit 99.2 and is hereby incorporated by reference.

The preliminary financial data included in this Current Report on Form 8-K has been prepared by, and is the responsibility of, the Company's management. PricewaterhouseCoopers LLP has not audited, reviewed, examined, compiled, nor applied agreed-upon procedures with respect to the preliminary financial data. Accordingly, PricewaterhouseCoopers LLP does not express an opinion or any other form of assurance with respect thereto.

In accordance with General Instructions B.2 and B.6 of Form 8-K, the information included in Item 2.02 and Item 7.01 of this Report shall not be deemed "filed" for the purposes of Section 18 of the Securities and Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any filing made by the Company under the Exchange Act or the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

Exhibit No.	Description
99.1	Press Release, dated January 14, 2025, titled "Vericel Announces Preliminary 2024 Financial Results, 2025 Financial Guidance and Increased Mid-Term Profitability Targets"
99.2	Vericel Corporation Presentation, dated January 14, 2025
104 *	Cover Page Interactive Data File (embedded within the Inline XBRL)

* Furnished herewith

EXHIBIT INDEX

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* Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Vericel Corporation

Date: January 14, 2025

By: /s/ Sean C. Flynn
Name: Sean C. Flynn
Title: Chief Legal Officer

Vericel Corporation
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T 617 588-5555 **F** 617 588-5554
www.vcel.com

Vericel Announces Preliminary 2024 Financial Results, 2025 Financial Guidance and Increased Mid-Term Profitability Targets

Full-Year 2024 Total Revenue Growth of 20% and Adjusted EBITDA Growth of Approximately 55%

MACI Full-Year 2024 Revenue Growth of 20%, with Fourth Quarter Revenue of $68.2 to $68.7 Million

Highest Quarterly MACI Implants, Surgeons, and Biopsies Since Launch and Strong Early MACI Arthro Launch Indicators

Record Fourth Quarter Gross Margin of Approximately 77% and Adjusted EBITDA Margin of 39%

2025 Total Revenue Guidance of 20% to 23% Growth

Mid-Term Profitability Targets Increased to Gross Margin in the High-70% Range and Adjusted EBITDA Margin in the High-30% Range

CAMBRIDGE, Mass., January 14, 2025 (GLOBE NEWSWIRE) -- Vericel Corporation (NASDAQ:VCEL), a leader in advanced therapies for the sports medicine and severe burn care markets, today announced preliminary, unaudited financial results for the fourth quarter and year ended December 31, 2024, full-year 2025 financial guidance and updated mid-term profitability targets.

Preliminary, Unaudited Full-Year 2024 Financial Results

- Total net revenue expected to be approximately $237 to $237.5 million, representing 20% growth
- MACI® net revenue expected to be approximately $197.2 to $197.7 million, representing 20% growth
- Burn Care net revenue expected to be approximately $40 million, representing 22% growth, consisting of approximately $36.6 million of Epicel® revenue and $3.3 million of NexoBrid® revenue
- Gross margin expected to be approximately 72.5%
- Achieved Full-Year GAAP Net Income profitability
- Non-GAAP adjusted EBITDA margin expected to be approximately 22%
- As of December 31, 2024, the Company had approximately $167 million in cash, restricted cash and investments, and no debt, an increase of approximately $16 million for the quarter

Preliminary, Unaudited Fourth Quarter Financial Results

- Total net revenue expected to be approximately $75.2 million to $75.7 million
- MACI net revenue expected to be approximately $68.2 to $68.7 million, representing 20% to 21% growth versus the prior year and approximately 53% growth versus the prior quarter
- Burn Care net revenue expected to be approximately $7 million, consisting of approximately $6 million of Epicel revenue and $1 million of NexoBrid revenue
- Gross margin expected to be approximately 77%
- GAAP Net Income expected to be approximately $17.5 to $18.5 million
- Non-GAAP adjusted EBITDA margin expected to be approximately 39%

Key Business Highlights and Updates

- Highest number of MACI implants, implanting surgeons, surgeons taking biopsies and MACI biopsies in any quarter since launch in the fourth quarter
- More than 150 MACI Arthro trained surgeons through year-end
- NexoBrid hospital orders in the fourth quarter increased approximately 40% versus the prior quarter
- Completed construction of new corporate headquarters and manufacturing facility and remain on track to initiate commercial manufacturing in the new facility in 2026

2025 Financial Guidance

- Total net revenue growth for 2025 expected to be 20% to 23%
- Gross margin expected to be 73% to 74%
- Adjusted EBITDA margin expected to be 25% to 26%

Mid-Term Profitability Targets

- Gross margin is expected to increase to the high-70% range by 2029
- Adjusted EBITDA margin expected to increase to the high-30% range by 2029

“The Company executed extremely well in 2024, delivering high revenue growth across both franchises and very strong margin expansion and profitability,” said Nick Colangelo, President and CEO of Vericel. “We are entering 2025 with a great deal of momentum and expect another year of high revenue growth, increasing utilization of MACI Arthro and significant growth in profitability and cash generation as we continue to progress toward our mid-term financial targets.”

Vericel is scheduled to present at the 43rd Annual J.P. Morgan Healthcare Conference at 10:30 a.m. ET (7:30 a.m. PT) on Wednesday, January 15, 2025. A webcast of the presentation will be available on the Investor Relations section of the Vericel Corporation website at: http://investors.vcel.com.

