APPENDIX 4E

PRELIMINARY FINAL REPORT

1. Company details

Name of entity:	**Immutep Limited**
ABN:	90 009 237 889
Reporting period:	**Year ended 30 June 2023**
Previous corresponding period:	Year ended 30 June 2022

2. Results for announcement to the market

		FY 2022		FY 2023
Revenue from ordinary activities	down	170,369	to	-
Other income	down	6,587,704	to	5,200,128
Loss from ordinary activities after tax attributable to the owners of Immutep Limited	Up	(32,210,826)	to	(39,896,348)
Loss for the period attributable to the owners of Immutep Limited	Up	(32,210,826)	to	(39,896,348)
Dividends There were no dividends paid or declared during the current financial period.				

Explanation of the above information:

The increase in loss after tax for the financial year ended 30 June 2023 was mainly attributable to the following:

- an increase in R&D and intellectual property expenses by $4.9m, mainly due to increases in clinical trial costs; and
- corporate expenses increased by $1.5m this year, which was mainly attributable to increases in overhead costs and audit fees.
- non-cash gains in the fair value movement of financial liabilities - in FY 2023 a gain of $132k in the net change in fair value of warrants was recognised while in FY 2022, the Company incurred a gain of $591k in the net change in fair value of warrants. Also, the loss in net change in fair value of convertible notes decreased from $325k in FY 2022 to $139k in FY 2023; and
- gain on foreign exchange of $624k in FY 2023 compared to a gain of $1.23m in FY 2022.

For other details of the current year results, refer to the Review of Operations and Activities.

3. NTA backing

Net tangible asset backing per ordinary security	Reporting period	Previous corresponding period
	10.7 cents	9.6 cents

4. Dividends

Current period
There were no dividends paid or declared during the current financial period.

Previous corresponding period
There were no dividends paid or declared during the previous financial period.

5. Attachments
Details of attachments (if any):

The annual report for the year ended 30 June 2023 is attached.

6. Signed

D Miller

Company Secretary

Date: Wednesday, 30 August 2023

7. Audit

This report is based on financial statements which have been audited.

ABN 90 009 237 889

Annual Report

2023

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CORPORATE DIRECTORY

Directors		
	Dr Russell Howard	(Non-Executive Chairman)
	Mr Pete Meyers	(Non-Executive Director & Deputy Chairman)
	Mr Marc Voigt	(Executive Director & Chief Executive Officer)
	Prof. Frédéric Triebel	(Executive Director & Chief Scientific Officer)
	Ms Lis Boyce	(Non-Executive Director)

Company Secretaries	Ms Deanne Miller Ms Indira Naidu
Registered office & principal place of business	Level 33 264 George Street Australia Square Sydney NSW 2000 +61 2 8315 7003
Share Registry	Boardroom Pty Ltd Grosvenor Place Level 12, 225 George Street Sydney, NSW 2000 +61 2 9290 9600
Auditor	PricewaterhouseCoopers One International Towers Sydney, Watermans Quay Barangaroo, NSW 2000
Banker	National Australia Bank Ltd Kew Branch Melbourne, Victoria 3000
Stock exchange listings	Immutep Limited shares are listed on the: Australian Securities Exchange (ASX code: IMM), and NASDAQ Global Market (NASDAQ code: IMMP)
Website address	www.immutep.com

CHAIRMAN'S LETTER

Dear Fellow Shareholders,

On behalf of the Board of Directors of Immutep Limited, it gives me great pleasure to present our Annual Report for the 2023 Financial Year.

Immutep continues to pioneer the advancement of therapeutics related to Lymphocyte Activation Gene-3 (LAG-3) for cancer and autoimmune disease. Our diversified portfolio of three clinical assets and two earlier stage product candidates harnessing LAG-3's ability to stimulate or suppress the body's immune response, positions us well and has led to multiple industry collaborations.

As a pure play LAG-3 company, we are working in an exciting, emerging market. The first commercial LAG-3 product, Bristol Myers Squibb's Opdualag, reached sales of US$252 million in 2022, despite being approved in a single indication, advanced melanoma, in the United States in March last year and then in September in the European Union.

