Scancell

FY24: Cash to deliver on key clinical catalysts

24 September 2024

- Focus remains on advancing the lead clinical assets SCIB1/iSCIB1+ and Modi-1, with trials ongoing for both. The clinical activity, plus preparations for future development, led to an increase in FY24 R&D spend (12 months to April) to £12.9m (FY23: £11.6m); G&A was £5.4m (FY23: £5.0m). The operating loss was wider at £18.3m vs FY23 £11.9m, as FY23 included a non-recurring £5.3m upfront from Genmab. Cash at end April of £14.8m (FY23: £19.9m) provides a runway through to calendar Q325, beyond key clinical data for SCIB1 in Q424, and iSCIB1+ and Modi-1 in H125.
- The next key clinical data expected in Q424 are for SCIB1 in combination with doublet checkpoint inhibitors (CPIs) in advanced melanoma (part of the second stage of the Phase II SCOPE study). The aim is to show that the SCIB1 combination can exceed currently achievable response rates (c 50%). This follows highly positive first stage data, where 11 of 13 patients achieved at least a partial response, exceeding the 70% target. Data for iSCIB1+ (improved second-generation construct that has been enhanced with AvidiMab, is more potent, and is capable of addressing all melanoma patients) are expected during H125. Both cohorts are expected to recruit up to 43 patients, with 36 currently in the SCIB1 cohort, and 27 in the iSCIB1+ cohort.
- A potentially registrational adaptive Phase II/III trial is currently being planned, with input from a clinical advisory board consisting of a panel of experts, which could start in 2025 subject to positive data and sufficient funds. In preparation for this trial, Scancell has scaled up manufacturing and has secured future supply of the currently used Stratis needle-free delivery system through a recent partnership with PharmaJet.
- Further data from the Phase I/II ModiFY trial of Modi-1 are expected H125. Key will be data from the recently initiated expansion cohort in renal cancer evaluating Modi-1 in combination with doublet checkpoint inhibitor therapy (ipilimumab plus nivolumab). Initial early signals of efficacy have already been observed in various monotherapy cohorts.
- The GlyMab platform could be a source of future deal(s), with two already in place; one with Genmab since 2022, and a more recent deal with an unnamed international biotech company (June 2024 Lighthouse).

Trinity Delta view: Key upcoming SCIB1 data in advanced melanoma are largely de-risked given prior results, in our view, and Scancell is already preparing for future SCIB1/iSCIB1+ development, pending full SCOPE data, including from iSCIB1+ in H125. A potentially pivotal adaptive Phase II/III trial is being planned and critical elements to ensure rapid progression are being addressed. We believe this indicates confidence in the outcome of the ongoing SCOPE trial, appropriate in our view given prior data. Importantly, the current cash runway extends to Q325, beyond these SCIB1/iSCIB1+ milestones and Modi-1 data in H125; this could be extended through licensing activity. Our Scancell rNPV based valuation is £304m, or 33p/share.

Price	15.00p
Market Cap	£139.4m
Primary exchange	AIM
Sector	Healthcare
Company Code	SCLP
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

Lala Gregorek
lgregorek@trinitydelta.org
+44 (0) 20 3637 5043

Philippa Gardner
pgardner@trinitydelta.org
+44 (0) 20 3637 5042

Philippa Gardner pgardner@trinitydelta.org +44 (0) 20 3637 5042

Lala Gregorek lgregorek@trinitydelta.org +44 (0) 20 3637 5043

Franc Gregori fgregori@trinitydelta.org +44 (0) 20 3637 5041

Disclaimer

Trinity Delta Research Limited ("TDRL"; firm reference number: 725161), which trades as Trinity Delta, is an appointed representative of Equity Development Limited ("ED"). The contents of this report, which has been prepared by and is the sole responsibility of TDRL, have been reviewed, but not independently verified, by ED which is authorised and regulated by the FCA, and whose reference number is 185325.

ED is acting for TDRL and not for any other person and will not be responsible for providing the protections provided to clients of TDRL nor for advising any other person in connection with the contents of this report and, except to the extent required by applicable law, including the rules of the FCA, owes no duty of care to any other such person. No reliance may be placed on ED for advice or recommendations with respect to the contents of this report and, to the extent it may do so under applicable law, ED makes no representation or warranty to the persons reading this report with regards to the information contained in it.

In the preparation of this report TDRL has used publicly available sources and taken reasonable efforts to ensure that the facts stated herein are clear, fair and not misleading, but make no guarantee or warranty as to the accuracy or completeness of the information or opinions contained herein, nor to provide updates should fresh information become available or opinions change.

Any person who is not a relevant person under section of Section 21(2) of the Financial Services & Markets Act 2000 of the United Kingdom should not act or rely on this document or any of its contents. Research on its client companies produced by TDRL is normally commissioned and paid for by those companies themselves ('issuer financed research') and as such is not deemed to be independent, as defined by the FCA, but is 'objective' in that the authors are stating their own opinions. The report should be considered a marketing communication for purposes of the FCA rules. It has not been prepared in accordance with legal requirements designed to promote the independence of investment research and it is not subject to any prohibition on dealing ahead of the dissemination of investment research. TDRL does not hold any positions in any of the companies mentioned in the report, although directors, employees or consultants of TDRL may hold positions in the companies mentioned. TDRL does impose restrictions on personal dealings. TDRL might also provide services to companies mentioned or solicit business from them.

This report is being provided to relevant persons to provide background information about the subject matter of the note. This document does not constitute, nor form part of, and should not be construed as, any offer for sale or purchase of (or solicitation of, or invitation to make any offer to buy or sell) any Securities (which may rise and fall in value). Nor shall it, or any part of it, form the basis of, or be relied on in connection with, any contract or commitment whatsoever. The information that we provide is not intended to be, and should not in any manner whatsoever be, construed as personalised advice. Self-certification by investors can be completed free of charge at www.fisma.org. TDRL, its affiliates, officers, directors and employees, and ED will not be liable for any loss or damage arising from any use of this document, to the maximum extent that the law permits.

Copyright 2024 Trinity Delta Research Limited. All rights reserved.

More information is available on our website: www.trinitydelta.org