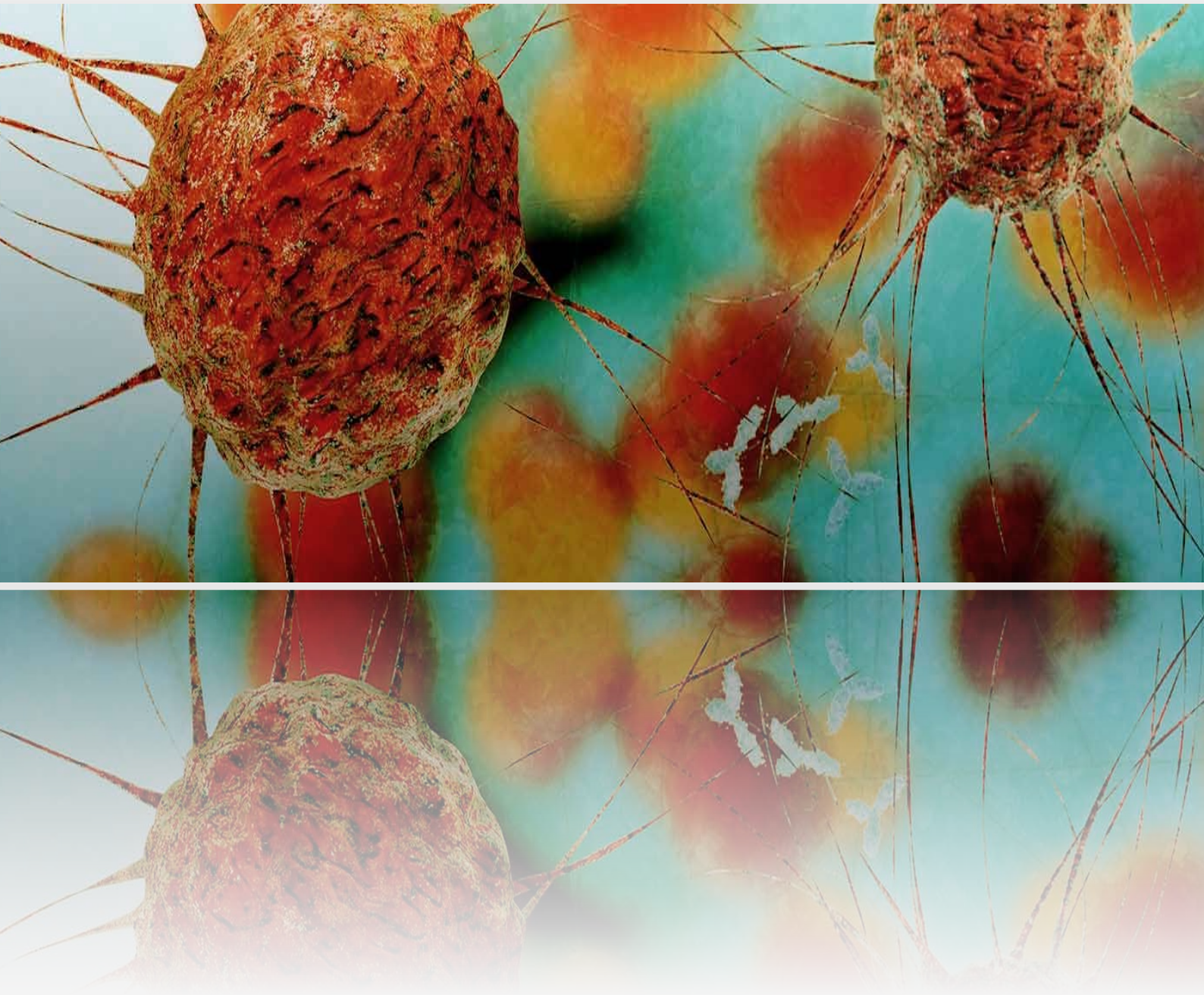
Annual Report and Financial Statements

for the year ended 30 April 2024



Company Number: 06564638

Contents

Unless context otherwise requires, references in this Annual Report to "Scancell," the "Company,", the "Group", "we," "us" and "our" refer to Scancell Holdings plc and, where appropriate, its consolidated subsidiary. These terms are also used where no useful purpose is served by identifying the particular entity or entities. Periods in our financial statements may refer to 2024, 2023 and 2022 in the context of our results for the financial years ended 30 April. Other references to years in this Annual report outside of this context are made with reference to calendar years as more commonly understood.

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.

We have a deep pipeline

4 platforms

ImmunoBody® GlyMab®

Moditope® AvidiMab®

3 clinical vaccines

across 2 Phase II trials

SCOPE

MODIFY

2 GlyMab® partnerships

Genmab

(+ undisclosed)

We have shown the results

>70% ORR

objective response rate in SCIB1 Phase 2 trial, compared to 50% for existing treatments

2 major conferences

and several presentations this year

ASCO AACR

$624m

milestones potentially receivable under Genmab agreement

We are well positioned

5 senior appointments

3 upcoming data readouts

60,000

estimated number of patients per year with unresectable melanoma

Chair's Statement

"A pivotal time for the company with a Phase 2/3 registration study firmly in sight"

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

CEO's Report

"The potential to set the new standard for first line treatment of unresectable melanoma"

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.

Key upcoming milestones 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 CPIs expected in H1 2025;
- Continue assessment for partnering or out-licensing options for the GlyMab® and AvidiMab® platforms and financing needs.

Key highlights (including post-period)

SCIB1/ iSCIB1+ (SCOPE trial)

- SCIB1 reported positive data in combination with CPI from the first stage of its Phase 2 SCOPE trial for advanced melanoma with an 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
- Full cohort data with SCIB1 and iSCIB1+ expected in Q4 2024 and H1 2025, respectively
- Agreed strategic partnership with PharmaJet for use of the Stratis® needle-free delivery for clinical development and commercial sales of SCIB1/iSCIB1+
- 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 to induce stable disease for long periods
- A cohort in advanced renal cell carcinoma (RCC) patients evaluating Modi-1 in combination with doublet CPI therapy as a first line therapy approved and added to the ModiFY study
- RCC cohort dosing has commenced with early clinical readout expected in H1 2025.

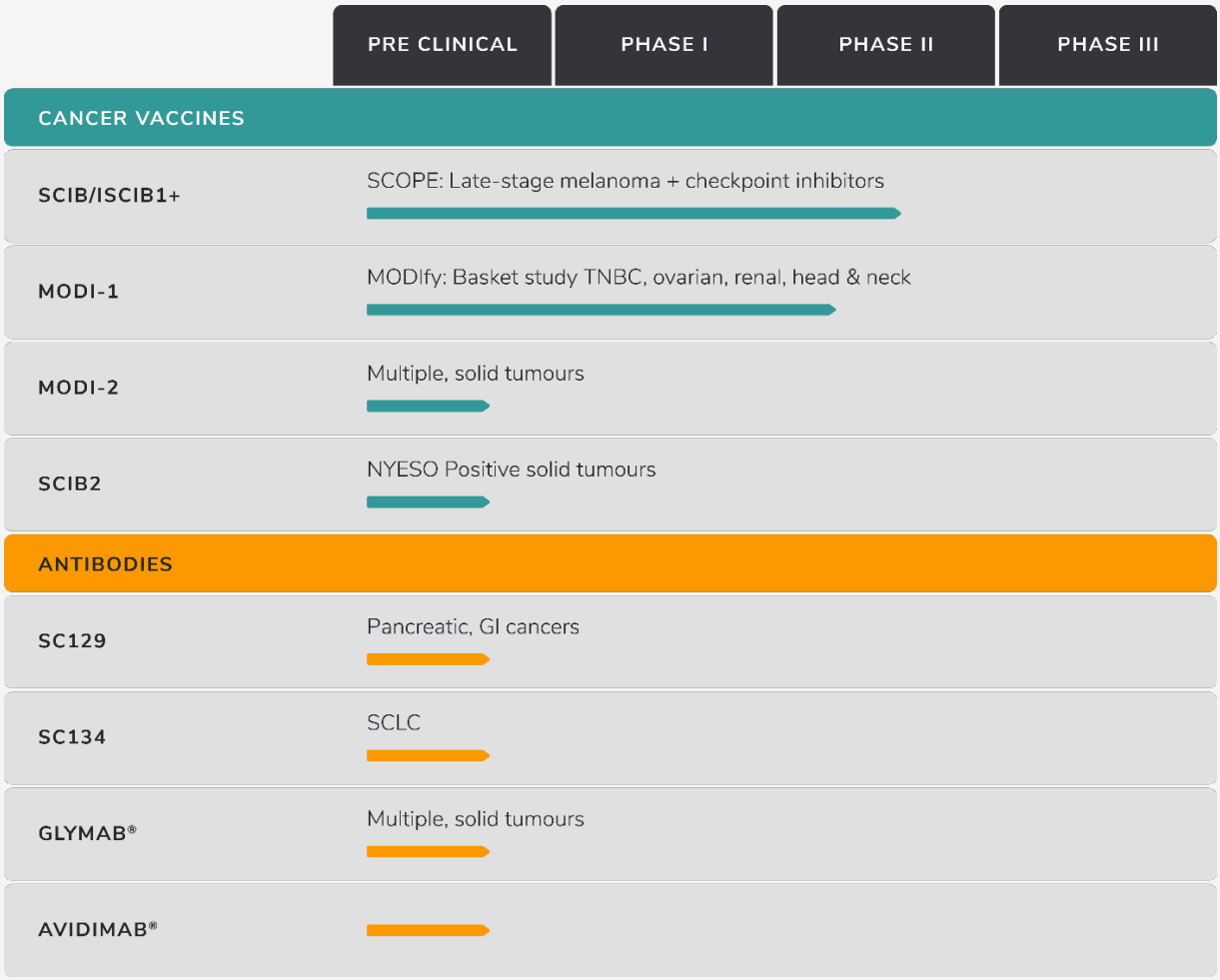
Antibodies

- Active discussions ongoing with global pharmaceutical and biotech companies for further licensing deals
- Development of SC129 with partner Genmab on track to potential clinical development
- Agreement with major international biotechnology company to exclusively evaluate an antibody in the GlyMab® portfolio, receiving $1 million in July with further payments possible.

Corporate & Financial

- Dr Florian Reinaud, Non-Executive Director, and Sath Nirmalananthan, CFO, appointed to the Board of Directors
- Enhanced organisational capabilities with key recruitments including recent appointment of Dr Nermeen Varawalla as Chief Medical Officer
- Financing in late 2023 raised gross proceeds of £11.9 million with participation from both existing shareholders and new healthcare specialist investors.
- Operating loss for the year to 30 April 2024 of £18.3 million (2023: £11.9 million)
- Group cash balance at 30 April 2024 was £14.8 million (30 April 2023: £19.9 million)
- Convertible Loan Notes maturity dates extended post-period by two years to second half of 2027
- Cash runway through to the third calendar quarter of 2025 beyond near-term clinical milestones.

Operational Review



Update on our vaccines

ImmunoBody® platform

Our ImmunoBody immunotherapy platform uses the body's immune system to identify, attack and destroy tumours. This is achieved by delivering a DNA plasmid to target antigen presenting cells to enhance the uptake and presentation of cancer antigens to harness high avidity T cell responses, offering the potential for improved efficacy and safety compared with more conventional approaches. ImmunoBody vaccines have the potential to be used as monotherapy or in combination with CPI and other agents to enhance tumour destruction, prevent disease recurrence and extend survival.

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®).

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.