About Vericel Corporation
Vericel is a leading provider of advanced therapies for the sports medicine and severe burn care markets. The Company combines innovations in biology with medical technologies, resulting in a highly differentiated portfolio of innovative cell therapies and specialty biologics that repair injuries and restore lives. Vericel markets three products in the United States. MACI (autologous cultured chondrocytes on porcine collagen membrane) is an autologous cellularized scaffold product indicated for the repair of symptomatic, single or multiple full-thickness cartilage defects of the knee with or without bone involvement in adults. Epicel (cultured epidermal autografts) is a permanent skin replacement for the treatment of patients with deep dermal or full thickness burns greater than or equal to 30% of total body surface area. Vericel also holds an exclusive license for North American rights to NexoBrid (anacaulase-bcdb), a biological orphan product containing proteolytic enzymes, which is indicated for eschar removal in adults and pediatric patients with deep partial-thickness and/or full-thickness burns. For more information, please visit www.vcel.com.

Preliminary and Unaudited Nature of Reported Results
Our revenue expectations for the fourth quarter and full-year ended 2024, as well as our estimates concerning gross margin, net income, adjusted EBITDA, cash, restricted cash and investments are preliminary, unaudited and are subject to change based on the completion of ongoing internal control, review, and audit procedures. As a result, these amounts may differ materially from the amounts that will be reflected in the Company's consolidated financial statements for the year ended December 31, 2024. Accordingly, you should not place undue reliance on this preliminary estimate.

GAAP v. Non-GAAP Measures
Vericel's reported earnings are prepared in accordance with generally accepted accounting principles in the United States, or GAAP, and represent earnings as reported to the Securities and Exchange Commission. Vericel has provided in this release certain financial information that has not been prepared in accordance with GAAP. Vericel's management believes that the non-GAAP adjusted EBITDA described in this release, which includes adjustments for specific items that are generally not indicative of our core operations, provides additional information that is useful to investors in understanding Vericel's underlying performance, business and performance trends, and helps facilitate period-to-period comparisons and comparisons of its financial measures with other companies in Vericel's industry. However, the non-GAAP financial measures that Vericel uses may differ from measures that other companies may use. Non-GAAP financial measures are not required to be uniformly applied, are not audited and should not be considered in isolation or as substitutes for results prepared in accordance with GAAP.

Forward-Looking Statements

Vericel cautions you that all statements other than statements of historical fact included in this press release 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, the inherent uncertainties associated with our expectations concerning expected revenue results for the fourth quarter and full-year ended 2024, gross margin, net income, adjusted EBITDA, and estimates of our cash, restricted cash and investments as of December 31, 2024. Vericel's revenue expectations for the fourth quarter and full-year ended 2024, as well as its estimates concerning gross margin, net income, adjusted EBITDA, and cash, restricted cash and investments are preliminary, unaudited and are subject to change during ongoing internal control, review and audit procedures. Additional 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, MACI Arthro, 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 qualification of a new manufacturing facility in Burlington, Massachusetts, the ability to 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 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, surgeon adoption of MACI Arthro, physician and burn center adoption of NexoBrid, labor strikes, changes in surgeon and hospital treatment prioritizations caused by the temporary shortage of essential medical supplies, supply chain disruptions or other events or factors that might affect our ability to manufacture MACI or Epicel or affect MediWound's ability to manufacture and supply sufficient quantities of NexoBrid to meet customer demand, including but not limited to, damage or disruption caused by natural disasters and the ongoing military conflicts in the Middle East region involving Israel, negative impacts on the global economy and capital markets resulting from the conflict in Ukraine and the Middle East conflicts, changes in trade policies and regulations, including the potential for increases or changes in duties, current and potentially new tariffs or quotas, lingering effects of adverse developments affecting financial institutions, companies in the financial services industry or the financial services industry generally, possible changes in governmental monetary and fiscal policies, including, but not limited to, Federal Reserve policies in connection with continued inflationary pressures and the impact of the recent elections in the United States, global geopolitical tensions and potential future impacts on our business or the economy generally stemming from a public health emergency.

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, 2023, filed with the Securities and Exchange Commission (SEC) on February 29, 2024, Vericel's Quarterly Report on Form 10-Q for the quarter ended September 30, 2024, filed with the SEC on November 7, 2024, 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 press release except as required by law.

Investor Contact:
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+1 (734) 418-4411


VERICEL
Advanced Therapies for the Sports Medicine & Severe Burn Care Markets
43RD ANNUAL J.P. MORGAN
HEALTHCARE CONFERENCE
JANUARY 15, 2025

Forward-Looking Statements

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Vericel is a Leader in Advanced Therapies in Sports Medicine and Burn Care, Combining Innovations in Biology with Medical Technologies