I'm exceptionally proud of the strong growth and progress Immutep made during the financial year, which saw us shift into late-stage development of our lead product candidate, eftilagimod alpha (efti). Efti is the only LAG-3 product that activates antigen-presenting cells and in turn both the adaptive and innate systems to drive a broad immune response that fights cancer. Its favourable safety profile has enabled a versatile "pipeline in a product" that can be combined with a variety of cancer therapies, including anti-PD-(L)1 therapies, radiotherapy, and chemotherapy that are all under evaluation in the clinic today.

Throughout the fiscal year, efti continued to demonstrate exciting efficacy combined with encouraging safety in fighting multiple cancers with presentations at major oncology conferences including the annual meetings of the American Society for Oncology (ASCO) and the Society for Immunotherapy for Cancer (SITC), as well as at the European Society for Medical Oncology's (ESMO) European Lung Cancer Congress.

In particular, the TACTI-002 / KEYNOTE-798 Phase II trial evaluating efti in combination with MSD's anti-PD-1 therapy KEYTRUDA® (pembrolizumab) received strong industry recognition for its compelling results in 1st line non-small cell lung cancer (NSCLC) at SITC 2022, where its late-breaking Oral Presentation was one of nine abstracts, out of more than 1,500 submissions, to be showcased at SITC's official Press Briefing - a first for an Australian biotech company.

The strong overall response rates, progression free survival, and extended duration of response in 1st line NSCLC presented at SITC 2022 translated into meaningful initial Overall Survival results reported in May 2023, further supporting late-stage development of efti plus anti-PD-1 therapy in 1st line NSCLC. We look forward to sharing more mature Overall Survival and additional data from the chemo-free immuno-oncology (IO) combination of efti plus KEYTRUDA® at the upcoming 2023 ESMO Congress in October.

Additional clinical data from efti presented at major conferences during the year included:

- At ASCO 2023, we announced final data from the TACTI-002 trial in 2nd line head and neck squamous cell carcinoma (HNSCC), including promising response rates, overall survival results, and an exciting median duration of response that compare favourably to reported results from a registrational trial of anti-PD-1 monotherapy in the same patient population.
- At ESMO's European Lung Cancer Congress, we reported final safety and efficacy data from the TACTI-002 trial in 2nd line metastatic NSCLC refractory to anti-PD-(L)1 therapy that compare favourably to reported efficacy data of standard-of-care chemotherapy without its harsh side effects.
- At SITC 2022, we reported encouraging initial data in 1st line NSCLC from the INSIGHT-003 Phase I trial, the first evaluating efti as part of a triple combination with anti-PD-1 therapy and doublet chemotherapy. Following the safety and strong initial efficacy data that compare favourably to results from a registrational trial of anti-PD-1 and doublet chemotherapy in the same patient population, we expanded the trial from 20 to 50 patients and look forward to additional data from INSIGHT-003 at the upcoming 2023 ESMO Congress in October.

Based on the continuing positive results and the attractive market potential, we announced and began implementing our strategy to accelerate efti towards market approvals in three large oncology indications: 1st line NSCLC, 1st line HNSCC, and metastatic breast cancer (MBC).

Supporting this strategy, efti received Fast Track Designation in 1st line NSCLC from the United States Food and Drug Administration (FDA) during the year, offering the potential for expedited development and review. This was our second Fast Track Designation building on our first in 1st line HNSCC.

In addition to this late-stage development, we also expanded efti into new indications and combination therapies, commencing trials in soft tissue sarcoma and urothelial cancer during the year. Collectively, our late-stage and expanding clinical pipeline positions Immutep or a potential partner to fully exploit efti's broad potential.

Moving on to autoimmune diseases, we are very pleased with the ongoing pre-clinical development of IMP761. As a quick reminder, IMP761 is the world's first agonist LAG-3 antibody designed to target the root cause of autoimmune diseases by directly silencing self-antigen-specific effector T cells. Immune checkpoint agonists (e.g. PD-1, LAG-3) are an area of increasing interest and focus for the industry as of late, on the heels of clinical results from Eli Lilly's PD-1 agonist in Rheumatoid Arthritis published in May 2023 in the New England Journal of Medicine and Gilead's acquisition of MiroBio for US$405 million that closed in September 2022.

