Scancell

Genmab strikes second GlyMab deal

4 December 2024

- Genmab has signed a second commercial licence with Scancell for a GlyMab antibody, confirming it was the unnamed international biotech company in the June 2024 evaluation deal, which allowed for seven months of exclusivity in return for a $1m fee. While detailed terms have not been disclosed, Scancell is eligible to receive an upfront fee and potential development and commercialisation milestone payments up to a maximum of $630m, as well as royalties on products sold. Genmab gains the exclusive global rights to develop and commercialise this GlyMab across defined modalities as multiple novel therapeutic products.
- The headline deal value of $630m in total milestone potential suggests that this second licence may be similar to the first deal (October 2022 Lighthouse). In the first multi-product GlyMab deal with Genmab, Scancell received a $6m upfront fee, potential milestones that could reach a maximum of $624m across all modalities (with $208m for each product), and a low single digit royalty on net sales of all commercialised products. Our October 2024 Update provides more detail on the GlyMab platform, and our February 2023 Outlook covers more information on Genmab and the first deal terms.
- The original October 2022 deal centred on SC129, a GlyMab that targets sialyl-di-Lewis[a], with high selectivity for pancreatic tumours (74%), gastric cancers (50%) and colorectal cancers (36%). Genmab has licenced SC129 for antibody drug conjugates (ADC), T cell bispecifics (TCB), and radio-immunotherapy applications. Lewis-based glycans have a very limited distribution on normal tissues and are over-expressed in cancers that occur in epithelial cells. We believe this second deal is also focused on solid tumours.
- GlyMabs are antibodies that target sugar motifs rather than proteins. Scancell has built a pipeline of differentiated anticancer mAbs, with five in preclinical development. This second deal with Genmab provides powerful validation of the scientific, clinical, and commercial appeal of the GlyMab platform.

Trinity Delta view: Scancell has four distinct technology platforms: two highly promising oncology vaccine platforms (Moditope and ImmunoBody), and two antibody technologies (GlyMab and AvidiMab). Investor attention remains, understandably, focused on the vaccine programmes, notably further data from the ongoing SCOPE trial (Cohort 1 data in H125 and Cohort 3 data in H225) following much anticipated recent positive response rate data from Cohort 1 (November 2024 Lighthouse). Nonetheless, licencing of the second GlyMab antibody provides endorsement of Scancell's ability to generate commercially relevant therapeutics, deepens the relationship with antibody expert Genmab, and demonstrates the breadth of, and value inherent in, the GlyMab platform. In addition, the upfront payment, while not disclosed will provide immediate non-dilutive funding, with the potential for additional future near-to-mid-term milestones. Our current risk adjusted NPV valuation for Scancell is £311m, or 33p per share.

Price	13.0p
Market Cap	£123.2m
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

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