Our Vision

Every patient benefits from therapies as unique as they are

Our Mission

We provide precision therapies that repair injuries and restore lives

SPORTS MEDICINE

maci — autologous cultured chondrocytes on porcine collagen membrane

maci arthro™

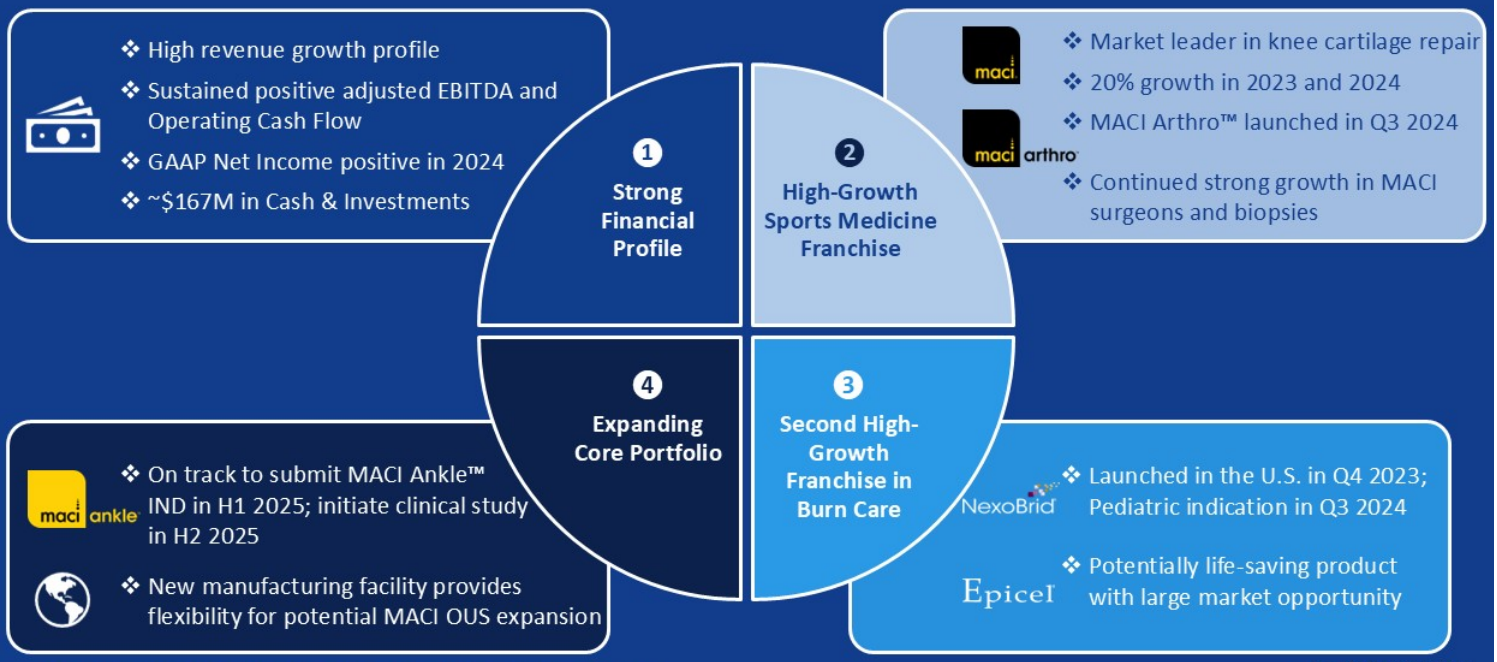
SEVERE BURNS

Epicel® (cultured epidermal autografts)

NexoBrid® (anacaulase-bcdb)

Portfolio of Innovative Cell Therapies and Specialty Biologics with Significant Barriers to Entry

Vericel is Well-Positioned to Deliver Sustained Long-Term Growth



2024 financial metrics are based on preliminary, unaudited 2024 financial results and are subject to change.

Large Underpenetrated Markets with Total Addressable Market Opportunity Expanding to Over $4.5 Billion in the Years Ahead

- ❖ NexoBrid launched in 2023
- ❖ MACI Arthro launched in 2024; targets largest segment of current MACI addressable market
- ❖ Anticipate initiating MACI Ankle study in 2025

Outstanding Results Across the Company in 2024

2024 Achievements

- ☑ Total Revenue Growth of 20% to $237 to $237.5M
- ☑ MACI Revenue Growth of 20% to $197.2 to $197.7M
- ☑ Gross Margin Expansion to ~72.5%
- ☑ Adjusted EBITDA Margin of ~22%, Representing ~55% Full-Year Growth
- ☑ Full-Year GAAP Profitability Achieved
- ☑ FDA Approval and Launch of MACI Arthro
- ☑ Construction of new Corporate Headquarters and Manufacturing Facility Completed

2024 financial metrics are based on preliminary, unaudited 2024 financial results and are subject to change.

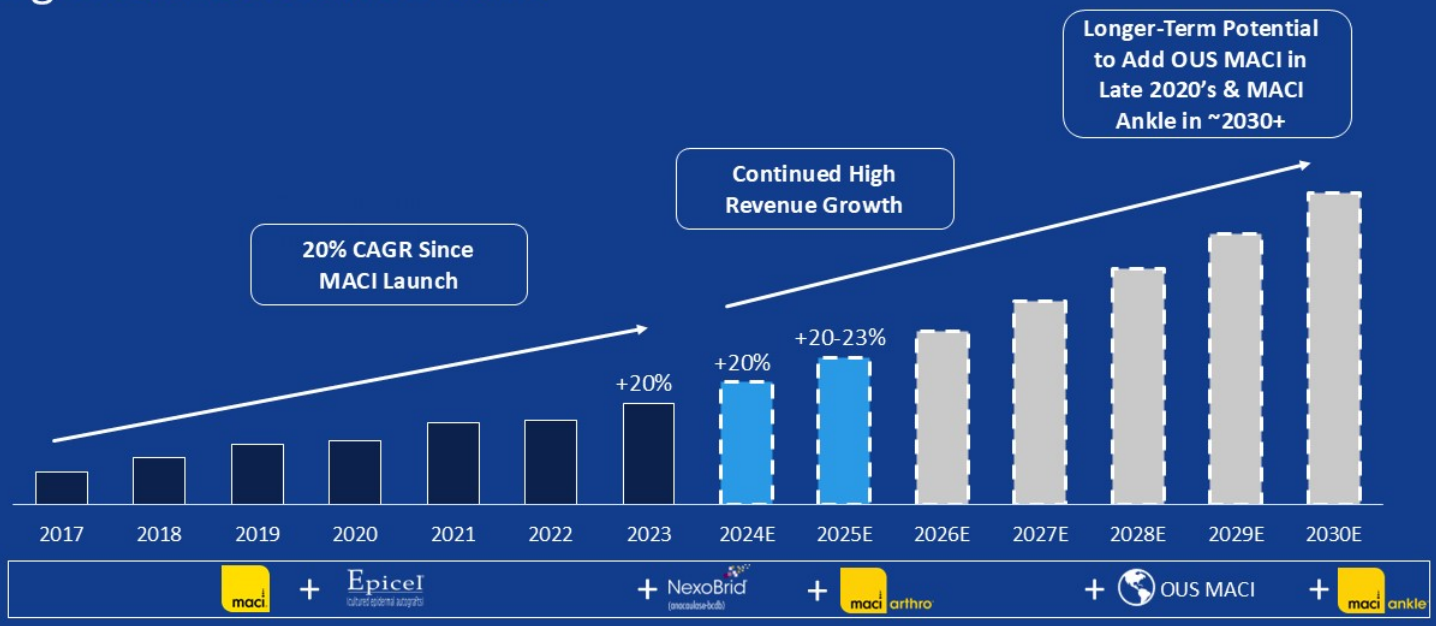
With Expectations for Further Revenue and Profit Growth in 2025

