

## The Liver Group Charity

### Chairman's Statement for the year ending 31 December 2023

Despite another difficult fundraising environment for both the charity and the research sectors it has been another year of significant progress for the project which the Charity funds. Professor Clare Selden and her team at University College London (UCL) have continued to advance the HepatiCan™ Project.

A noteworthy achievement was receiving the endorsement of the Cell and Gene Therapy Catapult (CGTC) through a £50,000 Commercialisation of Research Award, which involved significant levels of due diligence and peer review, as well as endorsement of the commercial potential for the project. Furthermore, the CGTC has agreed to help find further investors for the project.

On the technical front, the workstation is now complete and despite some initial electronic glitches has now achieved 100% success on its regulatory tests to date. Work continues on cell recovery rates after cryopreservation, with current progress sufficient for patient treatment. The same is true of stability and sterility studies. The team under Professor Selden should be congratulated on this progress over the year.

Looking ahead, the Charity is committed to helping in the translation of liver research to the patient, and its primary and sole focus at present (as peer reviewed) is to continue to support the artificial liver project at UCL. As the project morphs from a research project to a development one this changes the landscape of available sources of funding for the project, from academic grants and charitable donations to more commercial sources such as venture capital and other forms of investment which seeks a financial return.

Accordingly, Professor Selden has given notice to the Charity that she now owns the intellectual property relating to the project by way of an assignment agreement with UCL Business and a new patent in her name and intends to commercialise HepatiCan™ through a company vehicle. Negotiations will take place at arm's length with Professor Selden to ensure that the Charity receives a fair apportionment of any commercial upside which could possibly ensue from the commercialisation of the intellectual property which the Charity – along with other bodies – has helped to fund.

This could, *inter alia*, include the Charity receiving future payments on the achievement of agreed commercial milestones, royalties, and potentially an equity stake in the company itself. I shall report on progress on this matter in my next Chairman's Statement.

In all these matters the Trustees are mindful to manage any possible conflicts of interest between Professor Selden in her capacity as an academic receiving funding from the Charity, a founder of a spin-out company established to commercialise HepatiCan™ for patient treatment, and as a Trustee of the Charity. The Trustees have, and will continue to seek, the advice of the Charity Commission on these issues and have adopted the broad Conflict of Interests policy of the British Heart Foundation as an example of best practice.

Special thanks are due to all the volunteers, fundraisers, Trustees and scientific researchers and support staff who make this Charity possible. This year, special thanks are due to the research team of Eloy Erro, Tom Brookshaw and Sherri Chalmers and our completed apprentice Rosa French who we wish well for the future. The board of Trustees have as ever been a great help and special thanks go to Dr. Martin Giles for his work on financial and risk management matters, Mary Collier on legal issues, and Sue Eggleton for her accounting expertise.

Dr. David Holbrook, Chairman