Scancell

Fundraise extends cash into H226 beyond key catalysts

6 December 2024

- Scancell has raised c £10.3m (gross) through an oversubscribed Placing (to new and existing institutional shareholders) and Subscription, with a total of 97,467,141 new shares to be issued. The issue price for the fundraise is 10.5p. An additional up to £1m may also be raised through a Retail Offer to all qualifying shareholders, which will close on 9 December. New shares are expected to be admitted to trading on 10 December. The fundraise extends Scancell's runway beyond key clinical data outcomes, including for SCIB1/iSCIB1+ and Modi-1 (more details below), and will allow Scancell to explore potential partnering/out-licencing from a position of strength.
- The Phase II SCOPE study of SCIB1/iSCIB1+ in combination with standard-of-care doublet therapy (ipilimumab and nivolumab) in advanced melanoma is ongoing, with further data expected during 2025. Recent initial data from Cohort 1 (SCIB1 with doublet therapy, which has recruited 42 of the planned 43 patients) demonstrated an objective response rate (ORR) of 72% at 25 weeks, based on 25 evaluable patients, exceeding the 48% ORR seen with doublet therapy (November 2024 Lighthouse). Cohort 3 is examining next generation iSCIB1+ and has recruited 33 of the planned 43 patients; this is examining iSCIB1+ delivered into the muscle (intramuscular, IM). Cohort 4 is also being added to the study to examine iSCIB1+ delivered into the skin (intradermal, ID), which could make the vaccine more efficient given the large number of antigen-presenting cells that are in the skin.
- The Phase I/II ModiFY trial of Modi-1 as monotherapy and in combination with checkpoint inhibitors (CPIs) in various challenging solid tumours is ongoing. Enrolment in the arm exploring Modi-1 with CPIs in advanced renal cell carcinoma (RCC) is underway, aiming to recruit 44 untreated patients.
- The new funds, together with existing cash (£9.1m on 1 November), and anticipated receipt of a mid-single digit $m milestone from Genmab for the second GlyMab deal (December 2024 Lighthouse) will provide Scancell with a cash runway through to H226. This is beyond the following key clinical milestones: (1) full SCIB1 Cohort 1 ORR data from 43 patients in H125; (2) Modi-1 RCC CPI combination data in H125; (3) iSCIB1+ Cohort 3 IM data in H225; and (4) initial iSCIB1+ Cohort 4 ID data in H225.

Trinity Delta view: Scancell's upsized £10.3m fundraise, including to new specialist healthcare investors, extends the cash runway to H226, beyond key value inflection points for both SCIB1/iSCIB1+ and Modi-1, and also allows the time for Scancell to evaluate potential suitable out-licencing and partnering opportunities to optimally advance key assets from a position of strength. The fundraise reflects continued momentum at Scancell, with recent positive SCIB1 data, and hot on the heels of the second GlyMab deal with Genmab. As the prospects for the pipeline become clearer over the next 12-18 months, this should unlock value within Scancell that is currently underappreciated, in our view. As usual in such situations, we suspend our valuation and forecasts; for context our last published rNPV based valuation for Scancell was £311m.

Price	11.13p
Market Cap	£125.5m
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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