

BrainStorm Announces First Quarter 2018 Financial Results and Provides Corporate and Clinical Highlights

May 14, 2018 8:01 AM ET

Call Today and Webcast @ 8:30am Eastern Time Today

NEW YORK, N.Y. and PETACH TIKVAH, Israel, May 14, 2018 /PRNewswire/ -- BrainStorm Cell Therapeutics Inc. (NASDAQ: BCLI), a leading developer of adult stem cell technologies for neurodegenerative diseases, announced today financial results for the first quarter ended March 31, 2018.



"We are very pleased with the progress we are making with our ongoing Phase 3 trial in the U.S.," commented Chaim Lebovits, president and chief executive officer of BrainStorm. "we are also pleased with the regulatory progress via additional pathways that will allow access to NurOwn® for patients. In parallel we continue to heavily invest in HR and R&D so that we have the necessary expertise to develop NurOwn and advance our clinical pipeline."

First Quarter and Recent Corporate Highlights:

- Continued to enroll and treat patients in the ongoing Phase 3 clinical trial investigating NurOwn for the treatment of amyotrophic lateral sclerosis (ALS).
 - In March, the Company amended the protocol to allow Canada-based ALS patients to enroll in the trial at the University of Massachusetts (UMass) center.
 - The trial is designed to enroll 200 patients with ALS, and is being conducted at six leading ALS clinical sites in the U.S. Top line results are expected in late 2019.
- Formed a Scientific Advisory Board (SAB), chaired by Jerold Chun, MD, Ph.D., an acclaimed neuroscientist and professor at Sanford Burnham Prebys Medical Discovery Institute.
 - Appointed Stanley H. Appel, M.D., and Amit Bar-Or, M.D., two thought leaders in the fields of neuroscience and regenerative medicine, to the SAB.
- The Israel Ministry of Health (MoH) granted "Good Manufacturing Practice" (GMP) approval to Brainstorm's contract manufacturing facility in Israel.
- Presented data from the Phase 2 study, including micro-RNA biomarker data, at the annual meeting of American Academy of Neurology (AAN) in Los Angeles, CA.
- On April 25, 2018, the Israel Innovation Authority ("IIA") notified the Company of the exceptional approval to pay the final \$1 million installment out of the 2016 and 2017 approved grants .
- On April 30 2018, the Company received a \$2 million payment from California Institute of Regenerative Medicine (CIRM). This was part of a \$15.9 million grant awarded by CIRM in 2017 to aid in funding the Company's pivotal Phase 3 study of NurOwn. To date, the company has received \$9.05 million of the CIRM grant: \$7.05 was received in 2017. The grant does not bear a royalty payment commitment nor is the grant otherwise refundable.

Financial Results for the First Quarter Ended March 31, 2017

- Cash, cash equivalents, and short-term bank deposits were \$5.6 million at March 31, 2018, compared with \$7.8 million at December 31, 2017.
- Total cash on hand and cash commitments as of April 30, 2018 totaled \$7.6 million.
- Research and development expenses, net for the three months ended March 31, 2018 and 2017 were \$977,000 and \$941,000, respectively. These amounts were net of funds received under grants from IIA and CIRM. Excluding the aforementioned payments, research and development expenses were to \$3.2 million for the three months ended

March 31, 2018, compared with \$941,000 in the first quarter of 2017, an increase of \$2.2 million.

- General and administrative expenses for the three months ended March 31, 2018 and 2017 were \$1.3 million and \$829,000, respectively.
- Net loss for the three months ended on March 31, 2018 was \$2.3 million or (\$0.12) per share as compared to a net loss of \$1.8 million or (\$0.10) per share for the three months ended March 31, 2017.

Conference Call Today - Monday, May 14th @ 8:30am Eastern Time

Members of BrainStorm's senior management team, including Chaim Lebovits, CEO, and Ralph Kern, M.D., MHSc, COO and CMO, and Eyal Rubin, CFO will host a conference call and live webcast for the investment community on Monday, May 14th @ 8:30am Eastern Time. The details are as follows:

USA Toll Free: 800 239 9838
USA & International Investors: 323 794 2551
Israel Investors: 1809 212 883
Conference ID: 6273879
Webcast: <https://goo.gl/nNMzYw>

Replay: Dial-In – available through May 28:

Toll Free: 844-512-2921
International: 412-317-6671
Conference ID: 6273879
Webcast: <https://goo.gl/nNMzYw>

About BrainStorm Cell Therapeutics Inc.

