24 September 2024

Scancell Holdings plc
("Scancell" or the "Company")

Results for the Year Ended 30 April 2024

Scancell Holdings plc (AIM: SCLP), the developer of novel immunotherapies for the treatment of cancer, today announces its final audited financial results for the year ended 30 April 2024 as well as a business update on progress achieved post-period.

Key highlights (including post-period)

SCIB1/ iSCIB1+ (SCOPE trial)

- SCIB1 reported positive data in combination with checkpoint inhibitors (CPI) from the first stage of its Phase 2 SCOPE trial for advanced melanoma with an objective response rate (ORR) exceeding the 70% target set for continuation of the study.

- iSCIB1+, a next generation vaccine expressing additional melanoma-specific epitopes that make it suitable for a broader patient population, added as additional cohort to the Phase 2 SCOPE trial.

- Agreed strategic partnership with PharmaJet for use of the Stratis® needle-free delivery for clinical development and commercial sales of SCIB1/iSCIB1+.

- Full cohort data with SCIB1 and iSCIB1+ expected in Q4 2024 and H1 2025 respectively.

- Phase 2/3 registration study in advanced melanoma planned to begin in 2025 supported by strategic guidance from international key opinion leaders.

Modi-1 (ModiFY trial)

- Modi-1 completed dose escalation and safety cohorts of the Phase 1/2 ModiFY trial and continues in the expansion cohorts.

- Early data from patients receiving Modi-1 as a monotherapy showed good safety and ability to induce stable disease for long periods.

- A cohort in advanced renal cell carcinoma (RCC) patients evaluating Modi-1 in combination with doublet CPI as a first line therapy approved and added to the ModiFY study.

- RCC cohort dosing has commenced with early clinical read-out expected in H1 2025.

Antibodies

- Active discussions ongoing with global pharmaceutical and biotech companies for further licensing deals.

- Agreement with major international biotechnology company to exclusively evaluate an antibody in the GlyMab® portfolio, receiving $1 million in July 2024.

- Development of SC129 with partner Genmab on track towards potential clinical development.

Corporate

- Dr Florian Reinaud, Non-Executive Director, and Sath Nirmalananthan, CFO, appointed to the Board of Directors.

- Enhanced organisational capabilities with key recruitments including the appointment of Dr Nermeen Varawalla as Chief Medical Officer in July 2024.

Financial

- Operating loss for the 12-month period to 30 April 2024 of £18.3 million (30 April 2023: operating loss of £11.9 million).
- Financing in late 2023 raised gross proceeds of £11.9 million with participation from both existing shareholders and new healthcare specialist investors.
- Group cash balance at 30 April 2024 was £14.8 million (30 April 2023: £19.9 million) with cash runway through to the third calendar quarter of 2025 beyond near-term clinical milestones.
- Convertible loan note maturity dates extended post-period by two years to second half of 2027.

Professor Lindy Durrant, Chief Executive Officer, Scancell, commented: "Scancell has made strong clinical progress, especially with its lead cancer vaccine SCIB1 for advanced melanoma. In the first stage of the Phase 2 study, 11 out of 13 patients achieved at least a partial response, exceeding the 70% ORR that the trial was configured to show. During the period, we added iSCIB1+, the next generation of SCIB1, as an additional cohort to the SCOPE trial. The addition of SCIB1 or iSCIB1+ to CPI has the potential to set the new standard for first line treatment of unresectable melanoma. We have also taken steps to strengthen our organisational capabilities and ensure readiness for a pivotal Phase 2/3 registration study in 2025. We are now well prepared and well positioned for future development."

Professor Lindy Durrant, Chief Executive Officer, and Sath Nirmalananthan, Chief Financial Officer, will host a live webcast and Q&A session for analysts and investors today at 13:00 BST.

If you would like to join the webcast, please follow this link:

Scancell Holdings PLC Full Year Results | SparkLive | LSEG

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014 (MAR).

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About Scancell

Scancell is a clinical stage immunotherapy company that is leveraging its proprietary research, built up over many years of studying the human adaptive immune system, to generate novel medicines to treat significant unmet needs in cancer. The Company is building a pipeline of innovative products by utilising its four technology platforms: Moditope® and ImmunoBody® for vaccines and GlyMab® and AvidiMab® for antibodies. Adaptive immune responses include antibodies and T cells (CD4 and CD8), both of which can recognise damaged or infected cells. In order to destroy such cancerous or infected cells, Scancell uses either vaccines to induce immune responses or monoclonal antibodies (mAbs) to redirect immune cells or drugs. The Company's approaches are that vaccines (ImmunoBody® and Moditope®) use unique receptors to target antigens to activated antigen presenting cells whereas its mAb portfolio targets glycans or sugars that are added onto proteins and / or lipids (GlyMab®) or enhances the potency of antibodies and their ability to directly kill tumour cells (AvidiMab®).

Scancell is headquartered in Oxford, United Kingdom and is listed on AIM (LSE.SCLP.L). For further information about Scancell, please visit: https://www.scancell.co.uk.

CHAIR'S STATEMENT

Immunotherapy is a growing and important treatment option for the unmet needs of cancer. Cancer vaccines are a promising class of immunotherapy designed to stimulate the body's immune system to fight against cancer, with long-lasting durable immune responses resulting in improved patient outcomes. We are developing two distinct cancer vaccines: SCIB1/iSICB1+ and Modi-1, each with unique characteristics aimed at addressing specific unmet needs in cancer treatment.