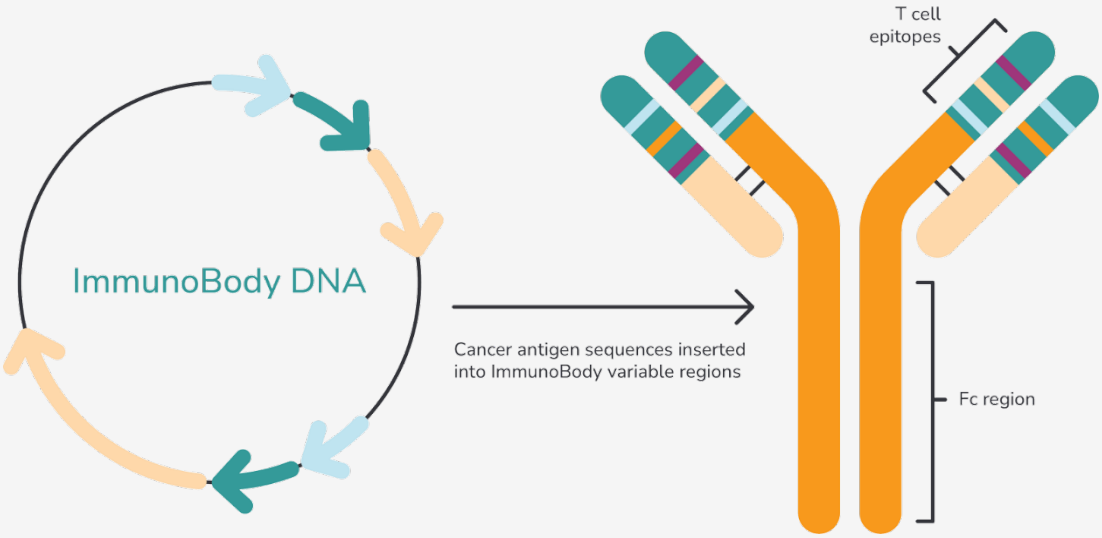
Both the SCIB1 and iSCIB1+ cohorts are in the second stage of the study recruiting a total of 43 patients each with a study design able to demonstrate that SCIB1 or iSCIB1+ in combination with doublet therapy, exceeds currently reported ORRs with doublet CPI alone, in a statistically significant manner. 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.

ImmunoBody®



SCIB2 & iSCIB2

SCIB2 is the second cancer vaccine based on the ImmunoBody® technology and encodes a modified antibody engineered to express multiple epitopes from the cancer antigen NY-ESO-1. This is a well-characterised and validated cancer target, being overexpressed in several tumour types including synovial sarcomas, oesophageal, liver, gastric, prostate and lung cancers.

The Fc region of SCIB2 has also been modified using the AvidiMab® technology to generate the iSCIB2 product. This modification will enhance the Fc targeting of the iSCIB2 ImmunoBody to dendritic cells and induce higher frequency T cell responses.

The SCIB2/iSCIB2 vaccine has potential for the treatment of patients with solid tumours, including non-small cell lung cancer (NSCLC). As for the SCIB1 and iSCIB1+, the synergistic potential of SCIB2/iSCIB2 with a CPI has been confirmed in preclinical tumour models and there is therefore a rationale for testing SCIB2/iSCIB2 in combination with CPI in the clinic.

Moditope® platform

Moditope is a unique class of potent off the shelf peptide vaccine targeting tumour-specific neoantigens generated from stress-induced post translational modifications (siPTMs). This discovery has allowed us to develop a completely new class of potent and selective therapeutic vaccines. Examples of such modifications include citrullination, an enzyme-based conversion of arginine to citrulline, and homocitrullination, in which lysine residues are converted to homocitrulline. Expression of peptides containing these modifications have been demonstrated to induce potent anti-tumour activity without any associated toxicity.

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.

Modi-2

Modi-2, which targets homocitrullinated cancer antigens, is the second therapeutic vaccine candidate from the Company's Moditope® platform and has the potential to address different cancer indications to Modi-1, including tumours with a particularly immunosuppressive environment. The Company believes that Modi-2 could lead to a good therapeutic vaccine candidate if further resources allow us to pursue clinical development.

Update on our antibodies

GlyMab®

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.

AvidiMab®

AvidiMab is a versatile proprietary platform technology that can enhance the avidity and thereby the potency of any antibody. To date, the Company has used AvidiMab in its internal programmes to:

- Engineer the anti-glycan mAbs to improve their ability to directly kill tumour cells.
- Engineer other mAbs to enhance their potency and/or extend their patent lifetime.
- Increase the breadth of response and potency of Scancell's ImmunoBody® cancer products.

The AvidiMab platform successfully applies to internal programmes, including iSCIB1+ and iSCIB2, and holds potential to enhance the efficacy of third-party antibodies.

Corporate update

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.

Board Appointments

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.

Senior Management Team Appointments

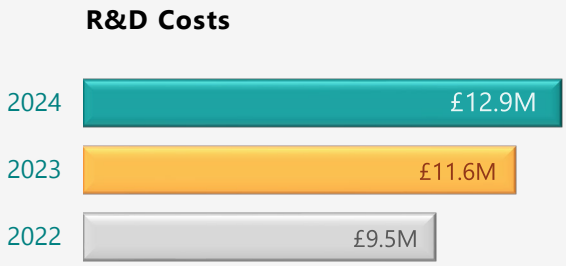
In July 2024, Scancell appointed Dr Nermeen Varawalla as Chief Medical Officer. She brings over 25 years of clinical development experience, including the conduct of numerous registration studies in oncology, and has worked across global large pharma, healthcare business consultancy and clinical trial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

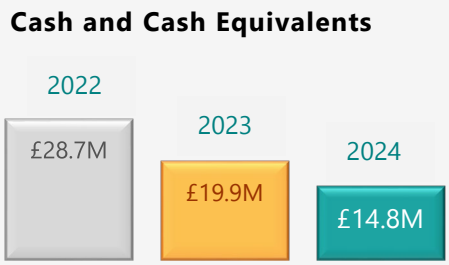
Other key appointments include appointing Dr Callum Scott as Head of Development and Dr Mandeep Sehmi as Head of Business Development, who both bring highly relevant pharmaceutical industry experience that will further enhance the Company's commercial capabilities as it develops to being a late-stage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

Financial update

The years ended 30 April 2024, 2023 and 2022 are referred to as "2024", "2023" and "2022", respectively, below.

Key financial performance indicators





As a clinical stage R&D company, Scancell incurs its most significant expenditure on trials, manufacturing and other research. While these activities cause our cash levels to reduce, they also generate clinical data and new research candidates. Successful R&D output is critical to raising further cash through equity raises or partnerships.

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.

Key financial performance indicators (continued)

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 of the Consolidated financial statements.

Other financial highlights (including post-period)

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.

Professor Lindy Durrant
Chief Executive Officer
23 September 2024

Principal risks and uncertainties

The Board meets regularly to review the operations of the business and discuss risks facing the Group. Internal controls have been established to ensure that management regularly reviews operations and mitigates risks where appropriate and practical. These controls are designed to manage and reduce the possibility of failure to achieve business objectives; however, they do not eliminate such possibility, and a risk of material failure or loss therefore remains. The Board has identified the following risks, which include updates since its last Annual Report in relation to the Company.

Business strategy may change

The success of the Group depends on the directors' ability to effectively implement its business strategy. The pursuit of this strategy may be affected by social and demographic factors, global inflation, changes in the competitive environment in the markets in which the Group currently operates or expects to operate, and by other unforeseen events or circumstances. If such changes materialised, the Group's strategy could change. For example, the Group could pursue the development of alternative products and services if its existing programmes failed to progress, which could require capital resources beyond those initially forecast and adversely impact potential revenue streams and the ability of the Group to become profitable in the future.

Future funding requirements and success of partnerships

The Group requires further funding to develop and commercialise its clinical programmes. Such funding could include but is not limited to licencing arrangements with third parties, debt financing, or additional equity financing. There is no guarantee that we will successfully secure further financing, that existing partnerships will progress, or that future financing will be on terms that are well received by shareholders. Furthermore, if convertible loan noteholders request repayment on maturity of the notes in 2027, we would require significant additional funding to continue operating. The Board reviews project timelines and cashflow projections to identify financing requirements and ensure that the Group has resources available to fulfil its strategy. Further details of the Board's going concern assessment, cash runway, and the inherent, material uncertainties relating to securing additional further financing as a clinical stage biotechnology company, are provided in Note 1 of the Consolidated financial statements.

Technology and products

Scancell is a clinical stage biopharmaceutical company. Its success is dependent upon the development of its proprietary technology and potential products. Products within Scancell's pipeline, both in house and in development with partners, are in relatively early stages of development and, as such, there is no guarantee that these candidates will advance to the late clinical stage. There is a risk that safety issues may arise when the products are further tested in humans and that regulatory bodies such as the MHRA may ask us to pause or cancel our trials. While this risk is common to new therapies for companies in the industry, there are many regulatory requirements to meet before approval to commercialise a product can be obtained, and we may never receive such approval. To mitigate these risks, the Group uses consultants to review the viability of its potential products and the results from preclinical development and clinical trials. The Board considers these assessments and internal documentation on a regular basis to ensure the Group's strategy is accordingly aligned.

Product development timelines

Product development timelines may suffer significant delays and the recruitment of patients into clinical trials could materially differ to management's estimates. If such delays occur, the Group may require further financing. The directors seek to minimise the risk of delays by management of projects and monitoring of required cashflows.

Patents

The field of antibody and immunotherapy drug development is litigious. The Group seeks to protect its intellectual property and avoid infringing the rights of other companies. While it has secured worldwide rights to patents protecting the ImmunoBody®, Moditope®, GlyMab® and AvidiMab® platforms, the risk of challenge to existing rights or to future patent applications cannot be eliminated. The Group engages reputable legal advisers to mitigate the risk of patent infringement and protect its intellectual property.

Health emergencies and geopolitical events

Future pandemics, epidemics and other geopolitical events could impact patient recruitment for clinical trials, delay other research and development projects, or impact third parties' ability to manufacture the Group's immunotherapies as scheduled. These could impact timelines and key milestones, which could present difficulties in raising further financing on terms favourable to the Group and shareholders.

Financial instruments

Information on financial instrument risks is provided in Note 17 of the Consolidated financial statements.

Section 172 statement

Under Section 172(1) of the Companies Act 2006, a director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

a) the likely consequences of any decision in the long-term;
b) the interests of the Company's employees;
c) the need to foster the Company's business relationships with suppliers and others;
d) the impact of the Company's operations on the community and the environment;
e) the desirability of the Company maintaining a reputation for high standards of business conduct; and
f) the need to act fairly between members of the Company.

Our approach to corporate governance set out on our website at www.scancell.co.uk/corporate-governance, and the Corporate Governance report on page 18, provide the framework of our engagement with key stakeholder groups. These should be read in conjunction with the table below, which further illustrates our engagement with stakeholders. Decisions made by the Board during the year regarding the Group's strategy, funding and product development are also described in the CEO's Report on page 4.

Stakeholder	Stakeholder matters	How we engage
Employees Scancell's employees are based at two sites in Nottingham and Oxford and execute our strategy on a day-to-day basis.	- Connecting as one organisation - Promoting an open corporate culture both internally and with external parties - Communicating our strategy and performance - Staff motivation, assessment of goals, and fair remuneration	- Remote and in-person cross-site meetings - Weekly team meetings at individual sites - Formal and informal director briefings - Appraisals, share options and reviews of salaries and other incentives
Investors and shareholders Scancell is dependent upon existing and future investors to fund its research and development products.	- Business strategy setting out the progress of development and cash requirements - Updates on our execution of strategy, setting out our decisions and their impact	- Use of financial PR consultants - Interviews with Proactive Investors and other providers and news outlets - Release of information through our website and the Regulatory News Service of the LSE - Shareholder meetings and our AGMs
Patients and medical staff Scancell's operations are linked to the wellbeing of the patients treated in clinical trials. The staff that enable Scancell to trial its treatments are responsible for ensuring that these patients are cared for.	- Maintaining the highest standards of safety and pharmacovigilance - Communication with investigators and authorities - Supporting hospital staff in understanding patients' health and the administration of our treatments	- Quality training for all our staff - Timely submission of updates on our trials and regular interaction with MHRA and other authorities - Regular clinical site visits and meetings with key staff - Detailed analysis of patient clinical data
Contract Research Organisations CROs support Scancell in managing its clinical trial programmes.	- Management of clinical trials - Recruitment of patients - Data quality - Regulatory and pre-clinical services.	- Defined vendor selection process - Regular project meetings - Designated personnel to manage relationships
Other suppliers Scancell has a supplier base ranging from small specialty providers of services and materials to larger contract manufacturers, hospitals, and other research organisations.	- Managing supplier relationships - Negotiating price, quality and service - Ensuring timely delivery and payment - Obtaining fair payment terms	- Procurement Solutions provider to manage supplier relationships - Regular meetings with key suppliers - Establishing frameworks and master service agreements - Review of agreements and supplier onboarding
Collaborations Scancell licenses out antibodies under collaborations which generate revenue and further development opportunities.	- Enabling collaborators to benefit from our technology - Understanding the strategy and intentions of our partners - Staying apprised of the progress of our candidates - Seeking new partnerships	- Scheduled meetings under agreements - Designated representatives for collaborations - Attendance at conferences and networking events

The Strategic report on pages 2 to 15 was approved by the Board of Directors on 23 September 2024.