BrainStorm Cell Therapeutics Inc. is a biotechnology company engaged in the development of first-of-its-kind adult stem cell therapies derived from autologous bone marrow cells for the treatment of neurodegenerative diseases. The Company holds the rights to develop and commercialize its NurOwn[®] technology through an exclusive, worldwide licensing agreement with Ramot, the technology transfer company of Tel Aviv University. NurOwn has been administered to approximately 75 patients with ALS in clinical trials conducted in the United States and Israel. In a randomized, double-blind, placebo-controlled clinical trial conducted in the U. S., a clinically meaningful benefit was demonstrated by higher response to NurOwn compared with placebo. For more information, visit the Company's website at www.brainstorm-cell.com.

Safe-Harbor Statement

Statements in this announcement other than historical data and information constitute "forward-looking statements" and involve risks and uncertainties that could cause BrainStorm Cell Therapeutics Inc.'s actual results to differ materially from those stated or implied by such forward-looking statements. Terms and phrases such as "may", "should", "would", "could", "will", "expect", "likely", "believe", "plan", "estimate", "predict", "potential", and similar terms and phrases are intended to identify these forward-looking statements. The potential risks and uncertainties include, without limitation, risks associated with BrainStorm's limited operating history, history of losses; minimal working capital, dependence on its license to Ramot's technology; ability to adequately protect the technology; dependence on key executives and on its scientific consultants; ability to obtain required regulatory approvals; and other factors detailed in BrainStorm's annual report on Form 10-K and quarterly reports on Form 10-Q available at <http://www.sec.gov>. These factors should be considered carefully, and readers should not place undue reliance on BrainStorm's forward-looking statements. The forward-looking statements contained in this press release are based on the beliefs, expectations and opinions of management as of the date of this press release. We do not assume any obligation to update forward-looking statements to

reflect actual results or assumptions if circumstances or management's beliefs, expectations or opinions should change, unless otherwise required by law. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements.

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BRAINSTORM CELL THERAPEUTICS INC. AND SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED BALANCE SHEETS
U.S. dollars in thousands
(Except share data)

	March 31, 2018	December 31, 2017
	U.S. \$ in thousands	
	Unaudited	Audited
<u>ASSETS</u>		
Current Assets:		
Cash and cash equivalents	\$ 3,246	\$ 2,483
Short-term deposit (Note 4)	2,359	5,273
Account receivable	1,117	672
Prepaid expenses and other current assets	1,143	1,195
Total current assets	7,865	9,623
Long-Term Assets:		
Prepaid expenses and other long-term assets (Note 5)	1,136	1,408
Property and Equipment, Net	412	392
Total long-term assets	1,548	1,800
Total assets	\$ 9,413	\$ 11,423
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Current Liabilities:		
Accounts payable	\$ 3,261	\$ 1,424
Accrued expenses	442	817
Deferred grant income (Note 6)	1,202	2,625
Other accounts payable	674	677
Total current liabilities	5,579	5,543
Total liabilities	\$ 5,579	\$ 5,543

Stockholders' Equity:		
Stock capital: (Note 7)	11	11
Common stock of \$0.00005 par value - Authorized: 100,000,000 shares at each of March 31, 2018 and December 31, 2017; Issued and outstanding: 19,111,326 and 18,976,169 shares at March 31, 2018 and December 31, 2017, respectively.		
Additional paid-in-capital	86,196	85,944
Accumulated deficit	(82,373)	(80,075)
Total stockholders' equity	3,834	5,880
Total liabilities and stockholders' equity	\$ 9,413	\$ 11,423

BRAINSTORM CELL THERAPEUTICS INC. AND SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS (UNAUDITED)
U.S. dollars in thousands
(Except share data)

Three months ended
March 31,
2018 2017
U.S. \$ in thousands

Operating expenses:

Research and development, net	\$ 977	\$ 941
General and administrative	1,330	829
Operating loss	(2,307)	(1,770)
Financial expenses (income), net	(9)	15
Net loss	\$ (2,298)	\$ (1,785)
Basic and diluted net loss per share from continuing operations	\$ (0.12)	\$ (0.10)
Weighted average number of shares outstanding used in computing basic and diluted net loss per share	19,047,350	18,688,377

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