Continued Momentum

2025 Value Drivers

- ❖ Total Company Revenue Growth of 20% to 23%
- ❖ First Full Year of MACI Arthro, Enabling Greater Penetration in Largest Segment of MACI's $3B TAM
- ❖ Maintain a Second High-Growth Franchise for Vericel Burn Care with Continued NexoBrid Uptake
- ❖ Continued Gross Margin and Adjusted EBITDA Margin Expansion, with Inflection in Cash Generation
- ❖ Expect to Initiate MACI Ankle Clinical Study in 2025
- ❖ On Track to Initiate Commercial Manufacturing in the New Facility in 2026

Current Portfolio Plus New Product Launches Expected to Drive Durable High Revenue Growth



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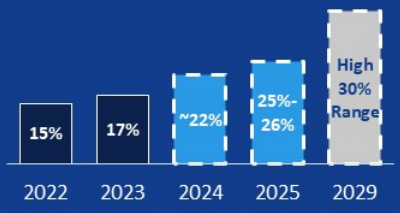
Driving High Revenue Growth and a Top-Tier Profitability Profile

Mid-Term Profitability Targets Increased to High-70% Gross Margin and High-30% Adjusted EBITDA

20% Top Line Growth in 2024
Expect Continued High Revenue Growth in 2025 and Beyond

Adjusted EBITDA Margin %



Gross Margin %

~55% Adjusted EBITDA Growth and GAAP Net Income Positive in 2024
Expect Cash Generation to Inflect in 2025 and Beyond

2024 financial metrics are based on preliminary, unaudited 2024 financial results and are subject to change.

Knee Cartilage Injuries Represent a Significant Unmet Medical Need

Cartilage defects are found in ~60% of knee arthroscopies[1]

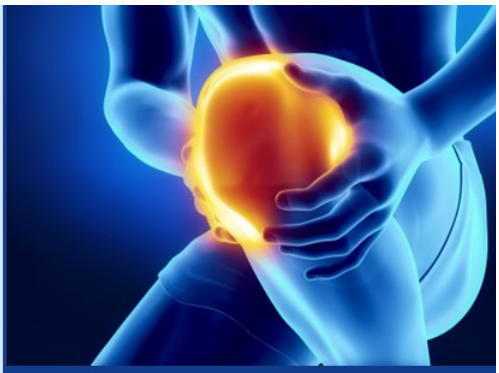
- Damage caused by acute or repetitive trauma or degenerative conditions

Cartilage has limited capacity for intrinsic healing and repair

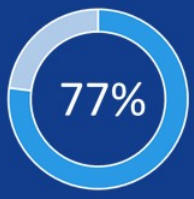
- Untreated cartilage defects may lead to debilitating joint pain, dysfunction, and osteoarthritis
- Defects can expand and new high-grade lesions can form over time

maci

[1] Widuchowski W, et al. Articular cartilage defects: study of 25,124 knee arthroscopies. Knee. Jun 2007.
[2] Data collected from a 2019 Harris Poll survey of 1,002 U.S. adults with knee pain 3 or more days a week that had lasted 2 months or more.



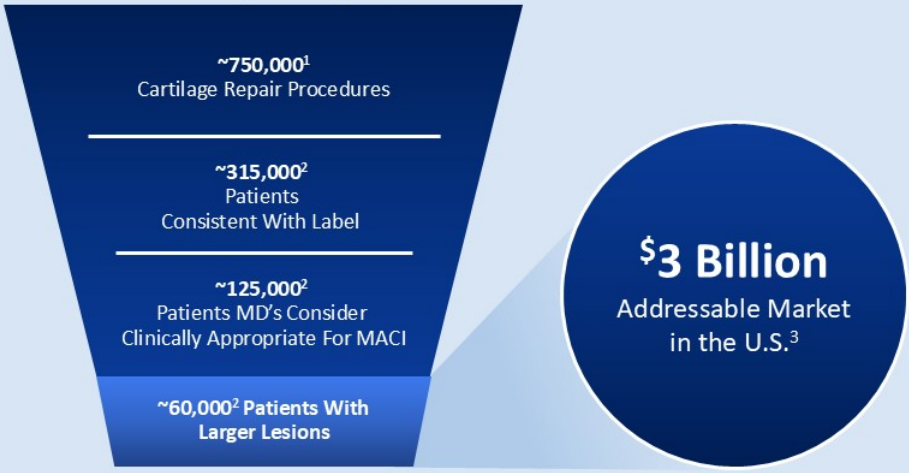
Impact of Knee Pain



Harris Poll found that 77% of knee pain sufferers can no longer participate in at least one activity they previously enjoyed because of knee pain[2]

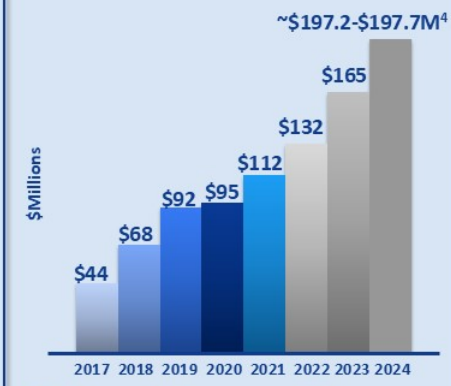
Large Addressable Knee Cartilage Repair Market for MACI

Estimated Annual Addressable Patient Population (U.S.)