Scancell has made significant progress over the last 18 months. We have delivered impressive results with SCIB1 from the first stage of the Phase 2 SCOPE trial for advanced melanoma while strengthening our organisational capabilities and ensuring readiness for a pivotal Phase 2/3 registration study.

We were very encouraged by initial data from the ongoing SCOPE trial with 11 of the first 13 patients receiving SCIB1 in the ongoing SCOPE trial showing at least a partial response, surpassing the 70% objective response rate (ORR) that the trial was configured to show. This has the potential to set the new benchmark for first-line unresectable melanoma treatment.

In addition to the strong progress with SCIB1, we have continued the clinical development of Modi-1, including the addition of a RCC cohort with checkpoint inhibitors, and we continue to seek partners for our other assets. In June 2024, we signed an agreement with a major international biotechnology company to evaluate another antibody from the GlyMab® platform under exclusivity, further validating the potential of our antibody platform to create novel, differentiated antibody products.

Alongside the strong development progress, we have been building and enhancing our organisational capability. We have made key hires including the recruitment of a Chief Medical Officer, a Chief Financial Officer, a Head of Business Development and a Head of Development. This leaves us well positioned and equipped as we head into a pivotal time for the company with a Phase 2/3 registration study firmly in sight.

Of course, our progress could not have been achieved without our talented employees, and I would like to thank them for their hard work and commitment. In addition, the Board would like to thank all existing shareholders, including Redmile Group, Vulpes Life Sciences, and those that participated in the fundraising in December 2023, for their support.

We strongly believe we will continue to demonstrate the therapeutic potential of SCIB1/iSCIB1+ in advanced melanoma and deliver one of the world's first off-the-shelf cancer vaccines while creating and delivering significant long-term value for our shareholders.

Jean-Michel Cosséry
Chairman

CHIEF EXECUTIVE OFFICER'S REPORT

We are pleased to report strong clinical progress in the period, especially with our lead cancer vaccine SCIB1 for the treatment of advanced melanoma.

SCIB1, our non-personalised DNA cancer vaccine from the ImmunoBody® platform, reported exceptional results in the first stage of the SCOPE study, surpassing the target ORR of 70% with 11 out of 13 patients achieving at least a partial response. iSCIB1+, a modified version of SCIB1 which includes more melanoma-specific epitopes, has now been added as a cohort to the study and is recruiting well. The addition of SCIB1/ iSCIB1+ to checkpoint inhibitors (CPI) has the potential to improve patient outcomes for those not responding to CPI alone and set the new standard for first line treatment of unresectable melanoma. We expect full cohort data with SCIB1 and iSCIB1+ in Q4 2024 and H1 2025 respectively. Following the data, we will progress to a late stage registration study in 2025 and evaluate partnering, out-licensing or further financing options.

Modi-1, our non-personalised citrullinated peptide vaccine from the Moditope® platform, continues to be evaluated in the ModiFY study for the treatment of various solid tumours. A cohort in renal cell carcinoma (RCC) in combination with double CPIs has been added. Modi-1 has been shown to be safe and to induce stable disease for long periods in many patients receiving monotherapy. Further data from the study is expected in H1 2025.

Whilst we have decided to concentrate our strategic focus and resources on SCIB1/iSCIB1+ and Modi-1, we have strong confidence in our other assets. We continue to assess partnering or out-licensing options to drive these assets forward and add further value. There is strong commercial interest in our GlyMab® antibodies with active discussions ongoing, building on our out-licensing deal with Genmab. We recently announced another agreement with an undisclosed major international biotechnology company who are exclusively evaluating another antibody from the GlyMab platform. These opportunities provide a source of potential non-dilutive funding for the company.

The financing in late 2023 raised gross proceeds of £11.9 million with participation from both existing shareholders and new healthcare specialist investors. This leaves the company funded through the data readout from the SCOPE trial and early data from the new renal cohort of the ModiFY trials. In addition, it has allowed us to enhance our organisational capabilities with key recruitments and we are well prepared and well positioned for the next phase of development.

Set out below is a summary of operational progress that has been made across our proprietary vaccine and antibody platforms. Full details of the Company's platforms and studies are available on the Company website and Annual Report.

SCIB1/iSCIB1+

SCIB1, and its next generation, iSCIB1+, are the lead non-personalised DNA cancer vaccines from the Company's ImmunoBody® platform. They are being evaluated in the Phase 2 SCOPE trial, in combination with the checkpoint inhibitors, ipilimumab (Yervoy®) and nivolumab (Opdivo®), for the first-line treatment for unresectable melanoma. The doublet therapy of ipilimumab and nivolumab, is the preferred treatment option in the first line setting for unresectable melanoma. The addition of SCIB1 or iSCIB1+ to this treatment option has the potential to improve patient outcomes and set the new standard for first line treatment. First-line unresectable melanoma impacts approximately 60,000 patients a year.