Professor Lindy Durrant
Chief Executive Officer

Corporate Governance

Dr Jean-Michel Cosséry (Chairman)

Dr Jean-Michel Cosséry has over 25 years of experience in the pharmaceutical and biotechnology industries with a sustained global track record of success in commercial operations as well as in capital raising, US and European public offerings, business development and M&A. He served as VP for North America Oncology at Eli Lilly and, prior to this, as Chair of the Eli Lilly UK Board and was Chief Marketing Officer at GE Healthcare's Global Headquarters. Following his retirement from Eli Lilly in 2018, Jean-Michel has served on the boards of Kymab, Immunocore, Exact Therapeutics AS and Eracal Therapeutics. He currently serves, as a non-executive director on the boards of Malin PLC and Sophia Genetics SA.

Professor Lindy Durrant (Chief Executive Officer, Chief Scientific Officer)

Professor Lindy Durrant is an internationally recognised immunologist in the field of tumour therapy. She has worked for over 20 years in translational research, developing products for clinical trials including monoclonal antibodies and cancer vaccines. She was appointed CEO of the Group in July 2021 and combines the CEO and CSO roles. She has an emeritus Chair in Cancer Immunotherapy in the Department of Clinical Oncology at the University of Nottingham.

Sath Nirmalananthan (Chief Financial Officer)

Sath Nirmalananthan is an experienced finance professional with over 15 years' experience across healthcare in FTSE and NASDAQ listed companies, investment banking and professional services. Before joining Scancell, Sath was CFO for Europe, Middle East and Africa at Prenetics PLC, a leading genomics-driven health sciences company. Prior to that, Sath worked in corporate and commercial Finance Director roles at Reckitt PLC and BTG PLC. Earlier in his career, he was an equity research analyst in the healthcare team at Nomura and an auditor at KPMG. Sath earned a BSc in Pharmacology from King's College, London, UK and holds an ACA (ICAEW), Chartered Accountant qualification. He currently serves as a Non-Executive member of the audit committee at The Institute of Cancer Research (ICR).

Susan Clement Davies (Non-Executive Director, Chair of Audit Committee)

Susan is an experienced life sciences financier with over 25 years of capital markets and investment banking experience, including Managing Director of Equity Capital Markets at Citigroup Global Markets Limited. Susan is currently Non-Executive Director and Chair of the Audit Committee of MiNA Therapeutics, Non-Executive Director of Exploristics Ltd and Non-Executive Director and Chair of the Remuneration Committee of Science Group PLC, an AIM listed science and technology consultancy and systems organisation. Susan is also an adviser to Oxford Science Enterprises and sits on the Innovation Board at Chelsea and Westminster Hospital NHS Foundation Trust. Susan was also previously Non-Executive Director and Chairman of the Audit Committee of Evgen Pharma plc, an AIM listed clinical stage drug development company.

Martin Diggle (Non-Executive Director)

Mr Martin Diggle is a founder, director and partner in Vulpes Investment Management and manages the Vulpes Life Sciences Fund. He has over 30 years' experience in investment banking and fund management and has been an investor in life sciences and biotech for nearly 20 years. His extensive experience of investment management in the life science sector adds valuable insight to the Board of Directors. Martin's other directorships are Proteome Sciences plc, Chronos Therapeutics Limited, Leucid Bio Limited and Oxford Endovascular Limited.

Dr Ursula Ney (Non-Executive Director, Chair of Remuneration Committee)

Dr Ney has over forty years' experience in the pharmaceutical and biotechnology industry, including thirty years in senior leadership roles that also encompassed Executive and Non-Executive Board positions. She has broad experience of biologic and small molecule drug development across a range of therapeutic areas having been Director of Drug Development and on the Board of Celltech plc and later Chief Operating Officer and Executive Director of Antisoma plc. Most recently, she was Chief Executive Officer of Genkyotex SA. She was on the board of Discuva Ltd and is currently a Non-Executive Director and Chair of the Remuneration Committee of Proteome Sciences plc and also Vice Chair of the Board of Governors and Chair of the Remuneration Committee of the University of Plymouth.

Dr Florian Reinaud (Non-Executive Director)

Dr Florian Reinaud is a highly accomplished life sciences professional who brings over 20 years of leadership and investment experience across established pharmaceutical companies, start-ups and healthcare investment organisations. He is currently on the investment team at Redmile, an investment firm that focuses on the healthcare sector. Prior to joining Redmile, Florian has worked at Apax Partners, DBV technologies, CDC Innovation Capital and co-founded and served as CEO of Concilio. Florian holds a BA (hons) in Physiology from Oxford University, as well as a medical degree from Imperial College London School of Medicine. He currently serves, as a non-executive director on the boards of Sensome SAS, Sensorion SA and Hansa Biopharma AB.

Corporate Governance Report

Principles of corporate governance

The Board recognises the value of good corporate governance not only in the areas of accountability and risk management but also as a positive contribution to delivering and protecting enhanced shareholder value. The Board has been following the corporate governance principles set out in the Corporate Governance Code published by the Quoted Companies Alliance (QCA), to the extent that it considers the principles to be appropriate. On our website (www.scancell.co.uk/corporate-governance) we set out how the Company and Group addresses the ten key governance principles defined in the QCA Code. We are currently reviewing the revised November 2023 QCA Code and expect to make the transition to the new code during the financial year beginning 1 May 2024. It is my primary responsibility, as Chairman to lead the Board effectively and to oversee the adoption, delivery and communication of the Company's corporate governance model.

Board Composition

The Board comprises a Non-Executive Chairman, two Executive Directors and four Non-Executive Directors (three being independent). Dr Florian Reinaud, representing Redmile Group, was appointed on 9 July 2024 and is not considered independent.

The Board meets regularly to consider strategy, performance, approval of major expenditure and capital projects, and the framework of internal controls. During the year ended 30 April 2024 there were six scheduled board meetings with each member attending as follows:

Director	Number of meetings held whilst a board member	Number of meetings attended
Dr Jean-Michel Cosséry	6	6
Prof Lindy Durrant	6	6
Sath Nirmalananthan	1	1
Dr Sally Adams	5	5
Susan Clement Davies	6	6
Mr Martin Diggle	6	6
Dr Ursula Ney	6	6
Dr Florian Reinaud	—	—

The Board would like to express its sincere gratitude to Dr Sally Adams for her significant contributions to Scancell. Dr Adams has been working with Scancell since 2008 and was appointed to the Board in 2014. In February 2024, we announced Sally's decision to retire as Chief Development Officer and as an Executive Director of the Board. Dr Adams has led clinical development at Scancell, and she has been instrumental in establishing a highly motivated development team and bringing our highly differentiated and valuable cancer vaccines through to the clinic.

The Board currently consists of seven members, all of whom have extensive experience in the life science sector covering pre-clinical research and development in the field of oncology, clinical development, management of intellectual property, business development and finance.

The Non-Executive Directors are expected to spend such reasonable time required each month to fulfil their role and duties for the Company. This will include attendance at monthly Board meetings, the AGM, meetings with the other Non-Executive directors and meetings with shareholders. Ursula Ney is considered to be an independent director as apart from receipt of fees, she has no financial interest in the Company.

With the mix of expertise on the Board, the Board believes that it is well placed to deliver our business strategy.

In addition to participation at formal board meetings, the Executive Directors meet on a weekly basis either face to face or by phone to discuss operational matters. To enable the Board to discharge its duties, all Directors receive appropriate and timely information. Briefing papers are distributed to all Directors in advance of Board meetings. All Directors have access to the advice and services of the Company Secretary, who is responsible for ensuring that the Board procedures are followed, and that applicable rules and regulations are complied with.

Corporate Governance Report (continued)

The appointment and removal of the Company Secretary is a matter for the Board as a whole. In addition, procedures are in place to enable the Directors to obtain independent professional advice in the furtherance of their duties, if necessary, at the Company's expense. Subject to the terms of the Executive Directors' service contracts, Directors are subject to retirement by rotation and re-election by the shareholders at Annual General Meetings on a three-year cycle, as required by the Articles of Association and any Director appointed by the Board shall hold office only until the next Annual General Meeting and shall then be eligible for election.

The Scancell Board has the broad range of skills and capabilities required to direct the Group. These include sector-specific experience in the Business Development and Research and Development functions, as well as more general finance, accounting and business management skills. The Board is supported by the below committees.

Remuneration Committee

Information about the Remuneration Committee can be found in the Directors' remuneration report on page 22.

Governance and Nominations Committee

The members of the Governance and Nominations Committee are Dr Jean-Michel Cosséry (Chair), Dr Ursula Ney and Susan Clement Davies.

The Nominations Committee meets as necessary and its responsibilities include the review of the structure, size and composition of the Board, together with skills, knowledge, experience and diversity, succession planning, review of leadership needs and identification, evaluation and nomination of candidates to fill Board vacancies.

Board Evaluation

Following the appointment of Dr Jean-Michel Cosséry as Chairman in 2023, the Committee determined that the Chair would meet with Board members to assess how the Board functions and identify whether further skills and experience were required. Key outputs from these meetings were discussed at main Board meetings. The Committee believes that the additions of Jean-Michel Cosséry, Sath Nirmalananthan as Chief Financial Officer, and Dr Florian Reinaud as a Non-Executive director, have addressed some of the matters noted in the last evaluation in 2022. These appointments provide a range of relevant experience and have better positioned the Group in its succession planning. The Committee also notes that appointing further members and considering rotation between committees would benefit the Board, which may be considered in the near to medium term to further improve the Board's independence. The Committee expects to conduct another evaluation next year.

Audit Committee

The Audit Committee is responsible for the relationship with the Group's external auditor, the review of the Group's financial reporting and the Group's internal controls. Susan Clement Davies is Chair of the Audit Committee and is joined by Dr Jean-Michel Cosséry and Dr Ursula Ney.

The Committee will normally meet at least twice per year and has primary responsibility for monitoring the quality of internal controls ensuring that the financial performance of the Company is properly measured and reported on and reviewing reports from the Company's auditors relating to the Company's accounting and internal controls, in all cases having due regard to the interests of Shareholders. The Audit Committee meets with the auditor at least once a year. The Audit Committee has undertaken an assessment of the auditor's independence, including:

- A review of non-audit services provided to the Group and related fees;
- Discussion with the auditor of a written report detailing all relationships with the Group and any other parties that could affect independence or the perception of independence;
- A review of the auditor's own procedures for ensuring the independence of the audit firm and partners and staff involved in the audit, including regular rotation of the audit partner; and
- Obtaining written confirmation from the auditor that, in their professional judgement, they are independent.

In February 2024, the Company announced the appointment of RSM UK Audit LLP following a competitive tender. The Audit Committee is satisfied that the external auditor is independent in the discharge of their audit responsibilities.

Corporate Governance Report (continued)

Internal control and risk management

The Directors are responsible for ensuring that the Group maintains a system of internal control to provide them with reasonable assurance regarding the reliability of financial information used within the business and for publication and that the assets are safeguarded, transactions are authorised and properly recorded, and that material errors and irregularities are either prevented or would be detected on a timely basis.

There are inherent limitations in any system of internal control and accordingly even the most effective system can provide only reasonable, but not absolute, assurance with respect to the preparation of financial reporting and the safeguarding of assets.

The Group, in administering its business has put in place authorisation, approval and control levels within which senior management operates. These controls reflect the Group's organisational structure and business objectives. The control system includes clear lines of accountability and covers all areas of the organisation. The Board operates procedures which include an appropriate control environment through the definition of the organisation structure and authority levels and the identification of the major business risks.

The key element of the internal control systems in operation is the Board meeting regularly with a formal agenda to monitor all aspects of the business including monitoring the Group's financial performance against approved budgets and forecasts.

The major risks and uncertainties facing the Group together with actions to mitigate the risks are set out in the Strategic Report on page 13 and are reviewed by the Board on a regular basis. Specific projects are monitored by project development teams and the Senior Management Team on a weekly basis.

The Group has made adjustments to prior periods in these financial statements as detailed in Note 19 on page 56. The Group also reported prior period misstatements in relation to its convertible loan notes in its last financial statements. The Group continues to make internal financial control improvements to ensure consistent and reliable financial reporting is provided.

Corporate Culture

Scancell is committed to a responsible and ethical corporate behaviour. Scancell promotes a positive health and safety culture throughout the business to ensure that all of our people consider health, safety and welfare issues while at work and make an effective contribution towards maintaining and improving health and safety standards.