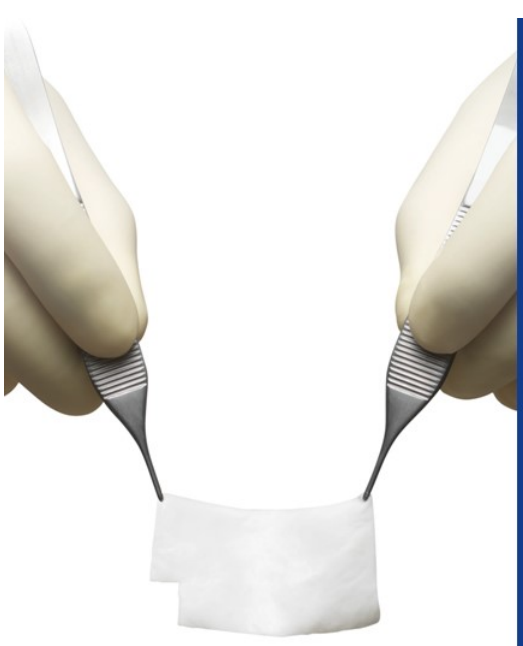
$3 Billion
Addressable Market in the U.S.[3]

Annual Cartilage Repair Revenue

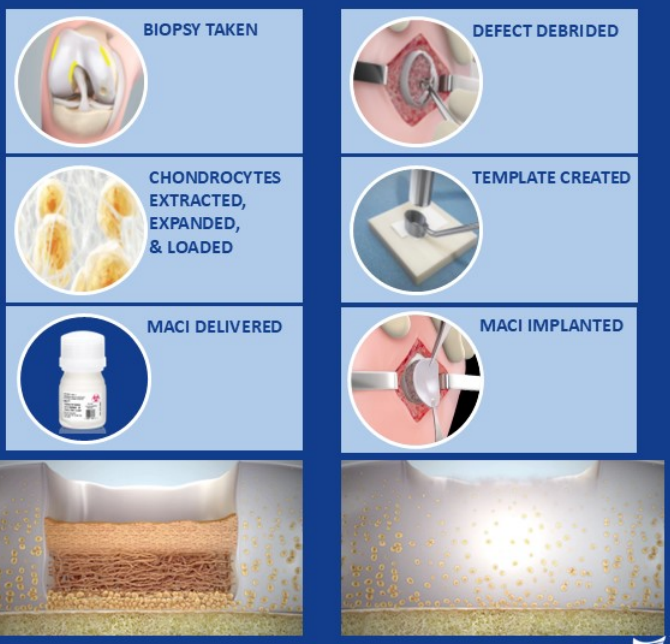


- Mid teens % biopsy penetration
- Mid single-digit % implant penetration

[1] Health Advances LLC MACI market assessment report (2018), Vericel data, LexisNexis, Medtech Insight, NY SASD, SmartTRAK, LSI, PSPS, McCormick, Frank et al. Arthroscopy, (2014) 30(2): 222-6, Montgomery, et al. Knee Surg Sports Traumatol Arthrosc (2014) 22: 2070.
[2] Health Advances LLC MACI market assessment report (2018).
[3] Assumes MACI ASP of ~$50,000+.
[4] 2024 financial metrics are based on preliminary, unaudited 2024 financial results and are subject to change.

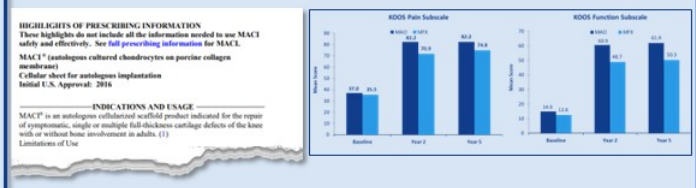


MACI is the Leading Restorative Cartilage Repair Product on the Market



MACI Product Attributes Driving Strong Growth Since Launch

Broad Label with Strong Clinical Data

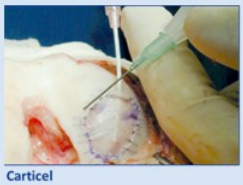


HIGHLIGHTS OF PRESCRIBING INFORMATION
These highlights do not include all the information needed to use MACI safely and effectively. See full prescribing information for MACI.

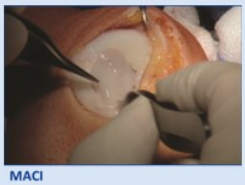
MACI® (autologous cultured chondrocytes on porcine collagen membrane)
Cellular sheet for autologous implantation
Initial U.S. Approval: 2016

—INDICATIONS AND USAGE—
MACI® is an autologous cellularized scaffold product indicated for the repair of symptomatic, single or multiple full-thickness cartilage defects of the knee with or without bone involvement in adults. (1)
Limitations of Use

Simpler, Less Invasive Procedure

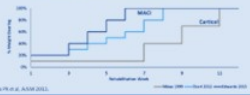


Carticel



MACI

Shorter Rehab Protocols



Published MACI rehabilitation protocols achieve full weight-bearing in 6-8 weeks compared to 10-12 weeks for published Carticel rehabilitation protocols

Strong Reimbursement Profile

[1] The American Journal of Sports Medicine. 2018;46(6):1343-1351

MACI Growth Opportunities

Core MACI Growth Drivers

- Broader Surgeon Adoption as MACI Becomes Standard of Care
- Deeper Practice Penetration as Surgeons Gain MACI Experience
- Innovation that Supports Premium Pricing