SCIB1 incorporates specific epitopes from the proteins gp100 and TRP-2 which play key roles in the production of melanin in the skin and were identified from T cells of patients who achieved spontaneous recovery from melanoma skin cancers.

iSCIB1+ is a modified version of SCIB1 developed using the company's AvidiMab® platform. iSCIB1+ has more melanoma-specific epitopes so it can be used by a broader patient population compared with SCIB1, which is suitable for 40% of patients which have the appropriate HLA type. Furthermore, iSCIB1+ has advantages over SCIB1, including potentially increased potency and an extended patent duration.

As previously reported, the SCIB1 cohort of the SCOPE trial reported exceptional results in the first stage of the study with 11 out of 13 patients showing at least a partial response which is an objective response rate (ORR) of 85%, exceeding the 70% ORR that the trial was configured to show. This compares to an ORR of 50% reported in patients receiving doublet CPI therapy alone in the real world setting with a progression free survival time of 11.5 months.

Both the SCIB1 and iSCIB1+ cohorts are in the second stage of the study recruiting a total of 43 patients each with a study design able to demonstrate that SCIB1 or iSCIB1+, in combination with doublet therapy, exceeds currently reported ORRs with doublet CPI alone, in a statistically significant manner. There are currently 36 and 27 patients recruited in the SCIB1 and iSCIB1+ cohorts respectively. Following completion of the SCIB1 recruitment, the remaining patients with the SCIB1 HLA haplotype will be recruited to test the efficacy of iSCIB1+ in the entire patient population.

A Phase 2/3 adaptive, randomised registration study in patients with unresectable melanoma will be initiated based on the full data analysis from the SCOPE study. Plans for the Phase 2/3 registration study have been further strengthened through an international clinical advisory board comprised of melanoma key opinion leaders held at ASCO 2024.

Ahead of the registrational study, a strategic agreement with PharmaJet has been secured for use of the Stratis® needle-free system for delivery of SCIB1 or iSCIB1+ for melanoma for both clinical development and commercial use. The PharmaJet Stratis® needle-free system is today the only technology which has shown effective uptake of the DNA vaccine through intramuscular delivery allowing native cellular machinery to express the target antigen and induce a potent anti-tumour response. The Stratis® system has U.S. FDA 510(k) marketing clearance, CE Mark, and World Health Organization Prequalification to deliver medications and vaccines either intramuscularly or subcutaneously and has been widely accepted and favoured by patients and clinicians throughout the SCOPE Study.

We expect full cohort data with SCIB1 and iSCIB1+ in Q4 2024 and H1 2025 respectively. Following the data, we will progress to a late stage registrational study in 2025 and evaluate partnering, out-licensing or further financing options.

SCOPE Study

The SCOPE study is an open-label, multi-cohort, multicentre Phase 2 study designed to assess whether the addition of SCIB1 or iSCIB1+ treatment to doublet CPI, considered standard of care, results in an improvement in patient outcomes for patients with metastatic advanced melanoma. The primary endpoint of the trial is objective response rate (ORR) with secondary endpoints including progression-free survival (PFS) and overall survival (OS) in patients with advanced melanoma. The trial cohorts include SCIB1 or iSCIB1+ plus doublet checkpoint therapy consisting of ipilimumab plus nivolumab and SCIB1 with pembrolizumab (Keytruda®).

MODI-1

Modi-1 is the first therapeutic vaccine candidate to emerge from the Company's Moditope® platform.

Modi-1 targets citrullinated peptides from two different proteins which have been combined to reduce the possibility of tumour escape and have each been conjugated to a toll-like receptor (TLR) 1/2 agonist, which acts as an adjuvant. Potent T cell responses and strong anti-tumour activity have been observed in several cancer models of different tumour types, including melanoma, ovarian, lung, pancreatic and triple negative breast cancer, following administration of the Modi-1 vaccine.

Modi-1 has completed the dose escalation and safety cohorts of the Phase 1/2 ModiFY trial and continues to be evaluated in the expansion cohorts. Clinical data from patients receiving Modi-1 as a monotherapy showed good safety and ability to induce stable disease for long periods.

The cohort of 16 ovarian cancer patients receiving Modi-1 has now been fully recruited. The number of patients who have experienced long periods of stable disease following monotherapy with Modi-1 is encouraging in this difficult to treat cancer. Based on this it has been decided to evaluate Modi-1 in combination with checkpoint inhibitors, as first line therapy in advanced cancer.

The Company is now evaluating Modi-1 in advanced renal cell carcinoma (RCC) in the first line setting. Doublet CPI is the standard of care for advanced RCC, and this trial will determine the additional efficacy benefit of Modi-1 immunisation in this most common type of kidney cancer and provide validation of the Moditope platform in combination with CPIs. The study protocol to evaluate a cohort of 44 patients received regulatory approval in May 2024 and has started enrolling patients with a preliminary read-out expected in H1 2025.

ModiFY Study

The ModiFY study is an open-label, multicohort, multicentre, adaptive Phase 1/2 trial with Modi-1 being administered alone or in combination with CPIs in patients with head and neck, triple negative breast and renal tumours and as a monotherapy in patients with ovarian cancer, where there are no approved CPI therapies. This open label Phase 1/2 study is assessing the safety and immunogenicity of citrullinated peptides.