Investor relations

The Directors prioritise clarity and accountability in interactions with shareholders to ensure that the Group's strategy, decisions and performance are communicated effectively. The Chief Executive Officer and Chair are responsible for communicating the views and concerns of shareholders to the Board, which in turn ensures that such matters are addressed and that an open dialogue with shareholders is maintained. The Board meets regularly to discuss, review and update the Group's strategy to assess whether this considers the expectations of shareholders and the extent to which it delivers these shareholders value. In addition to the publication of the Group's Annual reports and the announcement of interim results through Regulatory News Services, the Board ensures that other material information, including significant developments and clinical updates, are announced. The Group's website also has a dedicated section for investors that includes annual reports and financial statements, share related information and other documents.

The Board believes that shareholder communications in the past year have been managed effectively. The CEO and Chair held meetings with major shareholders and meetings were also arranged allowing the CFO and other members of the senior management team to deliver presentations to shareholders. The Board encourages its shareholders to attend the Group's AGM, since this provides a further opportunity to communicate strategy and key messages and to understand existing and new shareholder priorities. The Board can also be contacted using forms provided on the Group's website.

As further outlined in the Section 172 segment of this Annual Report, the Board believes that it has established a code of corporate governance appropriate for the Group's size having considered the 10 principles of corporate governance set out in the QCA Code when managing investor relations. The Board also expects to implement updates to the QCA code published in November 2023 and looks forward to providing updates to shareholders on the Group's purpose, internal controls and environmental matters in the coming year.

Further details of how we comply with the QCA Corporate Governance Code can be found on our website (www.scancell.co.uk/corporate-governance).

Dr Jean-Michel Cosséry
Chairman
23 September 2024

Directors' Remuneration Report

This report provides unaudited disclosures of directors' remuneration required by AIM listed companies.

Remuneration Committee

During the financial year ended 30 April 2024 the Remuneration Committee members were Dr Ursula Ney, Dr Jean-Michel Cosséry and Susan Clement Davies. The Committee is chaired by Dr Ursula Ney.

The Committee meets at least once a year and more frequently if required. The Committee is responsible for setting the remuneration policy of the Executive Directors, including terms of employment, salaries, any performance bonuses and share option awards. The Executive Directors also consult the Committee in relation to the remuneration of senior employees and staff share option schemes. The remuneration of the Non-Executive Directors is determined by the Board as a whole.

Remuneration Policy

The key principles underlying all decisions by the Remuneration Committee include the following:

- The need to attract, retain and motivate outstanding executives who have the potential to support the growth of the Scancell and help the Company achieve its strategic objectives.
- The need to ensure that long term incentive plans ('LTIP') are aligned with the interests of shareholders.
- The need to consider the competitive landscape in the UK biotechnology industry and current best practice in setting appropriate levels of compensation.

The Committee met on two occasions during the financial year. Subjects under discussion included a review of whether remuneration paid met the Company's objectives to reward and incentivise the Executive team.

Bonuses

The Company operates a bonus scheme for executive directors and all other staff for delivery of exceptional performance against pre-set relevant corporate objectives. Annual bonus entitlements are based on the achievement of pre-set Group corporate, financial and personal performance targets.

Directors' Remuneration

The table below summarises directors' salaries, consulting fees and other benefits received in relation to the years ended 30 April 2024 and 2023.

	2024					2023			
	Salary and fees	Bonus*	Penson Contributions	Other benefits	Total	Salary and fees	Bonus*	Pension Contributions	Total
	£	£	£	£	£	£	£	£	£
Dr J Chiplin	—	—	—	—	—	111,124	—	—	111,124
Dr R M Goodfellow	—	—	—	—	—	38,333	—	—	38,333
Dr Jean-Michel Cosséry	100.000	—	—	—	100,000	25,000	—	—	25,000
Professor L G Durrant	309,225	77,306	—	1,635	388,166	294,500	74,625	—	369,125
S Nirmalananthan[1]	26,250	2,967	1,313	—	30,530	—	—	—	—
Dr S E Adams[1]	167,541	24,078	—	—	191,619	213,900	33,085	6,521	253,506
Ms S Clement Davies	55,000	—	—	—	55,000	55,000	—	—	55,000
Mr M H Diggle[2]	—	—	—	—	—	—	—	—	—
Dr U Ney	40,000	—	—	—	40,000	40,000	—	—	40,000
	698,016	**104,351**	**1,313**	**1,635**	**805,315**	**777,857**	**107,710**	**6,521**	**892,088**

*Bonuses payable after the financial year.

Directors' Remuneration Report (continued)

Notes to the table of remuneration

1 Remuneration for Sath Nirmalananthan and Dr Sally Adams is stated for the part of the financial year for which they served as directors of the Company.

2 Mr. Martin Diggle receives no remuneration from Scancell for services performed.

Chief Executive Officer's remuneration

The total remuneration paid to the Chief Executive Officer, Professor Lindy Durrant, is a multiple of 6.5 times (2023: 5.3 times) the average remuneration of an employee of the Group.

Directors' share options

The Remuneration Committee believes that granting options is a useful tool in motivating executives and ensuring their interests are aligned with those of our shareholders. All options are subject to time vesting schedules to promote continued service.

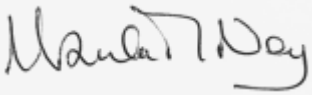
At 30 April 2024, the following Directors held options over the shares of the Company.

	Grant Price	At 30 April 2024	At 30 April 2023	Issue Date	Date of Expiry
Prof L G Durrant	4.5p	3,850,000	3,850,000	30/07/2020	30/07/2026
	10.5p	9,000,000	9,000,000	31/01/2018	31/01/2028
	8.15p	1,000,000	1,000,000	30/04/2020	30/04/2030
	21.25p	9,000,000	9,000,000	09/09/2021	09/09/2031
Dr J-M Cosséry	17.5p	3,000,000	3,000,000	20/04/2023	20/04/2033
S Clement Davies	17.5p	1,000,000	1,000,000	20/04/2023	20/04/2033

Director share interests

Director	Ordinary shares held At 30 April 2024	Ordinary shares held At 30 April 2023
Prof L G Durrant	2,069,159	1,796,432
Dr J-M Cosséry	454,545	—

The increase in ordinary shares held by directors was a result of participation in the Company's capital raise in 2023. No other directors of the Company at 30 April 2024 held shares.



Dr Ursula Ney
Chair of the Remuneration Committee
23 September 2024

Audit Committee Report

The Audit Committee is responsible for the relationship with the Group's external auditor, the review of the Group's financial reporting and the Group's internal controls. During the year ended 30 April 2024, the audit committee recommended a competitive audit tender. Following this process, RSM UK Audit LLP were appointed as auditors.

The Audit Committee members are Susan Clement Davies (Chair of the Audit Committee), Dr Ursula Ney and Dr Jean-Michel Cosséry.

The responsibilities of the Committee include the following:

- Monitoring the integrity of the financial statements of the Group
- Reviewing the accounting policies, accounting treatments and disclosures in the financial statement
- Reviewing the Group's internal financial controls and risk management systems
- Overseeing the Group's relationship with external auditors, including making recommendations to the Board as to the appointment or re-appointment of the external auditors, reviewing their terms of engagement, and monitoring the external auditors' independence, objectivity and effectiveness.

The Audit Committee met six times during the year with time allowed for discussion without any members of the executive team being present, to allow the external auditor to raise any issues of concern. Audit Committee meetings may be attended, by invitation, by other Directors and by the Group's auditors.

The Committee has responsibility for, amongst other things, planning and reviewing the Annual Report and Accounts and Interim Statements involving, where appropriate, the external auditors. The Committee also approves external auditors' fees and ensures the auditors' independence as well as focusing on compliance with legal requirements and accounting standards. It is also responsible for ensuring that an effective system of internal control is maintained. The ultimate responsibility for reviewing and approving the annual financial statements and interim statements remains with the Board.

During the year ended 30 April 2024, and to the date of this report, the Audit Committee reviewed and approved the financial statements for the year ended 30 April 2023 the interim results for the six months to 31 October 2023, the financial statements for the year ended 30 April 2024 and the external auditor's plan for and findings from the 2023 and 2024 external audits. The Committee has reviewed the material accounting policies and significant accounting judgments in the financial statements of this Annual report, as well as the Board's going concern assessment and the prior period restatements outlined in the financial statements. The Committee is satisfied that these items have been appropriately prepared and addressed.

The Audit Committee has also satisfied itself that the external auditor is independent. The Audit Committee has concluded that the external audit process was effective, that the scope of the audit was appropriate and that any significant judgements have been robustly challenged.

Susan Clement Davies
Chair of Audit Committee
23 September 2024

Directors' Report: Scancell Holdings Plc – Company Number 06564638

Directorate changes

Information about the Group's current directors can be found under the section "Company Directors" on page 17. Changes during the year ended 30 April 2024 and prior to the approval of this annual report are summarised below.

Dr Sally Adams – resigned 2 February 2024
Sath Nirmalananthan – appointed 14 March 2024
Dr Florian Reinaud – appointed 9 July 2024

Principal activity

Scancell is a clinical stage biopharmaceutical company. Its proprietary research, built up over many years of study of the human adaptive immune system, has generated novel vaccines and antibodies to treat significant unmet needs in cancer and infectious disease.

The table below summarises other directors' report requirements and where, if applicable, they can be found in this Annual Report.

Item	Description for item or location in this Annual Report
Dividends proposed	None proposed for the year ended 30 April 2024 (2023: none)
Political donations	None made for the year ended 30 April 2024 (2023: none)
Qualifying indemnity provisions	Directors' insurance against claims arising in their capacity is in place.
Auditor reappointment	RSM UK Audit LLP will be proposed for reappointment at the next AGM.
Events after the balance sheet date	CEO's Report (Strategic Report) – page 5
Financial risk management	Principal Risks and Uncertainties (Strategic Report) – page 13
Future developments	Chair's Statement (Strategic Report) – page 3
Research and development	CEO's Report (Strategic Report) – page 4
Risks and uncertainties	Principal Risks and Uncertainties (Strategic Report) – page 5
Directors' shares held	Directors' Remuneration Report (Corporate Governance) – page 23

Substantial shareholdings

The Company is aware of the following shareholder interests representing more than 3% of the issued share capital of 929,599,977 ordinary shares of 0.1p at 31 August 2024:

Shareholder	Ordinary shares	Percentage held
Redmile Group LLC	268,616,936	28.90%
Vulpes Life Science Fund	117,729,029	12.66%
Calculus Capital	30,831,721	3.32%

Going concern assessment

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.

Directors' Report (continued)

Going concern assessment (continued)

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 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 which may cast significant doubt about 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.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare group and company financial statements for each financial year. The directors have elected under company law and are required by the AIM Rules of the London Stock Exchange, to prepare the Group financial statements in accordance with UK-adopted international accounting standards and to prepare the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

The group financial statements are required by law and UK-adopted International Accounting Standards to present fairly the financial position and performance of the group. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- for the group financial statements, state whether they have been prepared in accordance with UK-adopted international accounting standards
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the requirements of the

Statement of directors' responsibilities (continued)

Companies Act 2006. They are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Scancell website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditors

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information (as defined by section 418 of the Companies Act 2006) of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

This report was approved by the Board of directors on 23 September 2024.

Professor Lindy Durrant
Chief Executive Officer

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCANCELL HOLDINGS PLC

Opinion

We have audited the financial statements of Scancell Holdings Plc (the 'parent company') and its subsidiary (the 'group') for the year ended 30 April 2024 which comprise the Consolidated Statement of Comprehensive Loss, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows, the Parent Company Statement of Financial Position, the Parent Company Statement of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK-adopted International Accounting Standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 30 April 2024 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted International Accounting Standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Summary of our audit approach

Key audit matters	**Group and Parent Company** • Going concern • Accounting for group reorganisations (prior period adjustment)
Materiality	**Group** • Overall materiality: £843,000 (2023: £720,000) • Performance materiality: £632,000 (2023:£500,000) **Parent Company** • Overall materiality: £840,000 (2023: £576,000) • Performance materiality: £630,000 (2023: £403,000)
Scope	Our audit procedures covered 100% of expenses, 100% of total assets and 100% of loss before tax.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the group and parent company financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the group and parent company financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material uncertainty related to going concern section we have determined the matters described below to be the key audit matters to be communicated in our report.