During the fiscal year, we made good progress in advancing IMP761 towards a potential first-in-human clinical trial in mid-CY2024, including the development of a 200L GMP-compliant manufacturing process in collaboration with Northway Biotech and our recent selection of Charles River Laboratories to conduct a GLP toxicology study. We also extended our patent estate around this novel immunotherapy for autoimmune diseases in key markets worldwide.

Moving onto financials, the global challenges and very difficult market situation for healthcare, and more specifically biotech, continued to persist over the past financial year. During the 1st half of calendar year 2023, the biotech indices underperformed the broader markets and the number of life sciences companies trading at a discount to their enterprise value remained at an elevated level. Despite this, Immutep continued to receive very strong support from existing shareholders and welcomed new healthcare-focussed and specialist funds to its register via the completion of a fully underwritten entitlement offer and a placement during the year raising A$80 million (~US$54 million).

These new funds will support our late-stage trials of efti and the ongoing expansion of our clinical pipeline. Following the financing and under our lean operating model, we have a very strong cash position, and our cash runway extends to early CY2026.

I would like to thank my fellow Board members for their continued contribution to the Company, including Professor Frédéric Triebel, M.D. Ph.D. who was appointed Executive Director in September 2022 and Lucy Turnbull who completed her second stint as a Non-Executive Director of Immutep, re-joining the Board after the sudden and untimely death of Grant Chamberlain in 2022. Ms Turnbull was replaced on the Board with the appointment of highly experienced corporate lawyer, Lis Boyce as Non-Executive Director in April 2023. Ms Boyce is extensively involved in the Life Sciences and Healthcare sectors and has already made a meaningful contribution to the Company.

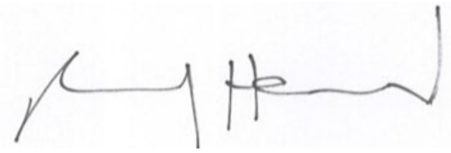
The Immutep team has worked diligently to deliver against our development strategy throughout the financial year and we thank them for their ongoing commitment as our level of activity increases. We were pleased to expand our executive ranks with the appointment of Florian D. Vogl, M.D., Ph.D., MSc, as Chief Medical Officer in May 2023. Dr. Vogl brings to Immutep over a decade of experience in the biopharmaceutical industry with extensive clinical development expertise in the field of oncology, and his experience will be instrumental as we progress our oncology and autoimmune disease pipeline.

Looking ahead, we will provide key data updates from the Phase II TACTI-002 and Phase I INSIGHT-003 trials in 1st line NSCLC at the ESMO Congress 2023 in October. In addition, we expect to report top-line results from our ongoing TACTI-003 Phase IIb trial in 1st line HNSCC later this calendar year. We also anticipate reporting first safety data from the open-label lead-in of up to 12 patients in our ongoing AIPAC-003 Phase II/III trial in MBC.

The strength of efti's clinical results to date, the depth and breadth of our LAG-3 immunotherapy portfolio, our existing collaborations and potential for new partnerships in the future, along with the value of our multiple clinical milestones ahead position the new financial year to be a very exciting time for Immutep.

On behalf of the Board, I would like to extend our thanks to all our shareholders who continue to support Immutep. We will keep you updated on our momentum as we progress through the 2024 financial year.

Yours sincerely,



Dr. Russell Howard
Chairman, Immutep Limited

30 August 2023

REVIEW OF OPERATIONS AND ACTIVITIES

PRINCIPAL ACTIVITIES

Immutep is a late-stage biotechnology company developing novel LAG-3 related immunotherapies for cancer and autoimmune disease.

We are pioneers in the understanding and advancement of therapeutics related to Lymphocyte Activation Gene-3 (LAG-3). Our diversified product portfolio harnesses LAG-3's unique ability to modulate the body's immune response.

Immutep is dedicated to leveraging its expertise to bring innovative treatment options to patients in need and to maximise value for shareholders. The Company is listed on the Australian Securities Exchange (IMM) and on the NASDAQ (IMMP) in the United States.