ANTIBODIES

The GlyMab® platform has generated a series of high affinity tumour specific monoclonal antibodies (mAb) targeting glycans that are over-expressed on cancer cells. Supported with a robust patent portfolio and compelling proof of concept data for development as therapeutics, GlyMab antibodies support the clinical pipeline and the opportunity to generate non-dilutive revenue through partnerships with global pharma and biotech. Development under the commercial license agreement with Genmab with potential milestone payments of up to $624 million remains on track, and the GlyMab platform has been further validated through an agreement signed in June 2024 with a major international biotechnology company to exclusively evaluate another antibody in the GlyMab portfolio for $1 million.

GlyMabs offer interesting commercial opportunities as each antibody has high specificity for particular glycan molecules, making each of them attractive development candidates. In addition to being potential therapies in their own right, the specificity of the anti-glycan enables their development into a range of antibody-based therapies with differing mechanisms of action, such as antibody drug candidates, CAR-T, radioimmunotherapy and T-cell re-direction.

SC134 is the GlyMab lead asset and has strong potential as an effective therapeutic antibody for small cell lung cancer with in vivo data demonstrating anti-tumour activity as a T cell engager and an antibody drug conjugate. This data has generated broad commercial interest which will be pursued for partnership opportunities and licensing deals. Data demonstrating SC134 as effective T cell engager for small cell lung cancer has been published in a high-impact peer-reviewed international journal in August 2024.

CORPORATE

During the period, the Company has enhanced its organisational capabilities through key appointments to the Board of Directors and the Senior Management team, bringing highly relevant experience from the pharmaceutical sector to the company that will further enhance its commercial capabilities and accelerate the Company forward in achieving its strategic objectives.

Dr Florian Reinaud, Non-Executive Director, and Sath Nirmalananthan, CFO, were appointed to the Board of Directors. Dr Florian Reinaud (representing Redmile, Scancell's leading investor) brings over 20 years of executive, non-executive and financial experience from the healthcare sector. Sath Nirmalananthan has served as the Company's Chief Financial Officer since 29 August 2023 and brings more than 15 years' experience in the healthcare sector at FTSE and NASDAQ listed companies.

In July 2024, Scancell appointed Dr Nermeen Varawalla as Chief Medical Officer. She brings over 25 years of clinical development experience, including the conduct of numerous registration studies in oncology, and has worked across global large pharma, healthcare business consultancy and clinical trial services. The appointment enhances Scancell's capabilities for its Phase 2/3 registration trial following clinical results from SCIB1 and iSCIB1+ cohorts.

Other key appointments include appointing Dr Callum Scott as Head of Development and Dr Mandeep Sehmi as Head of Business Development, who both bring highly relevant pharmaceutical industry experience that will further enhance the Company's commercial capabilities as it develops to being a late-stage clinical company.

FINANCE

R&D expenditure increased by £1.3 million to £12.9 million (2023: by £2.1 million to £11.6 million). In 2024, the number of employees engaged in development increased, and we continued to incur costs for our SCOPE and ModiFY clinical trials. The most significant increase in development costs in 2024 was scaling up SCIB1 and iSCIB1+ manufacturing capabilities in preparation for the Phase 2/3 registration trial and commercialisation. The increase in R&D spend was smaller than the increase in 2023 due to prioritisation of projects with a focus on the more advanced clinical assets.

At 30 April 2024, the Group had cash and cash equivalents of £14.8 million (2023: £19.9 million). The £5.1 million decrease for 2024 was due to £17.4 million of cash used in operations, which was largely a result of continued R&D expenditure. This was offset by £11.3 million of net proceeds following an open offer and placing in December 2023. By comparison, there was an £8.8 million decrease in cash for 2023 due to continued development expenditure, which was partly offset by the revenue received from Genmab. The estimated cash runway of the Group is into the third calendar quarter of 2025. Further details of the Board's going concern assessment are provided in Note 1 to the Financial Information.

In July 2024, the maturity of the Group's convertible loan notes was extended to the second half of 2027. Under the amended terms, the Group repaid approximately £0.5m of notes and is not required to make any further payments until maturity. There were £19.2 million of convertible loan notes outstanding following the extension. At 30 April 2024, the convertible loan notes reported in the Consolidated statement of financial position on an amortised cost basis totalled £19.0 million.

In June 2024, the Company entered into a revenue generating agreement with an international biotechnology company. The agreement provided a seven-month exclusive evaluation period for one of the anti-glycan monoclonal antibodies in exchange for $1 million (£0.8 million), which was received in July 2024. An option to fully license the antibody for further payments is possible under the agreement.

The Group's overall loss for 2024 was £5.9 million, compared to £11.9 million in 2023. The £6.0 million reduction in loss was largely generated by finance income of £9.9m following remeasurement of convertible loan note derivative liabilities. This was offset by a £5.3 million reduction in revenue. Revenue from the licencing deal with Genmab significantly reduced 2023's loss, whereas there was no such revenue for 2024.

Administrative expenditure for 2024 increased to £5.4 million (2023: £5.0 million) due to additional professional fees, additional recruitment and other overheads.

The fair value of the Group's derivative liabilities associated with its convertible loan notes significantly decreased in 2024, resulting in non-cash finance income of £9.9 million (2023: finance expense of £1.5 million). The value of derivative liabilities decreased following a reduction in the Company's share price and the time for noteholders to exercise. After the extension of the convertible loan notes in July 2024 and an increase in the Company's share price, the Group could experience significant changes in convertible loan related financial statement balances in the year ended 30 April 2025.