Accounting for group reorganisations (prior period adjustment)

Key audit matter description	*(Refer to Note 19 to the Consolidated financial statements and Note E to the Parent company financial statements regarding the prior period adjustment in respect of goodwill and historical equity balances)* In June 2008 Scancell Holdings plc issued shares in exchange for the entire issued share capital of Scancell Limited as part of a group reorganisation. Scancell Holdings plc adopted IFRS in the preparation of its group financial statements for the year ended 30 April 2010 which included a transition date of 1 May 2008. The reorganisation was treated as an acquisition in which the excess of the fair value of the shares issued by Scancell Holdings plc over the assets and liabilities acquired was recognised as goodwill. In preparing the group financial statements for the year ended 30 April 2024, management reassessed the treatment of the reorganisation and concluded that it was not in accordance with IFRS and that it should have been recorded as a common control transaction in which the assets, liabilities and accumulated losses of the entities are combined and no goodwill is created as part of the reorganisation. In the parent company financial statements, the cost of the investment had been measured at the fair value of the shares issued which was not in accordance with IAS 27 or Companies Act 2006. The statements of financial position as at 30 April 2023 and 30 April 2022 have been restated to correct for those errors.
How the matter was addressed in the audit	We read the financial statements of Scancell Holdings plc for the year ended 30 April 2010 and using financial reporting specialists, assessed management's proposed treatment against the requirements of IFRS 3 Business Combinations, IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, IFRS 1 First-time Adoption of International Financial Reporting Standards and IAS 27 Separate Financial Statements. We evaluated the adjustments proposed by management by reference to the financial statements of Scancell Holdings plc for the year ended 30 April 2009 and for Scancell Limited for the years ended 30 April 2008 and 30 April 2009. We reviewed the disclosures in the financial statements relating to the prior period adjustments to assess whether they met the requirements of the accounting framework.

Our application of materiality

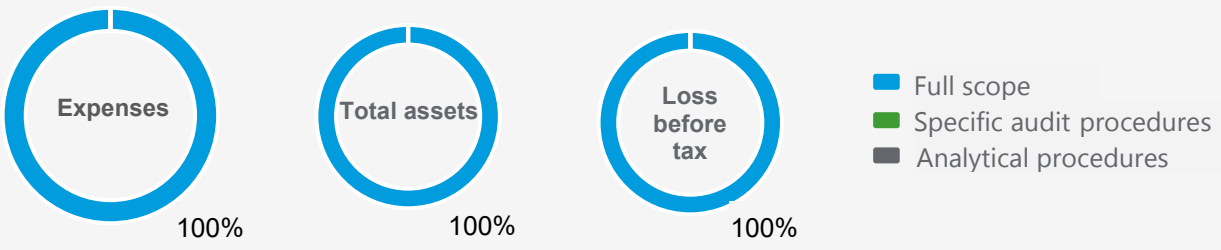
When establishing our overall audit strategy, we set certain thresholds which help us to determine the nature, timing and extent of our audit procedures. When evaluating whether the effects of misstatements, both individually and on the financial statements as a whole, could reasonably influence the economic decisions of the users we take into account the qualitative nature and the size of the misstatements. Based on our professional judgement, we determined materiality as follows:

	Group	Parent company
Overall materiality	£843,000 (2023: £720,000)	£840,000 (2023: £576,000)
Basis for determining overall materiality	5% of loss before tax excluding finance income relating to derivative liability revaluation	0.9% of total assets
Rationale for benchmark applied	This measure is consistent with the expectation of the users of the financial statements of an AIM listed entity and consistent with the cash burn of the entity.	We believe that total assets is an important measure in assessing the performance of the parent company
Performance materiality	£632,000 (2023: £500,000)	£630,000 (2023: £403,000)
Basis for determining performance materiality	75% of overall materiality	75% of overall materiality
Reporting of misstatements to the Audit Committee	Misstatements in excess of £42,000 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.	Misstatements in excess of £42,000 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.

An overview of the scope of our audit

The group consists of one component.

The coverage achieved by our audit procedures was:



Material uncertainty relating to going concern

We draw attention to Note 1 on going concern in the financial statements concerning the group and parent company's ability to continue as a going concern. Having prepared financial forecasts for the period to April 2026, the directors have concluded that they have a reasonable expectation of having sufficient cash to meet their liabilities as they fall due throughout the period to September 2025, however, in reaching that conclusion, the directors recognise that it is reliant on inherent uncertainties relating to the group's ability to generate revenue from new or existing collaboration agreements or raise additional funding from shareholders or potential investors. As stated in Note 1 on going concern, these events or conditions indicate that a material uncertainty exists which may cast significant doubt on the group and parent company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group and company's ability to continue to adopt the going concern basis of accounting included:

- Testing the mathematical accuracy of the cash flow and profit forecasts prepared by the directors, including sensitivity of those forecasts to changes in assumptions relating to revenues and costs.
- Assessing whether the forecasts and sensitivity analysis have been prepared on a reasonable and appropriate basis and performing our own stress testing of the forecasts.
- Reviewing and challenging available evidence drawing upon knowledge obtained during the course of our audit to corroborate or contradict the assumptions that underpin the forecasts.
- Evaluating whether the mitigating actions identified by management in the event that additional revenue or funding were not achieved are feasible operationally, are within the control of management and can be actioned within the assumed timeframe.
- Comparing the budgeted results for the year ended 30 April 2024 to the actual outturn to inform our assessment regarding the accuracy of forecasts and management's ability to control costs.
- Reviewing performance since the year end date and how this compares to the forecasts.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on pages 26 to 27, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the group and parent company operate in and how the group and parent company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

The most significant laws and regulations were determined as follows:

Legislation / Regulation	Additional audit procedures performed by the Group audit engagement team included:
UK-adopted IAS, FRS101, Companies Act 2006 and AIM Rule 19 relating to the preparation of annual accounts	Review of the financial statement disclosures and testing to supporting documentation; Completion of disclosure checklists to identify areas of non-compliance
Tax compliance regulations	Inspection of advice received from external tax advisors Inspection of correspondence with local tax authorities Input from a tax specialist was obtained regarding the estimated R&D tax credit receivable at 30 April 2024
Medicine and healthcare product safety	Inquiry of management and inspection of correspondence, if any, with the Medicine and Healthcare products Regulatory Authority to identify instances of non-compliance with regulations.

The areas that we identified as being susceptible to material misstatement due to fraud were:

Risk	Audit procedures performed by the audit engagement team:
Management override of controls	Testing the appropriateness of journal entries and other adjustments; Assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

GBond

Graham Bond FCA (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

14th Floor

20 Chapel Street, Liverpool

L3 9AG

Date 23/09/24

Financial Statements

Consolidated Statement of Comprehensive Loss

	Notes	2024 £'000	2023 £'000
Revenue	*2*	—	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	*3*	**(18,267)**	**(11,920)**
Interest receivable and similar income		355	284
Interest expense	*4*	(1,089)	(1,215)
Finance income / (expense) relating to derivative liability revaluation	*13*	9,884	(1,453)
Loss and total comprehensive loss before taxation		**(9,117)**	**(14,304)**
Taxation	*5*	3,258	2,368
Loss for the year		**(5,859)**	**(11,936)**
Loss per ordinary share (pence)			
Basic	*6*	(0.68)p	(1.50)p
Diluted	*6*	(1.43)p	(1.50)p

The notes on pages 40 to 58 form part of these financial statements.

Consolidated Statement of Financial Position

	Notes	2024 £'000	2023 Restated £'000	2022 Restated £'000
Assets				
Non-current assets				
Tangible fixed assets	*8*	862	1,246	1,579
Right-of-use assets	*9*	847	1,003	1,165
Total non-current assets		**1,709**	**2,249**	**2,744**
Current assets				
Trade and other receivables	*10*	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	*12*	(17,366)	(16,888)	(16,437)
Derivative liabilities	*13*	(2,860)	(10,900)	(9,770)
Lease Liabilities	*9*	(466)	(746)	(856)
Total non-current liabilities		**(20,692)**	**(28,534)**	**(27,063)**
Current Liabilities				
Convertible loan notes	*12*	(1,606)	(1,593)	(1,420)
Derivative liabilities	*13*	(1,256)	(3,100)	(2,777)
Trade and other payables	*11*	(3,099)	(2,970)	(2,137)
Lease Liabilities	*9*	(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	*14*	929	819	815
Share premium	*14*	71,927	60,695	60,533
Merger reserve	*19*	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 statements of financial of position is provided in Note 19.

The notes on pages 40 to 58 form part of these financial statements. These financial statements were approved by the Directors and authorised for issue on 23 September 2024 and are signed on their behalf by:

Professor Lindy Durrant
Director

Consolidated Statement of Changes in Equity

	Share Capital £'000	Share Premium (Restated) £'000	Share Option Reserve £'000	Merger Reserve (Restated) £'000	Retained Losses (Restated) £'000	Total £'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 *(Note 15)*	—	—	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 14)*	108	11,143	—	—	—	11,251
Share option exercises	2	89	—	—	—	91
Share based payment *(Note 15)*	—	—	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 19.

The notes on pages 40 to 58 form part of these financial statements.

Consolidated Statement of Cash Flows

	Notes	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	*4*	1,089	1,215
Finance (income)/ expense relating to derivative liability revaluation	*13*	(9,884)	1,453
Depreciation of tangible fixed assets	*8*	561	536
Depreciation of right-of-use assets	*9*	405	366
Share-based payment charge	*15*	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	*8*	(177)	(203)
Interest received		355	284
Net cash generated from investing activities		**178**	**81**
Financing activities			
Proceeds from issuance on placing and open offer		11,898	—
Costs of share issuances		(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**

The notes on pages 40 to 58 form part of these financial statements.

Notes to the Consolidated Financial Statements

1. Accounting Policies

Statutory information

Scancell Holdings plc is a public company, limited by shares, registered and domiciled and incorporated in England and Wales. The address of its registered trading office is: Bellhouse Building, Sanders Road, Oxford OX4 4GD.

These financial statements were approved by the Board of Directors on 23 September 2024.

Reporting period and date references

The Group's consolidated financial statements present Consolidated statements of comprehensive loss for the years ended 30 April 2024 and 2023, and Consolidated statements of financial position at 30 April 2024 and 2023 and 2022. The years ended 30 April 2024 and 2023, and the reporting date of 30 April 2024, 30 April 2023 and 2022, may be referred to as "2024", "2023" and "2022", respectively, in these financial statements except where otherwise indicated.

Basis of preparation

These financial statements have been prepared in accordance with UK-adopted international accounting standards. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policies below.

Going concern assessment

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 which 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.

1. Accounting policies (continued)

New standards and interpretation

Amendments to IAS 1, *Presentation of financial statements*, are effective for accounting periods beginning on or after 1 January 2024 relating to the classification of liabilities as current or non-current. The Group has elected to adopt these amendments early and they have been retrospectively applied to the consolidated financial statements, resulting in reclassification of the Group's convertible loan notes originally issued in August 2020, and the embedded derivative balances associated with the notes, from non-current liabilities to current liabilities. The notes were issued in August 2020, subsequently extended, and convertible at any time at the election of the noteholder. The impact of these changes, which have been retrospectively applied to prior periods in the statements of financial position, is presented in Note 19.

In April 2024, IFRS 18, *Presentation and Disclosures in Financial Statements*, was issued. The standard mandates defined income and expense categories and subtotals in the income statement, provides guidance on grouping financial information in the financial statements and notes, and requires greater transparency over operating expenses. The Group is currently assessing the impact on its financial statements. The new standard is effective for periods beginning on or after 1 January 2027 and retrospective application is mandatory.

There are no other amendments, new standards or interpretations issued but not yet effective that are expected to materially affect the Group.

Common control reorganisations

Group reorganisations where a new parent company issues shares to the shareholders of the previous company are presented under predecessor accounting principles. Assets and liabilities in a legally acquired subsidiary under common control are reflected at the carrying values at the time of the merger, and goodwill is not recognised. The difference between the total share capital and premium recorded in the Company's subsidiary and the nominal value of shares originally issued by the Company to acquire its subsidiary's shares is recorded within equity in a merger reserve.

Consolidation and subsidiary

The term "Group" in the financial statements refers to Scancell Holdings and its wholly owned subsidiary, Scancell Limited, collectively. The term "Company" refers to the parent company, Scancell Holdings Plc. Most references in these consolidated financial statements are to the Group, and most references in the separate financial statements of the parent company at the end of this Annual report are to the Company.