REVIEW OF OPERATIONS

The financial year has been very successful for Immutep from an operational and strategic perspective. The Company's focus has been on building considerable value in its lead clinical candidate, eftilagimod alpha, also known as efti.

Efti is a soluble LAG-3 protein and MHC Class II agonist that stimulates both innate and adaptive immunity to fight cancer. As a first-in-class antigen presenting cell (APC) activator, efti binds to MHC (major histocompatibility complex) Class II molecules on APC leading to activation and proliferation of CD8+ cytotoxic T cells, CD4+ helper T cells, dendritic cells, NK cells, and monocytes. It also upregulates the expression of key biological molecules like IFN-ɣ and CXCL10 that further boost the immune system's ability to fight cancer. Efti's favourable safety profile enables various combinations with existing and emerging drugs, including with anti-PD-[L]1 immunotherapy and/or chemotherapy.

Building on a strong foundation of clinical results from previous years, during the 2023 financial year Immutep announced its late-stage clinical development strategy in 1st line non-small cell lung cancer (NSCLC), 1st line head and neck squamous cell carcinoma (HNSCC), and metastatic breast cancer (MBC). Supporting the potential regulatory pathway towards registration, efti has received Fast Track designation in 1st line HNSCC and in 1st line NSCLC from the United States Food and Drug Administration (FDA). Immutep also continues to actively expand efti into additional indications and combination therapies, announcing and commencing new trials in soft tissue sarcoma and urothelial cancer during the year. This clinical development strategy strongly positions Immutep, or a potential partner, to fully exploit efti's broad potential.

Immutep was pleased to announce positive clinical results from two of its clinical trials of efti, TACTI-002 and INSIGHT-003, during the financial year. These results continue to build efti's profile as a safe and effective immuno-oncology (IO) product candidate, which can improve the body's immune response enabling other oncology drugs to be more effective. In the pre-clinical setting, Immutep also advanced IMP761, the world's first LAG-3 agonist antibody designed to treat the cause of autoimmune disorders, namely the overactivation of self-antigen-specific memory T cells expressing LAG-3. Accomplishments for this proprietary LAG-3 agonist include the establishment of a GMP compliant manufacturing process at 200L scale and the initiation of toxicology studies.

Partnerships form a key plank of Immutep's development strategy, and we were pleased to sign a second Clinical Trial Collaboration and Supply Agreement with Merck KGaA, Darmstadt, Germany and Pfizer in November 2022. Immutep also has partnerships in place with its out-license partners, Novartis, GSK, EOC Pharma and LabCorp.

With seven trials currently active including three late-stage[1] studies targeting large indications, Immutep's clinical pipeline has grown considerably. Accordingly, it strengthened its management team with the addition of Florian Vogl, M.D., Ph.D., as Chief Medical Officer (CMO) in May 2023. Dr Vogl assumed the CMO role from Frédéric Triebel, M.D., Ph.D., who is now primarily focused on his responsibilities as CSO and as a member of Immutep's Board of Directors.

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[1] Late stage refers to active Phase IIb clinical trials or more clinically advanced clinical trials

To support its clinical trials, Immutep raised a total of A$80 million via a fully underwritten pro rata accelerated non-renounceable entitlement offer and a placement to institutional investors during the financial year. Importantly, the funds raised extend Immutep's cash runway to early CY2026.

Advancing Eftilagimod Alpha Through Late-Stage Development

Registrational trial with Fast Track designation in 1st line NSCLC
TACTI-004 Phase III

Immutep is advancing through the preparation phase to commence TACTI-004, its Phase III trial of efti in combination with an anti-PD-1 therapy in 1st line NSCLC. The trial is expected to begin in 1H CY2024.

As part of the preparations, in May 2023 Immutep received positive feedback from the FDA confirming its support for the planned trial. Among the items discussed with the FDA were the toxicological package and general aspects of the trial design, including statistics and potential patient population with a focus on 1st line NSCLC patients with a PD-L1 Tumour Proportion Score (TPS) of ≥1%.