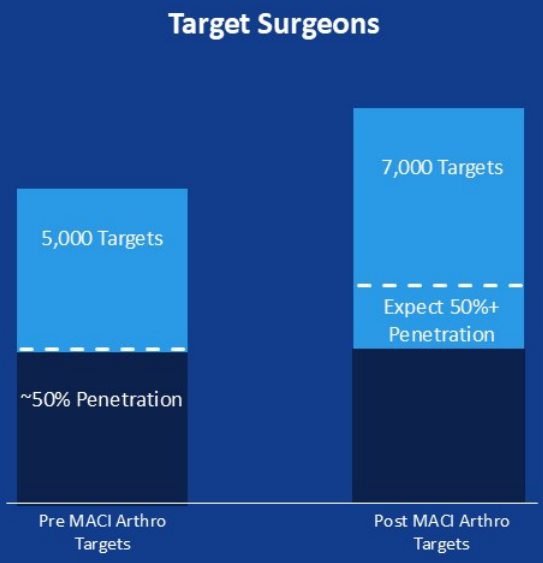
maci arthro

MACI Arthro Can Amplify Drivers

MACI has Generated Sustained High Growth Since Launch; MACI Arthro Expected to Drive Increased Utilization

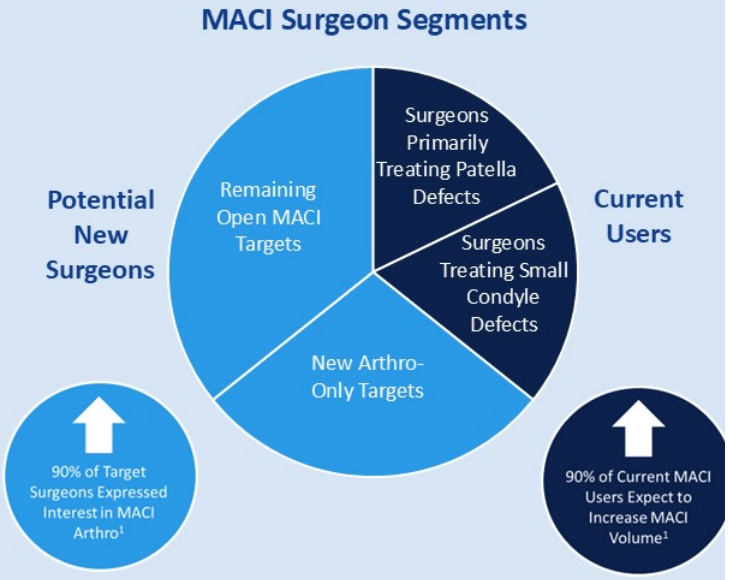
MACI Arthro is the First Restorative Biologic Cartilage Repair Product Approved for Arthroscopic Administration

MACI Arthro Enables Additional Surgeon Growth



maci arthro

MACI Arthro Expected to Drive Incremental Volume Across all Surgeon Segments



[1]Based on Health Advances, LLC MACI market assessment report (2018).

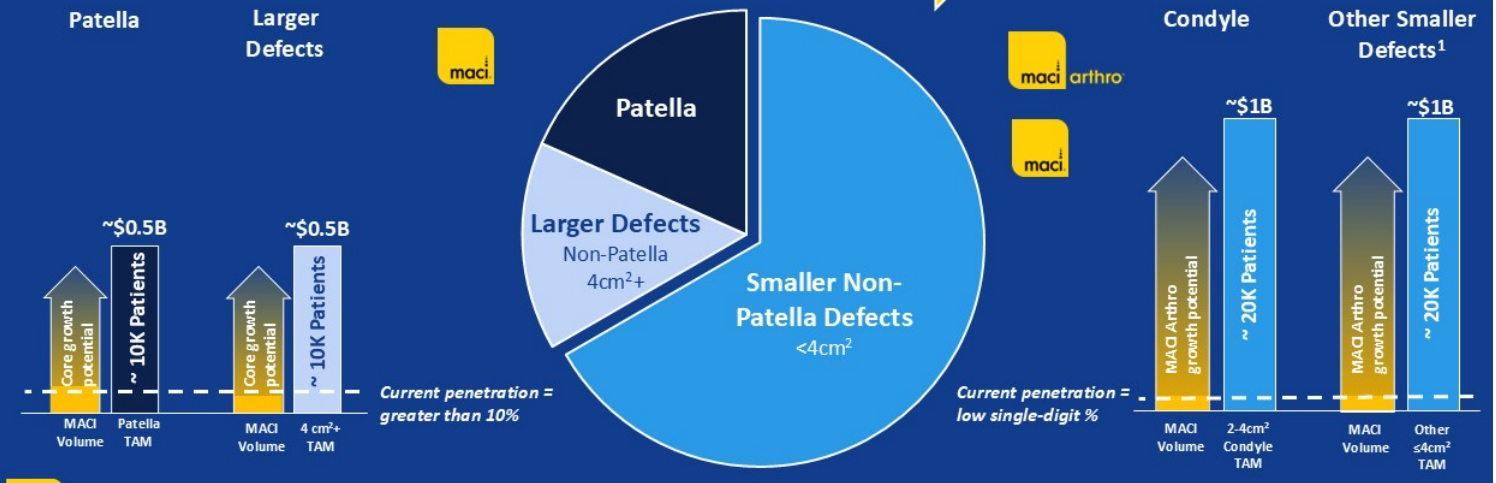
VERICEL

MACI Arthro Addresses the Largest Segment of the Overall MACI TAM Where There is Significant Potential to Increase Penetration

Current MACI Growth Segments Pre MACI Arthro Launch

MACI Arthro Provides Opportunity to Significantly Increase MACI Usage

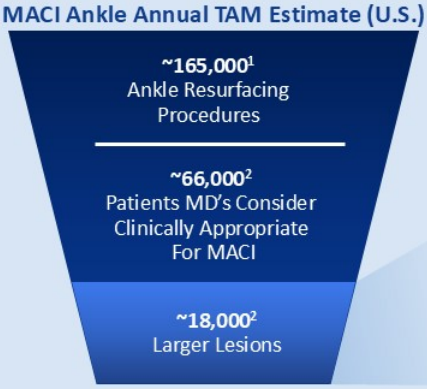
MACI Arthro Target Segments



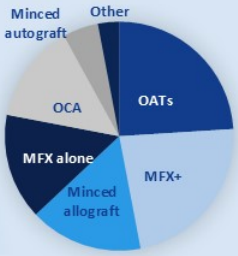
[1] 1-2cm² Trochlea, Tibia and Condyle defects.