A company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The current period and historical results of Scancell Limited have been fully consolidated in these financial statements and all intercompany transactions have been eliminated.

Key judgements and sources of estimation and uncertainty

The preparation of these consolidated financial statements requires the use of estimates and judgement in the application of accounting policies. Estimates are based on management's assessment of available information, and inherent uncertainties may cause eventual amounts to materially differ to reported balances. Judgements set out below have had the most significant impact on balances recognised in the financial statements.

Derivative liabilities

Embedded derivative financial liabilities represent the fair value of the conversion feature of the Group's outstanding convertible loan notes originally issued in August and November 2020. These derivatives are recognised at fair value and subsequently remeasured at each reporting date with differences recognised in the Consolidated statement of comprehensive loss. Changes in the Company's share price or terms of the notes can cause material fluctuations in the Group's finance income or expense each reporting period. Sensitivity over the market risk associated with embedded derivatives is provided in Note 17.

Fair value is calculated using a Black Scholes pricing model, which uses certain inputs subject to estimation, including the Group's assessment of expected volatility and the expected term. While different assumptions or alternative valuation models could generate values that significantly differ to those reported in the Consolidated statement of comprehensive loss, the Group believes its assumptions are materially appropriate. Further details of the assumptions and inputs used in the valuation of derivatives are provided in Note 13.

Contract manufacturing and other Research and development ("R&D") costs

The Group has R&D supplier contracts with varying terms. Agreements sometimes contain upfront payments and further milestones or payments that span a wide period. Judgement is used to assess the substance of payments in the contract to identify services, materials and parties' rights, and in the estimation of the level of progress to ensure services received are appropriately expensed in the financial statements.

1. Accounting policies (continued)

Revenue

Revenue represents income from collaboration agreements where the Group licenses rights associated with its technology to third parties in exchange for consideration. The Group applies the five-step model under IFRS 15, *Revenue from Contracts with Customers*, to identify the contract, its performance obligations, the transaction price, appropriate allocation of the transaction price, and how revenue is recognised.

The Group identifies its performance obligations under collaboration agreements at inception. Arrangements where rights are outlicensed and the Group's ongoing involvement is limited to immaterial promises represent right-to-use licenses. Revenue for such licenses is recognised at the point in time when the Group's collaboration partner can use and benefit from the intellectual property.

Milestones subject to the decisions of third parties are excluded from the transaction price and not recognised as revenue until authorised confirmation is received that milestones have been achieved under the contract.

Segment Reporting

The Group operates in one operating segment and its chief operating decision maker is the CEO, who manages operations on an integrated basis for the purposes of allocating resources. The Group is registered in the UK, which is also where its assets are held.

Expenditure

Expenditure is recognised using the accrual basis of accounting, and costs are aggregated and presented by function in the Consolidated statement of comprehensive loss.

R&D costs

Costs of R&D activities are expensed in the period in which they are incurred. Accruals for costs are recorded when materials or services have been received but not yet invoiced. When advance payments are made for R&D services and materials to be received, a prepayment is recorded and subsequently reduced and recognised as an expense in the Statement of comprehensive loss as the services and materials are received. If the Group is invoiced in advance for services to be received and payment has not been made at the end of the reporting period, a payable is recorded with a corresponding asset for services receivable.

Internally generated development costs are not recognised as an intangible asset prior to obtaining marketing approval due to the regulatory requirements and other uncertainties involved in obtaining such product approval. Separately acquired R&D technology and rights are assessed for potential recognition as intangible assets in the period the associated costs arise.

Taxation

Current tax is provided at amounts expected to be recovered or paid using the tax rates and laws that have been enacted or substantively enacted by date of the statement of financial position. Current tax includes credits for qualifying expenditure under the UK's Small and Medium-Sized Enterprise (SME) R&D tax credit scheme.

Deferred tax is recognised in respect of all temporary differences identified at the balance sheet date, except to the extent that the deferred tax arises from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction does not give rise to equal taxable and deductible temporary differences. Temporary differences are differences between the carrying amount of the Group's assets and liabilities and their tax base.

The Group does not recognise deferred tax assets if sufficient taxable profits in the foreseeable future are not identified to utilise against the deductible temporary differences.

1. Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is charged over the estimated useful lives of assets as follows:

Plant and machinery	- 25% on straight line
Furniture & fittings	- 20 – 25% on straight line
Computer Equipment	- 33% on reducing balance

Leases

The Group leases office and laboratory space and measures its right-of-use assets and associated lease liabilities based on the present value of lease payments due over the term of the lease. Since the rate implicit in the Group's leases is not readily determinable, incremental borrowing rates are determined based on indicative terms provided for the Group by financial institutions for borrowing to acquire a similar asset.

Lease liabilities are subsequently increased by effective interest and reduced by lease payments, while right-of-use assets are depreciated evenly over the lease term. Remeasurements for index-linked rent reviews are recorded at the original incremental borrowing rate. The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Payments under these leases are expensed in the Statement of comprehensive loss as incurred.

Impairment of non-current assets

The Group reviews its non-current non-financial assets at each reporting date to determine whether there is an indication of impairment. If an indication exists, the recoverable amount of the asset is estimated to determine whether an impairment loss should be recorded.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand and deposits held with banks with short-term maturity where there is insignificant risk of changes in value.

Share-based payment

The Group operates equity-settled, share-based compensation plans whereby certain employees and directors are granted share options in the Company. The grant date fair value of these employee share plan awards is calculated using the Black Scholes valuation model, and the resulting cost is recognised in the consolidated statement of loss over the vesting period of the awards, which is the period in which the services are received. Further details on share-based payment, including assumptions used in determining the fair value of awards, are provided in Note 15.

Equity

Equity comprises the following:

- Share capital, representing the nominal value of equity shares;
- Share premium, representing the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue;
- Retained earnings, including all current and prior period results the Company and its subsidiary;
- Share-based payment reserve, representing the cumulative corresponding equity entries to the expense arising from equity-settled share-based payment arrangements;
- Merger reserve, representing the difference between the total share capital and premium recorded in Scancell Limited and the nominal value of shares issued by the Company to acquire Scancell Limited's shares.

All the Company's shares have equal voting rights and entitlement to dividends.

1. Accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised in the Group's consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument. The Group has received limited revenue proceeds to date, and its only financial assets at 30 April 2024 and 2023 were cash and cash equivalents.

The Group's financial liabilities include convertible loan note liabilities, embedded derivative liabilities and most of its trade and other payables. Trade and other payables, and the convertible loan note host liability are measured initially at fair value and subsequently carried at amortised cost using the effective interest rate method.

The conversion features of the convertible loan notes are measured both initially and subsequently at fair value through profit or loss. Changes in fair value in this financial instrument are recognised in the consolidated statement of financial position and statement of comprehensive income each reporting period.

Further disclosures relating to the Group's financial instruments are provided in Note 17.

Convertible loan notes

The Group has issued convertible loan notes which provide holders the right to be repaid in cash at maturity or to exchange outstanding loan notes and accrued interest for ordinary shares in the Company. The first interest-free tranche of notes issued in August 2020 allows noteholders to convert outstanding loans at a conversion price at any time prior to maturity. The second tranche of notes issued in November 2020 bore interest payable annually at a rate of 3% and were convertible by noteholders on maturity at the conversion price. After the reporting period in July 2024, these notes were modified to accrue interest until maturity and became convertible at any time prior to maturity.

The note agreements provide protection to noteholders if the Company issues new shares at a significant discount to its share price. If the discount exceeds a defined level, the share conversion ratio and associated conversion price of the notes are adjusted. During the year ended 30 April 2022, the maturity dates of the convertible loan notes were extended by three years so that the notes matured in August and November 2025. After the reporting period in July 2024, the maturities of the notes were further extended to August and November 2027.

Convertible loan notes are assessed at inception to determine whether they should be classified as compound financial instruments, containing liability and equity components, or whether they represent liabilities. As part of this assessment, the Group considers whether the conversion feature would be settled by the Company delivering a fixed number of its own equity instruments in exchange for a fixed amount of debt settlement. The Group determined that the number of its own equity instruments that would be issued to settle the contracts was variable, and that the convertible loan notes should be classified as liabilities. Since the fair value of the conversion options is affected by the Company's share price, the options were not considered closely related to the host loan liability. The convertible loan notes are therefore hybrid financial instruments containing a freestanding loan liability, and an embedded derivative associated with the conversion feature, which is recognised as a separate liability.

On issue of convertible loan notes, the fair value of the conversion feature is determined, and the residual value of loan proceeds is assigned to the host loan liability and subsequently measured at amortised cost. The embedded derivative liability is remeasured at fair value at each reporting date and changes are recorded in Finance income/(expense). Transaction costs are apportioned between the loan liability and the embedded derivative. Costs allocated to the loan are added to the carrying amount of the loan liability and amortised at its effective interest rate, whereas amounts attributed to the conversion feature are fully expensed on issue.

The Group assesses extensions and other convertible loan note amendments to identify whether the resulting change to the net present value of the remaining expected cashflows represents a substantial modification requiring the notes to be treated as redeemed and re-recognised. Gains or losses on substantial modification are recognised in Finance income/(expense) in the Consolidated statement of comprehensive loss, while the fair value of modified loan liabilities is calculated using market rates of interests for similar debt without the conversion feature and subsequently measured at amortised cost.

2. Revenue

The Group recognised no revenue in the year ended 30 April 2024 (2023: £5.3 million).

In the year ended 30 April 2023, the Group signed an agreement with Genmab providing an exclusive license for Genmab to develop and commercialise one of the Group's investigational anti-glycan monoclonal antibodies into novel therapeutic products. The Group identified a single performance obligation to provide Genmab with the right to use its technology, and an upfront payment of £5.3 million was recognised as revenue in the year ended 30 April 2023.

The Group could be eligible to receive milestones of up to £165 million for each product developed and commercialised, up to a maximum of £495 million, if Genmab develops and commercialises products across all defined modalities. Royalties on net sales would also be receivable if Genmab were to commercialise and sell the products. Milestones and royalties were excluded from the transaction price and revenue at 30 April 2024 and 2023 due to the uncertainty of such potential receipts and future commercial sales.

3. 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 company	18	41

4. Interest expense

	2024 £'000	2023 £'000
Lease interest	58	54
Convertible loan note interest	1,031	1,161
Total interest expense	**1,089**	**1,215**

5. Taxation

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

	2024 £'000	2023 £'000
Current tax		
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**

5. Taxation (continued)

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.

6. 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)**

6. Loss per share (continued)

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.

7. Employee benefit expenses

	2024 £'000	2023 £'000
Wages and salaries	4,456	3,588
Social security costs	489	438
Pension costs	196	73
	5,141	**4,099**

The share-based payment charge for 2024 was £660,000 (2023: £726,000). This charge arises from share options granted during the financial year and prior periods.

The average monthly number of employees (including executive directors) was:

	2024 No.	2023 No.
Research and development employees	53	43
Other employees	8	8
	61	**51**

Key management personnel

The Group's key management personnel are its directors. The following costs were incurred in respect of key management personnel.

	2024 £'000	2023 £'000
Salaries and fees	802	616
Employer's national insurance	100	85
Benefits	2	2
Pension costs - defined contribution scheme	1	7
	905	**710**

Share-based payment charges in respect of key management personnel totalled £613,000 (2023: £665,000). There were no gains made by directors on the exercise of share options during 2024 (2023: no gains).

Further information about the remuneration of individual directors is disclosed in the Directors' Remuneration Report.

8. Tangible fixed assets

	Computer equipment £'000	Fixtures and fittings £'000	Laboratory equipment £'000	Total £'000
Cost				
At 1 May 2022	108	424	2,067	2,599
Additions	44	48	111	203
At 30 April 2023	152	472	2,178	2,802
Additions	5	2	170	177
Disposals	(16)	—	(424)	(440)
At 30 April 2024	**141**	**474**	**1,924**	**2,539**
Accumulated depreciation				
At 1 May 2022	62	78	880	1,020
Charge for the year	32	98	406	536
At 30 April 2023	94	176	1,286	1,556
Charge for the year	34	101	426	561
Disposals	(16)	—	(424)	(440)
At 30 April 2024	**112**	**277**	**1,288**	**1,677**
Net book value				
At 30 April 2024	**29**	**197**	**636**	**862**
At 30 April 2023	58	296	892	1,246
At 1 May 2022	46	346	1,187	1,579

9. Leases

The Group has leases with the University of Nottingham and the Oxford Science Park. Both leases provide office and laboratory space. The Group's lease liabilities are presented in the Consolidated statement of financial position and its right-of-use assets for 2024 and 2023 are summarised below.