In October 2022, the FDA granted Fast Track designation for efti in combination with pembrolizumab in 1st line NSCLC in patients with a PD-L1 TPS of ≥1%. The Fast Track designation was based on the encouraging Phase II clinical data from TACTI-002 that Immutep presented at the American Society of Clinical Oncology's (ASCO) Annual Meeting in June 2022. This is the second Fast Track designation issued by the FDA for efti (the first is for 1st line HNSCC, see TACTI-003 below) and offers the potential for expedited development and review.

Late-stage trial with Fast Track designation in 1st line HNSCC
TACTI-003 Phase IIb

TACTI-003 is Immutep's ongoing Phase IIb trial being conducted in collaboration with Merck & Co., Inc., Kenilworth, NJ, USA (known as "MSD" outside the United States and Canada). It evaluates efti in combination with MSD's KEYTRUDA® (pembrolizumab) as a 1st line therapy in approximately 154 patients with HNSCC. It is a randomised, controlled clinical study that will take place across Australia, Europe and the United States of America in up to 35 clinical sites.

In October 2022, the Independent Data Monitoring Committee (IDMC) for the trial reviewed the initial safety data and recommended the trial continue with no modifications. The Company also presented a Trial in Progress poster on the TACTI-003 study at the Society for Immunotherapy of Cancer (SITC) Annual Meeting in November 2022 in Boston, US.

Recruitment into the trial continued throughout the financial year and is nearing completion, with ~91% of the planned 154 patients enrolled as at the end of June 2023. Immutep expects to complete enrolment by the end of Q3 CY2023, positioning the Company to report top-line results in H2 CY2023 and the primary read-out in early CY2024.

Late-stage trial in Metastatic Breast Cancer
AIPAC-003 Phase II/III

AIPAC-003 is an integrated Phase II/III trial evaluating efti in combination with standard-of-care paclitaxel for the treatment of metastatic HER2-neg/low HR+ breast cancer and triple-negative breast cancer, which together account for ~78% of breast cancer cases. The Phase II portion of the study will take place at clinical sites across Europe and the United States.

The trial includes an open-label lead-in of up to 12 patients dosed at 90mg efti, which will be followed by a randomised (1:1) portion of the Phase II study consisting of up to 58 evaluable patients who will receive 30mg efti or 90mg efti to determine the optimal biological dose in combination with paclitaxel. Depending on the Phase II results, potential regulatory actions and resources, the Phase III portion of the trial will then follow, providing a risk-balanced approach for Immutep. The Phase III study will be a randomised, double-blinded, placebo-controlled trial that will evaluate Overall Survival as its primary objective and may include a specific patient population based on AIPAC and the Phase II portion of AIPAC-003. The Phase III portion of AIPAC-003 is subject to available resources, data and regulatory interactions.

The integrated design of AIPAC-003 was agreed to with the FDA in December 2022 and the European Medicines Agency (EMA). Based on the encouraging efficacy, favourable safety and learnings from the completed randomised AIPAC Phase IIb trial (which administered efti and chemotherapy on different days and ceased chemotherapy at six months), patients in AIPAC-003 will receive efti and paclitaxel on the same day and this combination treatment can continue until disease progression. The Company also agreed with the FDA to expand the patient population beyond HER2–/HR+ metastatic breast cancer to include triple-negative breast cancer (TNBC), an aggressive form of breast cancer with limited treatment options.

The trial was initiated in March 2023 following regulatory approval in the United States and Institutional Review Board (IRB) approval in Spain. By May, Immutep had enrolled and safely dosed the first patient in the trial and recruitment has continued with 13 clinical sites now active. AIPAC-003 currently has 4 patients enrolled in the open-label lead-in out of up to 12 patients.

<u>Phase I and II Studies with Eftilagimod Alpha</u>

Phase II trial in NSCLC and HNSCC
TACTI-002 (also designated KEYNOTE-798)

TACTI-002 is Immutep's ongoing Phase II trial conducted in collaboration with MSD. It is evaluating efti in combination with MSD's anti-PD-1 therapy KEYTRUDA® (pembrolizumab) in patients with 1st line NSCLC (Part A), 2nd line NSCLC refractory to anti-PD-(L)1 therapy (Part B) and 2nd line HNSCC (Part C). The trial is an all-comer study in terms of PD-L1 status and employs a Simon's two-stage design. It is a non-comparative, open-label, single-arm, multicentre clinical study which recruited patients at centres across Australia, Europe, and the US. Immutep completed patient enrolment in November 2021 and has been continuing to follow patients, reporting interim (Part A) and final data (Parts B and C) from this trial across the three patient indications.