The loss before taxation amounted to £9.1 million (2023: £14.3 million) and R&D tax credits increased by £0.9 million to £3.3 million (2023: £2.4 million), reflecting an increase in qualifying expenditure identified in 2024. We received £2.4 million of tax credits relating to 2023 in June 2024 and a further £0.5 million of credits in September 2024.

The Group had an overall net liability position (£3.5 million in 2024 and £9.6 million in 2023), primarily due to non-cash fluctuations in its embedded derivative liabilities, which represent the fair value of the conversion feature of the convertible loan notes.

OUTLOOK

Given the significant clinical and commercial milestones achieved in the period, positive early efficacy data, and sufficient resources to fund the current strategy, the Company is confident it will achieve its near-term milestones.

Key milestones for the following 18 months include:

- Full cohort data with SCIB1 and iSCIB1+ in Q4 2024 and H1 2025, respectively;
- Phase 2/3 seamless registration trial with SCIB1 or iSCIB1+ to begin in 2025;
- ModiFY study data in RCC in combination with checkpoint inhibitors expected in H1 2025;
- Continue assessment for partnering or out-licensing options for the GlyMab® and AvidiMab® platforms and financing needs.

Professor Lindy Durrant
Chief Executive Officer

Consolidated Statement of Comprehensive Loss for the year ended 30 April 2024

	Notes	**2024 £'000**	**2023 £'000**
Revenue		—	5,271
Cost of sales		—	(525)
Gross Profit		—	4,746
Research and development expenses		(12,871)	(11,645)
Administrative expenses		(5,396)	(5,021)
Operating loss	*2*	**(18,267)**	**(11,920)**
Interest receivable and similar income		355	284
Interest expense		(1,089)	(1,215)
Finance income / (expense) relating to derivative liability revaluation		9,884	(1,453)
Loss and total comprehensive loss before taxation		**(9,117)**	**(14,304)**
Taxation	*3*	3,258	2,368
Loss for the year		**(5,859)**	**(11,936)**
Loss per ordinary share (pence)			
Basic	*4*	(0.68)p	(1.50)p
Diluted	*4*	(1.43)p	(1.50)p

Consolidated Statement of Financial Position 30 April	2024 £'000	2023 Restated £'000	2022 Restated £'000
Assets			
Non-current assets			
Tangible fixed assets	862	1,246	1,579
Right-of-use assets	847	1,003	1,165
Total non-current assets	**1,709**	**2,249**	**2,744**
Current assets			
Trade and other receivable	1,378	538	647
Taxation receivable	5,672	4,148	2,990
Cash and cash equivalents	14,817	19,920	28,725
Total current assets	**21,867**	**24,606**	**32,362**
Total assets	**23,576**	**26,855**	**35,106**
Liabilities			
Non-current liabilities			
Convertible loan notes	(17,366)	(16,888)	(16,437)
Derivative liabilities	(2,860)	(10,900)	(9,770)
Lease Liabilities	(466)	(746)	(856)
Total non-current liabilities	**(20,692)**	**(28,534)**	**(27,063)**
Current Liabilities			
Convertible loan notes	(1,606)	(1,593)	(1,420)
Derivative liabilities	(1,256)	(3,100)	(2,777)
Trade and other payables	(3,099)	(2,970)	(2,137)
Lease Liabilities	(428)	(306)	(315)
Total current liabilities	**(6,389)**	**(7,969)**	**(6,649)**
Total liabilities	**(27,081)**	**(36,503)**	**(33,712)**
Net (liabilities) / assets	**(3,505)**	**(9,648)**	**1,394**
Shareholders' equity			
Called up share capital	929	819	815
Share premium	71,927	60,695	60,533
Merger reserve	5,043	5,043	5,043
Share option reserve	2,783	2,123	1,395
Retained losses	(84,187)	(78,328)	(66,392)
Total shareholders' (deficit) / equity	**(3,505)**	**(9,648)**	**1,394**

Further information on the restated 2023 and 2022 Consolidated statements of financial of position is provided in Note 9.

Consolidated Statement of Changes in Equity for the year ended 30 April 2024

	Share Capital	Share Premium (Restated)	Share Option Reserve	Merger Reserve (Restated)	Retained Losses (Restated)	Total
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 May 2022 (as reported)	815	65,019	1,395	—	(62,420)	4,809
Prior period restatement	—	(4,486)	—	5,043	(3,972)	(3,415)
At 1 May 2022 (restated)	**815**	**60,533**	**1,395**	**5,043**	**(66,392)**	**1,394**
Loss for the year	—	—	—	—	(11,936)	(11,936)
Transactions with owners:						
Share option exercises	4	162	—	—	—	166
Share based payment	—	—	728	—	—	728
At 30 April 2023 (restated)	**819**	**60,695**	**2,123**	**5,043**	**(78,328)**	**(9,648)**
Loss for the year	—	—	—	—	(5,859)	(5,859)
Transactions with owners:						
Share placing and open offer, net of issuance costs (Note 5)	108	11,143	—	—	—	11,251
Share option exercises	2	89	—	—	—	91
Share based payment	—	—	660	—	—	660
At 30 April 2024	**929**	**71,927**	**2,783**	**5,043**	**(84,187)**	**(3,505)**

Further information on the restated balances at 1 May 2022 and 30 April 2023 is provided in Note 9.