Significant Ankle Cartilage Repair Opportunity

MACI Ankle Annual TAM Estimate (U.S.)



Current Treatment Breakdown[2]



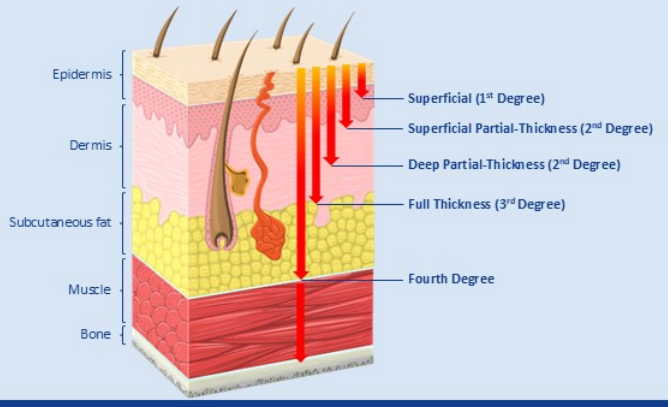
MACI Ankle represents a $1 billion[3] market opportunity, increasing the total MACI addressable market to $4 billion

maci ankle

[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 $50,000+.

Burn Injury Size and Depth Determine Treatment Pathway

- **Full thickness burn injuries of any size** & **partial thickness burn injuries >10%** total body surface area (TBSA) are most often transferred to specialized burn centers
- Full thickness & deep partial-thickness burns **require eschar removal and grafting** to achieve wound closure



TREATMENT PATHWAY

INITIAL ASSESSMENT

VERICEL Burn Care

Deep partial thickness

Full thickness

ESCHAR REMOVAL

NexoBrid (anacaulase-bcdb)

Surgical or enzymatic debridement

Surgical or enzymatic debridement

EVALUATION

Post debridement evaluation

TREATMENT/HEALING

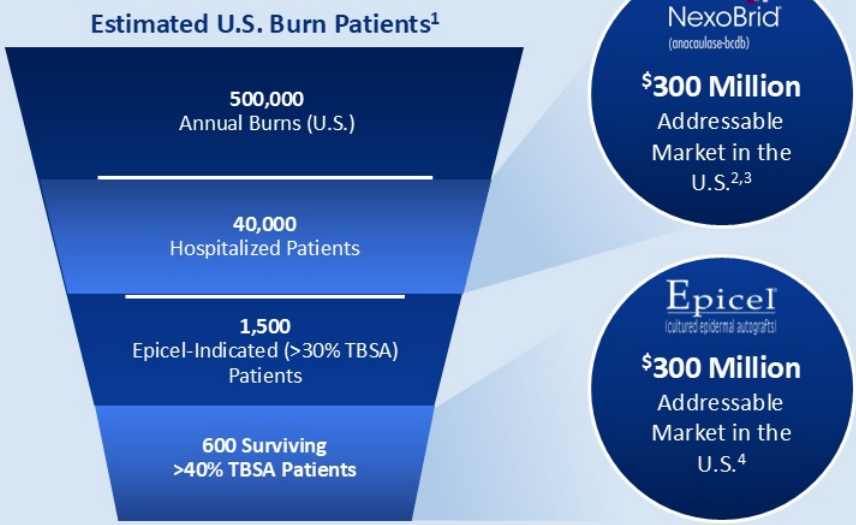
Spontaneous healing

Skin grafting (if necessary)

Skin grafting (permanent skin coverage)

Epicel (cultured epidermal autografts)

Burn Care Franchise Addressable Market Opportunity



NexoBrid (anacaulase-bcdb)
$300 Million Addressable Market in the U.S.[2,3]

Epicel (cultured epidermal autografts)
$300 Million Addressable Market in the U.S.[4]

VERICEL Burn Care
$600 Million Addressable Market in the U.S.

NexoBrid commercialization significantly expands the total addressable market and establishes second high growth franchise for Vericel

VERICEL Burn Care

[1] 2017 National Burn Repository Report Version 13.
[2] ~90% of hospitalized patients with thermal burns; ~90% of eligible patients require eschar removal (management estimate).
[3] Assumes NexoBrid average price of ~$9,000 per patient.
[4] Assumes 600 patients x 120 grafts per patient x ~$4,000+ per graft.