1st line NSCLC - Part A

Immutep reported compelling interim clinical data from the 1st line NSCLC patients via a late-breaking abstract oral presentation at the SITC Meeting in November 2022, where Immutep's abstract was one of only nine abstracts selected out of more than 1,500 submissions to be showcased at the SITC 2022 Press Briefing.

The results showed an Overall Response Rate (ORR) of 40.4% in the all-comer PD-L1 trial, meeting the primary endpoint of the 1st line NSCLC part of the trial. Encouragingly, the ORR improved across all PD-L1 subgroups by central assessment compared with data Immutep reported previously at ASCO 2022 (June 2022). Additionally, a strong interim median Duration of Response (DoR) of 21.6 months was reported in the all-comer PD-L1 population as well as promising interim median Progression Free Survival (PFS) with overall PFS of 6.6 months and 9.3 months PFS in 1st line NSCLC patients with PD-L1 TPS >1%.

Following the data presented at SITC 2022, Immutep reported meaningful long-term survival in 1st line NSCLC patients in May 2023. An initial median Overall Survival (mOS) of 25.0 months was achieved in 1st line NSCLC patients with PD-L1 TPS ≥1%, which is a key area of focus for future clinical development (see TACTI-004 above) with FDA Fast Track designation granted for efti and pembrolizumab in this patient population.

Encouragingly, the initial mOS of 25.0 months for this chemo-free combination exceeded the reported rates for patients with the same PD-L1 TPS of ≥1% from registration trials of anti-PD-1 monotherapy (16.4-month mOS) and combinations of anti-PD-1 with chemotherapy (15.8-to-23.3-month mOS) or with anti-CTLA-4 (17.1-month mOS).

Based on the robust initial results, the trial's Data Monitoring Committee recommended extending OS follow-up data collection to show mature 3-year and potentially 5-year rates. Immutep will report more mature OS data and additional efficacy and safety results via a Mini Oral presentation at the 2023 European Society for Medical Oncology (ESMO) Congress in October 2023. Immutep plans to evaluate efti with an anti-PD-1 therapy in 1st line NSCLC through its late-stage Phase III TACTI-004 trial, detailed above.

2nd line NSCLC refractory to anti-PD-(L)1 therapy (Part B)

Immutep was pleased to report positive final safety and efficacy data from patients with 2nd line NSCLC refractory to anti-PD-(L)1 therapies in a Mini Oral presentation at ESMO's European Lung Cancer Congress (ELCC) in March 2023.

The Company reported final results, achieving a median OS of 9.9 months and a 39% OS rate at 21 months, which compare favourably to typical 6-9 months mOS and a 10-15% OS rate for standard-of-care chemotherapy. 83% of patients studied for Tumour Growth Kinetics showed deceleration of tumour growth or shrinkage of their tumours, whereas their tumours had been observed as increasing (prior to efti and pembrolizumab) when they were receiving PD-(L)1 monotherapy or in combination with chemotherapy.

In the all-comer PD-L1 patient population (all PD-L1 expression groups), the trial also reported an ORR of 8.3%, a Disease Control Rate (DCR) of 33.3% and 6-month PFS rate of 25%. For patients with high PD-L1 expression, an ORR of 33.3%, 6-month PFS of 50% was reported and encouragingly, mOS was not yet reached (meaning the response is still ongoing). Efti plus pembrolizumab was well tolerated in this difficult-to-treat patient population without any new safety signals and there was no treatment discontinuation due to adverse reactions.

Prior to the final data detailed above, Immutep presented positive interim data at the 2022 World Conference on Lung Cancer (WCLC 2022) in August 2022.

2nd line HNSCC (Part C)

Positive final data was also reported from the 2nd line HNSCC patients in the TACTI-002 trial, in a poster presentation at the ASCO 2023 Annual Meeting in June 2023.