Consolidated Statement of Cash Flows for the year ended 30 April 2024

	Note	2024 £'000	2023 £'000
Cash flows from operating activities			
Loss before tax		(9,117)	(14,304)
Adjustments for:			
Interest receivable and similar income		(355)	(284)
Interest expense		1,089	1,215
Finance (income)/expense relating to derivative liability revaluation		(9,884)	1,453
Depreciation of tangible fixed assets		561	536
Depreciation of right-of-use asset		405	366
Share-based payment charge		660	728
Other items		(42)	—
Cash used in operations before changes in working capital		(16,683)	(10,290)
(Increase)/Decrease in trade and other receivables		(840)	111
Increase in trade and other payables		129	829
Cash used in operations		**(17,394)**	**(9,350)**
Tax credits received		1,734	1,210
Net cash used in operating activities		**(15,660)**	**(8,140)**
Investing activities			
Purchase of tangible fixed assets		(177)	(203)
Interest received		355	284
Net cash generated from investing activities		**178**	**81**
Financing activities			
Proceeds from issuance on placing and open offer	*5*	11,898	—
Costs of share issuances	*5*	(647)	—
Proceeds from share option exercises		91	166
Interest paid		(595)	(537)
Lease principal payments		(357)	(375)
Net cash generated from / (used in) financing activities		**10,390**	**(746)**
Net decrease in cash and cash equivalents		**(5,092)**	**(8,805)**
Net foreign exchange difference on cash held		(11)	—
Cash and cash equivalents at beginning of the year		**19,920**	**28,725**
Cash and cash equivalents at end of the year		**14,817**	**19,920**

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NOTES TO THE FINANCIAL INFORMATION
for the year ended 30 April 2024

1 BASIS OF PREPARATION

These financial results do not comprise statutory accounts for the year ended 30 April 2024 within the meaning of Section 434 of the Companies Act 2006 as it does not contain all the information required to be disclosed in the financial statements prepared in accordance with UK adopted International Accounting Standards. The financial information in this announcement has been extracted from the audited financial statements for the year ended 30 April 2024. The report of the auditor on the 30 April 2024 statutory financial statements was unqualified, and did not contain a statement under Section 498(2) or Section 498(3) of the Companies Act 2006, but did draw attention to the Group's ability to continue as a going concern by way of a material uncertainty paragraph. The statutory accounts for the year ended 30 April 2024 have not yet been delivered to the Registrar of Companies.

The financial information for the year ended 30 April 2023 and 2022 has been extracted from the Group's audited statutory financial statements which were approved by the Board of Directors on 30 October 2023, and which have been delivered to the Registrar of Companies for England and Wales. Adjustments to these numbers are detailed in Note 9. The report of the auditor on these financial statements was unqualified and did not contain a statement under Section 498(2) or Section 498(3) of the Companies Act 2006.

This announcement was approved by the board of directors and authorised for issue via RNS on 23 September 2024.

Going concern

During the year ended 30 April 2024, the Group incurred an operating loss of £18.3 million and cash used in operating activities was £15.7 million. As a clinical stage immuno-oncology Group, Scancell has incurred net operating losses since inception and expects such losses in future periods. At 30 April 2024, the Group's retained losses were £84.2 million and it held £14.8 million of cash and cash equivalents. In July 2024, the maturity of Group's outstanding convertible loan notes was extended to 2027.

The Group allocates most of its financial resources to research and development expenditure on its ImmunoBody, Moditope and monoclonal antibody platforms. While a portion of expenditure is committed, the timing and extent of uncommitted expenditure surrounding development work on these platforms and the Group's clinical trials afford significant flexibility in the allocation of resources.

The Group finances its operations through share issuances, convertible loan notes and collaboration revenue. In the second half of 2020, the Group raised £46.1 million in net proceeds from issuances of shares and convertible loan notes. In November 2023, a further £11.3 million in net proceeds was raised from an open offer, placing and subscription of ordinary shares. The Group continues to advance its clinical trials and generate successful data, and it expects to report further findings in late 2024 and early 2025. Following the data, the Group will evaluate partnering and out-licensing opportunities as well the need to obtain significant further financing from share issuances if required.

In November 2022, the Group received a £5.3 million upfront payment under a collaboration with Genmab A/S ("Genmab"), and in July 2024, the Company received £0.8m under another collaboration in exchange for granting an evaluation period over one of several anti-glycan monoclonal antibodies in its portfolio. The Board believes the Group could receive further significant payments as existing collaborations progress or as future collaborations are agreed.

