Scancell

Business update and FY23 results

31 October 2023

- Scancell's FY23 audited results (12 months to April) show an operating loss of £11.9m (FY22: £13.3m), with R&D spend of £11.6m (FY22: £9.5m) and G&A expenses of £5.0m (FY22: £4.8m). The increased costs as the clinical trials progress were more than offset by the £5.3m non-recurring upfront from Genmab for the October 2022 GlyMab deal. Tight cost control and a strategic focus on the two lead clinical assets means the £19.9m (FY22: £28.7m) cash position provides a runway through to early 2025, covering the highly anticipated near-term clinical results for SCIB1 and Modi-1.
- SCIB1 reported impressive topline data from the first stage of the Phase II SCOPE study in September. SCIB1 in combination with the checkpoint inhibitors (CPIs) ipilimumab (Yervoy) and nivolumab (Opdivo) in advanced melanoma achieved an objective response rate (ORR) of 82%. This compares to the 70% ORR the study was configured to show, with the target nine responses achieved in only 11 patients. More details on the trial and available data were discussed in our September 2023 Lighthouse.
- SCOPE has moved to the second stage, recruiting another 27 patients (for a total of 43 patients). The aim is to achieve 18 responses (ie 27 responses in total) to demonstrate SCIB1 can exceed currently achievable ORRs (doublet CPI therapy response rates are around 48-58%). The strength of the initial results means this second stage has a 90% probability of success. Pending MHRA approval, SCOPE will also include a cohort with the improved second-generation iSCIB1+ construct, which is enhanced with AvidiMab. SCOPE data are expected during H124, after which the company plans to progress to a Phase II/III registrational programme, subject to funding.
- Modi-1 is the lead programme from the Moditope therapeutic vaccine platform. ModiFY is an adaptive 100+ patient open label Phase I/II study exploring Modi-1 alone and in combination with CPIs in a variety of hard-to-treat cancers. Encouraging results have been seen in a number of settings, including 44% of 16 ovarian cancer patients treated with monotherapy who had stable disease lasting 8 weeks or more. The clean safety profile means ModiFY is moving into the expansion cohorts, including with CPIs. Early clinical data are expected to become available through 2024.

Trinity Delta view: Scancell's cash runway extends to early 2025, covering important clinical milestones for both SCIB1 and Modi-1 programmes. The highly impressive initial SCOPE data effectively demonstrate the value of the SCIB vaccine in combination with CPIs, suggesting results from the second stage (due in H124) could be similarly positive. Early clinical data from the Modi-1 ModiFY study will also be available in 2024. Encouraging clinical outcomes would validate both the ImmunoBody and Moditope vaccine platforms and likely stimulate industry partnering interest. Licencing interest is also expected for the GlyMab and AvidiMab antibody platforms as Business Development activity is ramped up. Our Scancell rNPV based valuation is £300.1m, or 36.7p/share.

Price	12.75p
Market Cap	£131.9m
Primary exchange	AIM
Sector	Healthcare
Company Codes	SCLP.L
Corporate client	Yes

Company description:

Scancell is a clinical-stage immuno-oncology specialist that has four broadly applicable technology platforms. Two are therapeutic vaccines, Moditope and ImmunoBody, and two are antibody based, GlyMab and AvidiMab.

Analysts

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