	Land and Buildings £'000
Right-of-use assets	
Cost	
At 30 April 2022	1,680
Additions	204
Disposals	(438)
At 30 April 2023	1,446
Remeasurements	249
At 30 April 2024	**1,695**
Depreciation	
At 30 April 2022	515
Charge for the year	366
Disposals	(438)
At 30 April 2023	443
Charge for the year	405
At 30 April 2024	**848**
Net Book Value	
At 30 April 2024	**847**
At 1 May 2023	1,003

9. Leases (continued)

The maturities of the total undiscounted contractual lease liability payments are set out below.

	Up to three months £'000	Between 3 and 12 months £'000	Between one and five years £'000	Total Payments £'000
At 30 April 2024	107	322	516	**945**
At 30 April 2023	97	294	863	**1,254**

Analysis of lease expense	2024 £'000	2023 £'000
Depreciation of right-of-use assets	405	366
Interest expense related to lease liabilities	58	53
Short-term lease expense	104	87
Total lease expense	**567**	**506**

Lease payments	2024 £'000	2023 £'000
Total payments (including interest and short-term)	519	462

Further lease information	2024	2023
Weighted average remaining lease term	2.2 years	3.2 years
Weighted average discount rate	5%	5%

10. Trade and other receivables

	2024 £'000	2023 £'000
VAT receivable	174	129
Prepayments	533	409
Other assets	671	—
Total trade and other receivables	**1,378**	**538**

Other assets at 30 April 2024 represented future services receivable from unpaid invoices, which have been recorded as corresponding liabilities within Trade and other payables in the Consolidated statement of financial position. The R&D costs for these invoices will be recognised in the Statement of comprehensive loss in the year ended 30 April 2025 following payment of the invoices and receipt of the services.

11. Trade and other payables

	2024 £'000	2023 £'000
Trade payables	1,461	1,309
Taxation and social security	174	199
Accruals	1,464	1,462
Total trade and other payables	**3,099**	**2,970**

12. Convertible loan notes

The interest-free convertible loan notes issued in August 2020 are referred to here and in the derivative liabilities in Note 13 as "CLN 1", and the notes issued in November 2020 bearing interest at 3% are referred to as "CLN 2". The table below summarises the movement in the host loan component of convertible loan notes.

	CLN 1 (Current) £'000	CLN 2 (Non-current) £'000	Total £'000
At 1 May 2022	1,420	16,437	17,857
Interest expense	173	988	1,161
Interest paid in year	—	(537)	(537)
At 30 April 2023	1,593	16,888	18,481
Interest expense	13	1,015	1,028
Interest paid in year	—	(537)	(537)
At 30 April 2024	**1,606**	**17,366**	**18,972**

The maturities of the total undiscounted payments, including contractual interest payments, are set out below.

	Within 1 year £'000	Between 1 and 2 years £'000	Total payments £'000
At 30 April 2024	537	20,185	**20,722**
At 30 April 2023	537	20,722	21,259

The August 2020 CLN 1 notes are interest-free and convertible by the noteholder into ordinary shares of Scancell Holdings plc at any time. As further detailed in Note 19, these notes were reclassified to current liabilities in the statements of financial position. Following a deed of amendment in October 2021, the CLN 1 notes' conversion price was adjusted from 6.1 pence to 5.9 pence per share, and the maturity of the notes was extended by three years so that they became repayable by the Company on 12 August 2025. At 30 April 2024, the principal amount of notes repayable in cash or to be settled by conversion to 29,611,973 ordinary shares was £1.75 million.

The November 2020 CLN 2 notes were issued with annual interest of 3% payable and were either repayable by the Company at maturity or convertible by the noteholder into ordinary shares of Scancell Holdings plc at a price of 13 pence at that time. Following a deed of amendment in October 2021, the maturity of the notes was extended by three years to 10 November 2025. At 30 April 2024, the principal amount of notes repayable in cash or to be settled by conversion to 137,698,062 ordinary shares was £17.9 million.

After the reporting period 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.

13. Derivative financial liabilities

Current derivative liabilities (CLN 1)	2024 £'000	2023 £'000
At 1 May	3,100	2,777
Fair value (gain)/expense on revaluation	(1,844)	323
At 30 April	**1,256**	**3,100**

Non-current derivative liabilities (CLN 2)	2024 £'000	2023 £'000
At 1 May	10,900	9,770
Fair value (gain)/expense on revaluation	(8,040)	1,130
At 30 April	**2,860**	**10,900**

The August 2020 CLN 1 notes are convertible at the option of the noteholder prior to maturity. At 30 April, the November 2020 CLN 2 notes were not convertible until maturity. In July 2024, following the deed of amendment described in Note 12, these notes became convertible at any time.

Financial instruments measured at fair value are grouped into three levels based on the degree to which the fair value is observable as defined by IFRS 13, *Fair Value Measurement*:

- Level 1 fair value measurements are those derived from unadjusted quoted prices in active markets for identical assets and liabilities;
- Level 2 fair value measurements are those derived from inputs, other than quoted prices included within Level 1, that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

The derivative liabilities in the Statement of financial position are classified as Level 3 financial instruments. The fair value is determined using the Black Scholes model using expected volatility, a risk-free rate, a dividend yield, expected term, exercise price and the end of year share price as detailed below.

	CLN 1 30 April 2024	CLN 2 30 April 2024	CLN 1 30 April 2023	CLN 2 30 April 2023
Expected volatility (%)	68.8	69.2	70.3	70.3
Risk-free interest rate (%)	4.7	4.6	3.9	3.9
Dividend yield (%)	0	0	0	0
Expected term (years)	1.3	1.5	2.3	2.5
Exercise price (p)	5.9	13	5.9	13
Market share price (p)	8.9	8.9	15.7	15.7

14. Authorised issued share capital and premium

	Ordinary £0.001 Shares (Number)	Ordinary Share capital (£'000)	Share Premium (£'000)
At 1 May 2021 and 30 April 2022	815,218,831	815	65,019
Prior period adjustment	—	—	(4,486)
At 1 May 2021 and 30 April 2022 (restated)	**815,218,831**	**815**	**60,533**
Exercise of share options	3,684,630	4	162
At 30 April 2023 (restated)	**818,903,461**	**819**	**60,695**
Exercise of share options	1,920,000	2	89
Share issuance on placing and open offer	108,156,516	108	11,143
At 30 April 2024	**928,979,977**	**929**	**71,927**

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

15. Share options

The Company grants equity settled share options under its Share incentive plan ("SIP") to enable directors and employees to acquire shares in the Company at a specified exercise price following a period of service. Options typically vest in instalments over a period of three years and expire after 10 years, although the Board may adjust terms at its discretion under the rules of the SIP. Some options granted meet qualifying conditions under HMRC's EMI scheme, which provides individuals with certain tax benefits. Most options are granted and registered with HMRC under a non-tax advantaged scheme.

The number and weighted average exercise price of outstanding options are set out below.

	Number of options outstanding	Weighted average exercise price (pence)
At 1 May 2022	48,050,171	13.2
Granted	4,000,000	17.5
Exercised	(3,684,630)	4.5
Cancelled	(1,750,000)	33.2
At 30 April 2023	46,615,541	13.0
Granted	1,619,003	10.5
Exercised	(1,920,000)	4.7
Cancelled	(1,750,000)	33.2
At 30 April 2024	**44,564,544**	11.8
Exercisable at 30 April 2024	40,172,559	12.7

The share-based payment charge for 2024 was £660,000 (2023: £726,000). The weighted average fair value of options granted during the year ended 30 April 2024 was 7 pence per option (2023: 11 pence per option), and the weighted average share price at the date of option exercise during the year ended 30 April 2024 was 13 pence (2023: 24p pence per option).

The fair value of options granted in 2024 and 2023 was calculated using the Black-Scholes model. Expected volatility is based on the Company's historical share price over a period equal to the expected option life, and the risk-free rate is based on zero-coupon government bonds. Assumptions are summarised below.

Assumption	2024	2023
Expected volatility	74.7%	45.5%
Expected life	6 years	Between 2 and 5 years
Risk-free rate	3.9%	3.8%
Expected dividend yield	Nil	Nil

For the share options outstanding at 30 April 2024, the exercise prices and weighted average remaining contractual life are as follows:

Exercise price (pence)	Number of options outstanding	Weighted average remaining contractual life (years)
4.5	4,470,000	2.0
5.3	140,000	5.5
8.2	5,880,000	6.0
10.5	17,013,255	4.3
14.2	333,500	7.8
14.3	687,789	8.0
17.0	3,000,000	2.0
17.3	4,000,000	9.0
21.3	9,000,000	7.4
33.0	40,000	0.3
	44,564,544	

16. Related party transactions

Intragroup transactions eliminated on consolidation are not disclosed in this note. Compensation of key management personnel is disclosed in Note 7 and the Directors' remuneration report.

The Group's convertible loan note transactions for the years ended 30 April 2024 and 2023 were made with funds managed by Redmile Group, LLC ("Redmile"). At 30 April 2024, Redmile and affiliates owned 268,616,936 ordinary shares in the Company, representing 28.9% of issued ordinary shares at that date. A summary of these convertible loan transactions with Redmile for the years ended 30 April 2024 and 2023 is provided in Note 12.

Consultancy services to the Group from related party directors are as follows:

	2024	2023
Dr R.M Goodfellow	—	£17,917
Dr J Chiplin	—	£111,124

Dr Chiplin and Dr Goodfellow ceased to be related parties of the company during the year ended 30 April 2023. Dr J Chiplin provided his consultancy services through a limited company, New Star Ventures Limited and Dr R Goodfellow through his consultancy business, Dr Richard Goodfellow. At 30 April 2024 and 2023, no balances were outstanding.

17. Financial instruments

The Group's financial instruments are summarised below.

	2024 £'000	2023 £'000
Financial assets		
Cash and cash equivalents	14,817	19,920
Total financial assets	**14,817**	**19,920**
Financial liabilities		
Non-current financial liabilities		
Convertible loan notes	17,366	16,888
Derivative liabilities	2,860	10,900
Lease liabilities	466	746
Total non-current financial liabilities	**20,692**	**28,534**
Current financial liabilities		
Convertible loan notes	1,606	1,593
Derivative liabilities	1,256	3,100
Trade and other payables	2,925	2,956
Lease liabilities	428	306
Total current financial liabilities	**6,215**	**7,955**
Total financial liabilities	**26,907**	**36,489**

Fair value disclosures

The Group's financial assets and liabilities are initially recognised at fair value. The convertible loan notes financing the Group are a hybrid financial instrument whereby a debt host liability component and an embedded derivative liability component were determined at initial recognition. The derivative liability is subsequently measured at fair value, whereas the host liability is measured at amortised cost. Further details of inputs used in the measurement of the derivative liability are provided in Note 13. The amortised cost values of the Group's other instruments above are considered approximate to their fair value.

17. Financial instruments (continued)

Maturity of financial liabilities and changes in liabilities arising from financing activities

Financial liabilities in the preceding table relating to operating items at 30 April 2024 and 2023 were payable within twelve months. Trade payable terms vary, with most invoices due between 30 and 60 days. Accruals for costs incurred may have longer maturities since they are dependent on timely invoicing by the Group's suppliers and payment schedules under statements of work.

The maturity of items greater than 12 months, which include the Group's lease liabilities and convertible loan liabilities, are set out in Notes 9 and 12, respectively. Note 12 also illustrates the changes in convertible loan note liabilities resulting from effective interest and payments. There were no material changes in lease liabilities during the year ended 30 April 2024.

Qualitative and quantitative risk disclosures

The Group finances its operations through the cash proceeds of equity raises, convertible loan note issuances and collaboration agreements. The Board monitors financial markets and assesses liquidity to ensure that policies are updated and executed in the Group's best interests.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. Management's approach to liquidity risk is to ensure, to the extent possible and practical, that it has sufficient cash to meet its liabilities as they fall due, under both normal and stressed conditions, and without incurring unacceptable losses. Further details of the Group's capital management and plans to address liquidity risk are set out under the "Going concern" section of Note 1.

Market risk

Market risk is the risk that changes in market prices, such as interest rates and exchange rates will affect the Group's income or the value of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters whilst optimising the return.