Excluding potential financing from these sources, the Group's two-year cash flow forecast with cash preservation measures in areas of uncommitted expenditure suggests it could continue to operate with cash currently held until August 2025, which is less than a year from the date of approval of these financial statements. While the Group has historically succeeded in securing further cash, financing from such sources is dependent on market conditions and the decisions of the Group's existing shareholders, potential investors, and existing or future potential collaboration partners. These stakeholders and potential receipts are not controlled by the Group, and material uncertainties therefore exist that may cast significant doubt on its ability to continue as a going concern. Since these options continue to represent realistic and effective sources of future financing which, despite the uncertainty, would ensure the Group and Company have sufficient funds to continue operating for at least a year, the Board has prepared the financial statements on a going concern basis

2 OPERATING LOSS

	2024 £'000	2023 £'000
Operating Loss is stated after charging:		
Depreciation on tangible fixed assets	561	536
Depreciation of right-of-use assets	405	366
Foreign exchange losses	5	358
Auditors' remuneration – fee payable for audit of the company	80	42
Auditors' remuneration – fee payable for audit of the subsidiary	18	41

3 TAXATION

The tax credit on the loss for the year was as follows:

	2024	2023
Current tax	**£'000**	**£'000**
UK corporation tax credits due on R&D expenditure	2,811	2,399
Adjustment in respect of prior years	447	(31)
Tax credit	**3,258**	**2,368**

The tax credit for 2024 is higher (2023: lower) than the applicable rate of corporation tax in the UK applied to the Group's loss before tax, and a reconciliation explaining these is differences is provided below.

	2024 £'000	2023 £'000
Loss on ordinary activities before tax	(9,117)	(14,304)
Tax at the standard rate of corporation tax of 25% (2023: 19.49%)	(2,279)	(2,788)
Effects of:		
Exempted (income)/disallowed expenditure on convertible loans	(2,213)	510
Other disallowed expenditure	136	172
Other timing differences	92	49
Enhanced tax relief on R&D expenditure	(205)	(929)
Adjustments in respect of prior years	(447)	31
Unrelieved losses carried forward	1,658	587
Tax credit	**(3,258)**	**(2,368)**

The Group has tax losses, which can be carried forward indefinitely, of £43.9 million (2023: £38.5 million) to utilise against future profits. A deferred tax asset has not been recognised in respect of these losses as the Group does not anticipate sufficient taxable profits to arise in the foreseeable future to utilise them. The estimated value of the unrecognised deferred tax asset measured at the prevailing rate of tax when the timing differences are expected to reverse is £10.8 million (2023: £9.8 million). This is based on the substantively enacted rates at the balance sheet date. The current UK corporation rate is 25%, effective from 1 April 2023, as set out in the Finance Bill 2021 which was substantively enacted on 24 May 2021.

The Group has a potential future tax deduction on share options of £0.3 million (2023: £2.0 million) representing an unrecognised deferred tax asset of £0.1 million (2023: £0.5 million) at 30 April 2024. The Group also has a deferred tax liability of £0.2 million (2023: £0.2 million) arising from timing differences against which a deferred tax asset has been offset, resulting in an overall recognised deferred tax balance of nil.

The Group received £2.4 million of tax credits relating to 2023 in June 2024, and a further £0.5 million of credits in September 2024.

4 LOSS PER SHARE

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted loss per share are set out in the tables below.

Basic loss per share	**2024 £'000**	**2023 £'000**
Loss used in calculation of basic loss per share	**(5,859)**	**(11,936)**
	Number	*Number*
Weighted average number of ordinary shares	**862,484,430**	**816,051,311**
Basic loss per share (pence)	**(0.68)**	**(1.50)**

Diluted loss per share	**2024 £'000**	**2023 £'000**
Loss for the year	(5,859)	(11,936)
Adjustment for the effect of convertible loan notes	(8,853)	—
Adjusted loss used in the calculation of diluted loss per share	**(14,712)**	**(11,936)**
	Number	*Number*
Basic weighted average number of ordinary shares	862,484,430	816,051,311
Adjustment for convertible loan notes with dilutive effect	167,310,035	—
Diluted weighted average number of ordinary shares	**1,029,794,465**	**816,051,311**
Diluted loss per share (pence)	**(1.43)**	**(1.50)**

Convertible loan notes in the year ended 30 April 2024 had a dilutive effect on loss per share. Dilutive loss per share assumes that the notes had been converted at the start of the year, which would have resulted in an increase in loss for the year following the removal of post-tax derivative finance income and loan interest expense. The effect of share options has been excluded from the calculation of diluted loss per share, since such options would have the effect of reducing the loss per share.

5 AUTHORISED ISSUED SHARE CAPITAL

In December 2023, the Group completed an open offer, placing and subscription of 108,156,516 ordinary shares, raising £11.3 million after deductions for attributable issuance costs of £0.6 million.

At 30 April 2024, there were 928,979,977 ordinary shares issued and outstanding.

6 EVENTS AFTER THE REPORTING PERIOD

In June 2024, the Group entered into a revenue generating agreement with an international biotechnology company. The agreement provided a seven-month exclusive evaluation period for one of the Group's anti-glycan monoclonal antibodies in exchange for $1 million (£0.8 million), which the Group received in July 2024. An option to license the antibody and further payments are possible under the agreement.

In July 2024, in July 2024, the Group entered into a deed of amendment relating to all outstanding convertible loan notes. The outstanding notes are held by funds managed by the Company's largest shareholder, Redmile Group, LLC ("Redmile"). Under the deed of amendment:

- the maturity of the notes was extended by a further two years so that the first tranche of convertible loan notes became repayable by the Company on 12 August 2027 and the second tranche became repayable on 10 November 2027
- the terms of the second tranche were revised to enable Redmile to convert the notes at any time prior to maturity
- interest terms were revised to accrue until maturity rather than require annual repayment
- the Company was required to pay £450,000 of outstanding loan notes in July 2024.