NexoBrid

Orphan biologic product indicated for eschar removal in adults and pediatric patients with severe burns

NexoBrid
(anacaulase-bcdb)

Significant Advancement in Burn Treatment Paradigm

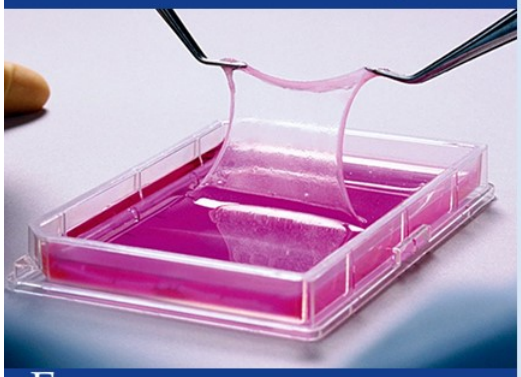
- Concentrated mixture of proteolytic enzymes
- Non-surgical topical agent that may be applied at the patient's bedside
- Selectively degrades eschar in four hours while preserving viable tissue

[1] NexoBrid Label. Cambridge, MA. Vericel Corporation; 2022.
[2] Krieger Y, Bogdanov-Berezovsky A, Gurfinkel R, et al. Efficacy of enzymatic debridement of deeply burned hands. Burns. 2012;38:108-112.
[3] Palao R, Aguilera-Saez J, Collado JM, et al. Use of a selective enzymatic debridement agent (NexoBrid) for wound management: Learning curve. World J Dermatol. 2017;6(2):32-41.

VERICEL

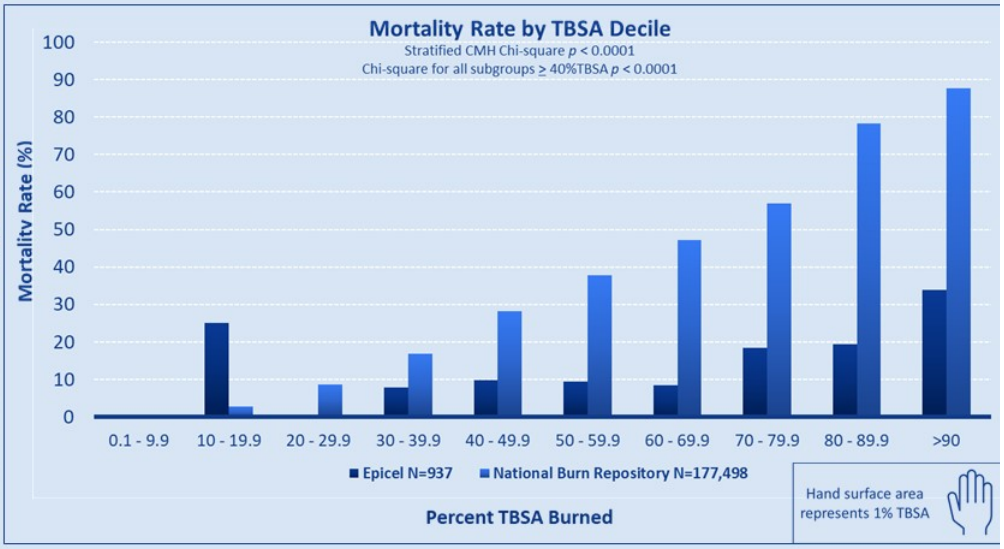
Epicel

- Only **FDA-approved permanent skin replacement** for adult and pediatric patients with full-thickness burns ≥ 30% of total body surface area
- Important treatment option for severe burn patients where little skin is available for autografts



Epicel®
(cultured epidermal autografts)

Comparison of Epicel Patient Database to National Burn Repository[1] Data Demonstrates Lower Mortality Rate



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, iry061, https://doi.org/10.1093/jbcr/iry061.

[1] American Burn Association, National Burn Repository 2016, Version 12.

VERICEL

Burn Care Growth Opportunities

VERICEL
Burn Care

- Larger commercial footprint with portfolio selling approach in 2025
- NexoBrid uptake increasing with strong clinical outcomes driving adoption
- Activating additional Epicel users through cross-selling efforts with NexoBrid

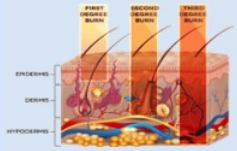
Vericel Remains Focused on Potential Strategic Transactions to Maximize Long-Term Value

ADVANCED CELL THERAPY DEVELOPMENT & MANUFACTURING PLATFORM

Sports Medicine Franchise

maci autologous cultured chondrocytes on porcine collagen membrane

Severe Burn Care Franchise



Epicel® (cultured epidermal autografts)

NexoBrid® (anacaulase-bcdb)

New Advanced Cell Therapy Vertical(s)

Business development activities focused on opportunities having a strategic fit with current **franchises** or advanced cell therapy **platform**

Building on a Legacy of Growth with Near-Term and Long-Term Opportunities

2014 — Acquisition of Sanofi's Cell Therapy and Regenerative Medicine Business

2017 — MACI Launched in U.S.

2019 — Acquisition of North American commercial rights to NexoBrid

2023 — NexoBrid Launched in U.S.

2025 — New Corporate HQ and Manufacturing Facility Complete

2027 — Potential for MACI OUS Expansion

2016 — MACI Approved

Epicel Pediatric Label Expansion Approved

2018 — 1st Profitable Quarter

2022 — NexoBrid Approved in U.S.

2024 — MACI Arthro Approved and Launched

NexoBrid Pediatric Label Expansion Approved

2026 — Commercial Manufacturing at New Facility Commences

2030+ — Target Launch

Growth Strategy Leverages Near-Term & Long-Term Opportunities

Strong Financial Profile

- High revenue growth profile with 20% CAGR since 2017
- Sustained positive adjusted EBITDA and operating cash flow
- $167 Million in cash and investments

High-Growth Sports Medicine Franchise

- Market leader in knee cartilage repair
- 20% growth in 2023 & 2024
- MACI Arthro launched in Q3 2024

Second High-Growth Franchise in Burn Care

- NexoBrid launched in the U.S. in Q4 2023
- NexoBrid Pediatric indication approved in Q3 2024

Expanding Core Portfolio

- On track to submit MACI Ankle IND in H1 2025, expect to initiate clinical study in H2 2025
- New facility provides flexibility to potentially commercialize MACI outside the US

2024 financial metrics are based on preliminary, unaudited 2024 financial results and are subject to change.