The Group's cash and cash equivalents in the Consolidated Statement of financial position primarily represent sterling current account balances. These are instantly available funds attracting variable rates of interest. As the Group advances its clinical trials and manufacturing projects, it anticipates there will be a requirement for higher levels of foreign currency balances in future. The Group monitors these requirements to ensure it has sufficient levels of foreign currency balances and seeks to reduce the impact of potential currency losses where practical. The Group does not hold or issue hedging instruments or enter into derivative contracts for speculative purposes.

The Group's convertible loan notes give rise to embedded derivative liabilities, which are also subject to market risk. The fair value of these liabilities significantly fluctuates with changes in the Company's share price. The fair value of derivative liabilities decreased by £9.9 million in the year ended 30 April 2024, and similar movements may occur in the future as the Company's share price and other factors change. A 1p increase in the Company's share price at 30 April 2024 would have increased the fair value of derivative liabilities and decreased finance income by £1.0 million.

In July 2024, the Group entered into a deed of amendment for the convertible loans as described in Note 13. The Group anticipates significant changes may be recorded in the value of its loan instruments and derivative balances for the year ended 30 April 2025 following the modifications to the notes.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from a Company's receivables from Customers. This risk is currently lower since the Group's policy is to enter into revenue-generating contracts with established international biotechnology or pharmaceutical companies.

18. Financial commitments

Details of the Group's lease and convertible loan note commitments at 30 April 2024 and 2023 are provided in Note 9 and 12.

The Group in-licenses certain monoclonal antibodies for further development. Where the Group provides licenses to third party collaborators and has also in-licensed technology related to the arrangement under which it receives revenue, depending on the decisions of the collaborator, the Group may be required to pay royalties of up to 10% of the licence revenue it receives.

The Group enters into a number of research and development services agreements with suppliers to carry out its ongoing development activities. Contracts have termination options with a range of notice periods, typically requiring costs incurred up to the termination notice date to be settled by the Group, and, in fewer cases, involving early termination penalties. Non-cancellable costs not already recognised under Accruals within Trade and other payables in the Consolidated statement of financial position are considered immaterial.

19. Prior period restatements

The Group has adjusted prior periods in these 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 and Company 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)

The adjustments above all relate to transactions in Scancell Holdings Plc and therefore also apply to the parent company separate financial statements.

19. 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)

19. Prior period restatements (continued)

Consolidated statement of changes in equity

	Share Premium £'000	Merger Reserve £'000	Retained Losses £'000
At 1 May 2022	65,019	—	(62,420)
Prior period restatement	(4,486)	5,043	(3,972)
At 1 May 2022 (restated)	**60,533**	**5,043**	**(66,392)**
At 30 April 2023	65,181	—	(74,356)
Prior period restatement	(4,486)	5,043	(3,972)
At 30 April 2023 (restated)	**60,695**	**5,043**	**(78,328)**

20. 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, the Directors entered into a deed of amendment relating to all outstanding convertible loan notes at that date, extending the maturity of the notes to the second half of 2027. Further details are provided in Note 12.

In September 2024, the Group signed a strategic partnership with PharmaJet for the supply of the Stratis® Intramuscular (IM) Needle-free 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.

Parent Company Statement of Financial Position
Scancell Holdings Plc – Company Number 06564638

		2024 £'000	2023 Restated £'000
Assets			
Non-current assets			
Investment in subsidiary	B	77,364	68,131
		77,364	**68,131**
Current assets			
Trade and other receivables	C	131	486
Cash and cash equivalents		13,963	12,153
		14,094	12,639
Total assets		**91,458**	**80,770**
Liabilities			
Current liabilities			
Trade and other payables	D	(425)	(519)
Convertible loan notes	12	(1,606)	(1,593)
Derivative liability	13	(1,256)	(3,100)
		(3,287)	**(5,212)**
Non-current liabilities			
Convertible loan notes	12	(17,366)	(16,888)
Derivative liability	13	(2,860)	(10,900)
		(20,226)	**(27,788)**
Total liabilities		**(23,513)**	**(33,000)**
Net assets		**67,945**	**47,770**
Shareholders' equity			
Called up share capital	14	929	819
Share premium	14	71,927	60,695
Merger reserve		1,071	1,071
Share option reserve		2,783	2,123
Profit and loss account		(8,765)	(16,938)
Total shareholders' equity		**67,945**	**47,770**

The Company's profit for the financial year was £8,173,000 (2023: loss of £2,689,000).

Further information on the prior period restatement is provided in in Note E of these parent company financial statements and in note 19 of the Consolidated financial statements

These financial statements were approved by the Directors on 23 September 2024 and are authorised for issue and are signed on their behalf by:

Professor Lindy Durrant
Director

Parent Company Statement of Changes in Equity

	Share Capital £'000	Share Premium £'000	Merger Reserve £'000	Share Option £'000	Accumulated Losses £'000	Total £'000
At 1 May 2022	815	65,019	—	1,395	(14,249)	52,980
Prior period adjustment	—	(4,486)	1,071	—	—	(3,415)
At 1 May 2022 (restated)	**815**	**60,533**	**1,071**	**1,395**	**(14,249)**	**49,565**
Share issue	4	162	—	—	—	166
Loss for the year	—	—	—	—	(2,689)	(2,689)
Share option credit	—	—	—	728	—	728
Balance 30 April 2023 (restated)	**819**	**60,695**	**1,071**	**2,123**	**(16,938)**	**47,770**
Profit for the year	—	—	—	—	8,173	8,173
Share issuance on placing and open offer	108	11,143	—	—	—	11,251
Share option exercises	2	89	—	—	—	91
Share option credit	—	—	—	660	—	660
Balance 30 April 2024	**929**	**71,927**	**1,071**	**2,783**	**(8,765)**	**67,945**

Further information on the prior period restatement is provided in note E of the parent company notes and in note 19 of the Consolidated financial statements in this Annual report.

Parent Company Notes to the Financial Statements

A. Accounting policies

Basis of preparation

The separate Company financial statements have been prepared in accordance with the Companies Act 2006 and Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The Company has adopted FRS 101 for the year ended 30 April 2024 to enable reduced disclosures in these parent company accounts. The Company previously prepared the parent company accounts under UK-adopted IFRS. The Company has applied the recognition, measurement and disclosure requirements of FRS 101 but made amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the disclosure exemptions has been taken. By publishing its parent financial statements accompanied with the consolidated Group financial statements, the Company has taken advantage of the exemption provided in s408 of the Companies Act 2006 from presenting its income statement and related notes. The Company has taken advantage of FRS 101 exemptions from:

- presenting statements of cash flows and related items under IAS 7;
- disclosing transactions with wholly owned subsidiaries;
- disclosures with respect to capital management;
- disclosures relating to the compensation of key management personnel;
- disclosure of share-based payment information under IFRS 2;
- financial instrument disclosures required under IFRS 7; and
- certain fair value measurements required under IFRS 13
- presenting an opening balance sheet for restated items under IAS 1.

The parent company financial statements have been prepared on a going concern basis. The going concern assessment for the Group, which also applies to these parent company financial statements, discloses material uncertainties relating to the need for further financing and can be found in Note 1 of the Consolidated financial statements.

Investment in subsidiary

The Company's investment in Scancell Limited is stated at cost less any provisions for impairment. The Company records the value of share-based payment expense granted to its employing subsidiary as an increase in equity and an increase in its investment. In addition, capital contributions and forgiven intercompany loans are also reflected as an increase in the investment.

The Company reviews the investment at each reporting date to determine whether there is an indication of impairment. If an indication exists, the recoverable amount of the asset is estimated to determine whether an impairment loss should be recorded. The recoverable amount is the higher of value in use and fair value less costs to sell. The Company estimates fair value less costs to sell when determining the investment's initial recoverable amount.

Significant judgements

When impairment indicators exist, judgement is required in estimating fair value less costs to sell for the purposes of the Company's assessment of the recoverable amount of its investment in Scancell Limited. The Company considers that the main operating activity of the Group is performed by Scancell Limited and that a sale of the subsidiary would share similarities with a sale of the Group. When assessing fair value, management considers that the market capitalisation of Scancell Holdings Plc, represented by its share price, provides only a broad approximation of the fair value of its investment in Scancell Limited. Further inputs are used to assess what price the Company believes would be paid by market participants, including an appropriate estimate of a control premium and the transaction costs of a potential sale, when generating an estimate of fair value less costs to sell. The market capitalisation of the Company and the fair value of the investment is expected to be influenced by the investment's achievement of clinical and commercial milestones. Upcoming milestones for the year ended 30 April 2025 include the expected release of the SCOPE clinical trial data, which could impact the fair value of the investment.

B. Investment in subsidiary

The carrying value of the Company's investment in Scancell Limited is summarised below.

	£'000
Cost at 1 May 2022 (previously reported)	56,990
Prior period adjustment	(3,415)
Cost at 1 May 2022 (restated)	**53,575**
Capital contribution to subsidiary company	13,828
Share based payment contribution	728
Cost at 30 April 2023 (restated)	**68,131**
Loans provided to subsidiary company	8,573
Share based payment contribution	660
Cost at 30 April 2024	**77,364**

The prior period adjustments in the above table are further detailed in Note E.

The Company's subsidiary had continued losses in 2024, and the Company assessed whether the fair value less costs to sell of the subsidiary exceeded the cost of the investment at 30 April 2024. It was determined that the recoverable amount of this investment exceeded the carrying amount and no impairment loss was recognized.

The Company owns 100% of Scancell Limited's 1p and 2p ordinary shares. Scancell Limited's principal activity is research and development, and it is incorporated in the United Kingdom. Its address at Bellhouse Building Sanders Road, Oxford Science Park, Oxford, England, OX4 4GD. There are no significant restrictions between group companies regarding the settlement of assets of liabilities.

C. Trade and other receivables

	2024 £'000	2023 £'000
Amount owed by Group undertakings	—	323
VAT receivable	18	52
Prepayments	113	111
Total trade and other receivables	**131**	**486**

The amounts owed by Group undertakings are interest free with no set repayment term.

D. Trade and other payables

	2024 £'000	2023 £'000
Trade creditors	109	274
Accruals	157	245
Amount owned to Group undertakings	159	—
Total trade and other payables	**425**	**519**

The amounts owed to Group undertakings are interest free with no set repayment term.

E. Prior period restatements

Information about IAS 1 amendments and the Company's reclassification of convertible loan balances, which are the same in both the parent company's separate financial statements and the Consolidated financial statements, is provided in Note 19 of the consolidated financial statements.

The Company has restated historical statement of financial position and equity balances related to the 2008 merger with Scancell Limited in accordance with the provisions of IFRS 1, *First-time Adoption of International Financial Reporting Standards,* and IAS 27, *Separate Financial Statements*, effective for its first IFRS financial statements for the year ended 30 April 2010. The historical statement of financial position and statement of changes in equity have been restated to:

- reduce the Company's investment in subsidiary from the previously reported value, which represented the fair value of the shares acquired from Scancell Limited at the time of the merger prior to admission on PLUS in 2008, to the net book value of the equity in Scancell Limited;
- reduce the share premium recorded following the Company's legal acquisition of Scancell Limited in 2008;
- record a merger reserve in the Company, representing the total net book value of the equity in Scancell Limited at the date of legal acquisition, less the nominal value of shares issued by Scancell Holdings Plc in exchange for the entire issued share capital of Scancell Limited.

The effect of the restatement on previously reported equity balances is summarised in the table below for 2023. As permitted by FRS 101.8(g) the company has not presented a restated balance sheet at 30 April 2022.

Parent Company Statement financial position

	2023 As previously reported £'000	Adjustments	2023 Restated £'000
Assets			
Non-current assets			
Investment in subsidiary	71,546	(3,415)	68,131
Shareholders' equity			
Share premium	65,181	(4,486)	60,695
Merger reserve	—	1,071	1,071

Parent Company statement of changes in equity

	Share Premium £'000	Merger Reserve £'000
At 1 May 2022	65,019	—
Prior period restatement	(4,486)	1,071
At 1 May 2022 (restated)	**60,533**	**1,071**
At 30 April 2023	65,181	—
Prior period restatement	(4,486)	1,071
At 30 April 2023 (restated)	**60,695**	**1,071**

F. Events after the reporting period

In July 2024, the Directors entered into a deed of amendment relating to all convertible loan notes outstanding at that date, extending the maturity of the notes to the second half of 2027. Further details of the amendments are provided in Note 12 of the Consolidated financial statements in this Annual Report.

Company Information

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Professor Lindy Durrant
Sath Nirmalananthan
Susan Clement Davies
Martin Diggle
Dr Ursula Ney
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