Following this repayment, a total of £19.2 million notes remained outstanding, representing £1.75 million of August 2020 CLN 1 notes and £17.45 million November 2020 CLN 2 notes. No adjustments to the conversion price were made to either tranche under the deed of amendment.

In September 2024, the Group signed a strategic partnership with PharmaJet for the supply of the Stratis® Intramuscular (IM) Needlefree Injection System for delivery of Scancell's Immunobody® SCIB1/iSCIB1+ DNA vaccine for both clinical development and commercial use under which development milestones and royalties are payable.

7 DELIVERY OF ACCOUNTS

The audited statutory accounts in respect of the prior year ended 30 April 2023 have been delivered to the Registrar of Companies. The auditors issued an unqualified audit opinion which did not contain any statement under section 498(2) or 498(3) of the Companies Act 2006.

8 AVAILABILITY OF ACCOUNTS

This announcement is not being posted to shareholders. Copies of this announcement can be downloaded from the Company's website: www.scancell.co.uk together with copies of the Report and Accounts for the year ended 30 April 2024.

9 PRIOR PERIOD RESTATEMENTS

The Group has adjusted prior periods in its financial statements. The adjustments had no impact on prior statements of comprehensive loss or statements of cash flow.

IAS 1 amendments and reclassification of convertible loan liability and derivative balances

The Group early-adopted amendments to IAS 1 for the year ended April 2024. The amendments were applied retrospectively to the financial statements and resulted in the reclassification of the host loan liability and the derivative liability for convertible loan notes issued in August 2020 from non-current to current in the consolidated statements of financial position. The amendments had no impact on the consolidated statements of changes in equity, cash flow or statements of comprehensive loss.

While these notes were due to mature at a date greater than a year from the statement of financial position date, they were convertible at the election of the noteholder at any time and the associated conversion option is not classified as an equity instrument. Exercise of the conversion option, which could occur in a period of less than a year, would settle the host loan liability and therefore the loan liability component of the notes and the embedded derivative have been reclassified as current.

The effect of the restatement associated with these amendments is summarised in the table below for 2023 and 2022.

Consolidated Statement of financial position

	2023 As previously reported £'000	**Adjustments**	**2023 Restated £'000**
LIABILITIES			
Non-current liabilities			
Convertible loan notes	(18,481)	1,593	(16,888)
Derivative liability	(14,000)	3,100	(10,900)
Current Liabilities			
Convertible loan notes	—	(1,593)	(1,593)
Derivative liability	—	(3,100)	(3,100)

	2022 As previously reported £'000	**Adjustments**	**1 May 2022 Restated £'000**
LIABILITIES			
Non-current liabilities			
Convertible loan notes	(17,857)	1,420	(16,437)
Derivative liability	(12,547)	2,777	(9,770)
Current Liabilities			
Convertible loan notes	—	(1,420)	(1,420)
Derivative liability	—	(2,777)	(2,777)

9 PRIOR PERIOD RESTATEMENTS (continued)

Goodwill and historical equity balances

Scancell Holdings Plc was incorporated in 2008 to enable shares to be listed on the PLUS exchange. Shortly after incorporation, Scancell Holdings Plc issued shares in exchange for Scancell Limited's shares, and the previous owners of Scancell Limited shares became owners of Scancell Holdings Plc shares. In previous IFRS financial statements, the Group recognised goodwill as an asset for this transaction in its Consolidated statement of financial position and excluded the pre-acquisition retained losses of Scancell Limited.

IFRS does not provide specific guidance for such reorganisations, and companies are required under IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*, to develop a policy that reflects the economic substance of transactions and not merely the legal form. On review of goodwill in 2024, management determined that treating the reorganisation as a regular way acquisition and recognising goodwill as an asset did not reflect the substance of the reorganisation and that it only represented the legal form. Having reviewed the requirements of other IFRSs, the IASB's Conceptual Framework, and other standard setting bodies, the Board noted that the principles of predecessor accounting feature under several reporting frameworks, including the merger accounting method under UK GAAP. The Board has therefore chosen to adopt these principles and the consolidated statements of financial position and equity have been restated to:

- remove goodwill on consolidation;
- consolidate the historical losses of Scancell Limited prior to its legal acquisition;
- record merger reserves in equity in the Consolidated statement of financial position for the difference between the nominal value of shares issued by Scancell Holdings Plc for the transaction and the share capital and share premium of Scancell Limited.

The effect of the restatement to goodwill and equity balances is summarised below for 2023 and 2022.

Consolidated Statement of financial position

	2023 As previously reported £'000	Adjustments	2023 Restated £'000
ASSETS			
Non-current assets			
Goodwill	3,415	(3,415)	—
SHAREHOLDERS' EQUITY			
Share premium	65,181	(4,486)	60,695
Merger reserve	—	5,043	5,043
Retained losses	(74,356)	(3,972)	(78,328)

	2022 As previously reported £'000	Adjustments	2022 Restated £'000
ASSETS			
Non-current assets			
Goodwill	3,415	(3,415)	—
SHAREHOLDERS' EQUITY			
Share premium	65,019	(4,486)	60,533
Merger reserve	—	5,043	5,043
Retained losses	(62,420)	(3,972)	(66,392)