Deep and durable responses were seen from efti plus pembrolizumab regardless of patients' PD-L1 expression levels (measured by Combined Positive Score or CPS). Encouragingly, median Duration of Response had not been reached (the response is still ongoing) despite a long median follow up of 39 months, providing continued evidence of the durable responses efti helps drive. Notably, one long-lasting Complete Response (CR) occurred in a patient with negative PD-L1 expression, who wouldn't typically be expected to respond to PD-L1 monotherapy.

An encouraging ORR of 29.7% and CR rate of 13.5% were also reported, with responses seen across all PD-L1 subgroups. Within PD-L1 subgroups, a promising ORR of 38.5% and 60%, mOS of 12.6 and 15.5 months, and 12-month Overall Survival (OS) rate of 52.0% and 66.7%, were seen in patients with a PD-L1 CPS of ≥1 and a PD-L1 CPS ≥20, respectively. The results from the chemo-free combination of efti plus pembrolizumab in patients with a PD-L1 CPS ≥1 compare favourably to reported results from a registrational trial of anti-PD-1 monotherapy in the same patient population, which showed a 17.3% ORR, mOS of 8.7 months, 12-month OS rate of 40%, a CR rate of 2%, and mDoR of 18.4 months.[2]

The Company is continuing to explore HNSCC in the commercially more relevant 1st line setting via its ongoing late-stage Phase IIb TACTI-003 trial, detailed above.

Soft Tissue Sarcoma
EFTISARC-NEO - Phase II Trial

Immutep announced it would support the evaluation of efti in a new cancer setting, soft tissue sarcoma, in September 2022, aligning with its strategy to expand the application of efti into a broader range of cancer indications in a capital efficient manner. The Maria Skłodowska-Curie National Research Institute of Oncology will primarily fund the study with a grant from the Polish government of €1.5M(~A$2.2M), with Immutep providing efti at no cost.

EFTISARC-NEO is an investigator-initiated study that was commenced by the Maria Skłodowska-Curie National Research Institute of Oncology in Poland in April 2023. The study is an open-label Phase II trial evaluating efti in combination with radiotherapy and pembrolizumab in up to 40 soft tissue sarcoma patients in the neoadjuvant (prior to surgery) setting. It is the first time efti will be studied in neoadjuvant, non-metastatic cancer setting.

The first patient was enrolled and safely dosed in July 2023.

Institute of Clinical Cancer Research (IKF) INSIGHT Clinical Trial Platform

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[2] Ezra E W Cohen et al., Pembrolizumab versus methotrexate, docetaxel, or cetuximab for recurrent or metastatic head-and-neck squamous cell carcinoma (KEYNOTE-040): a randomised, open-label, phase 3 study; The Lancet 2019. http://dx.doi.org/10.1016/S0140-6736(18)31999-8

INSIGHT is an investigator-initiated Phase I clinical trial platform investigating efti in different combination treatments. It consists of five different arms from strata A to E, with active arms outlined below. The trial is being conducted by the Institute of Clinical Cancer Research (IKF) at Northwest Hospital, Frankfurt, Germany.

INSIGHT-003 (Stratum C)

The INSIGHT-003 study evaluates a triple combination therapy consisting of efti and an approved standard of care combination of chemotherapy (carboplatin and pemetrexed) and an anti-PD-1 therapy in metastatic 1st line NSCLC.

Immutep reported new encouraging clinical data in May 2023 showing the therapy is well tolerated and promising initial efficacy signals were observed. This included a 67% ORR and 91% DCR, despite 81% of patients having low or negative PD-L1 expression.

These results were reported following patient recruitment reaching its enrolment target of 20 patients in February 2023 and build on the initial clinical data reported from INSIGHT-003 in November at the SITC 2022 conference which prompted the trial to be expanded to a total of 50 patients. The expansion of INSIGHT-003 will further inform planning for potential registrational studies.

INSIGHT-005 (Stratum E)

Expanding efti into another new cancer indication, INSIGHT-005 is an open-label Phase I trial evaluating the safety and efficacy of efti in combination with BAVENCIO® (avelumab) in up to 30 patients with metastatic urothelial carcinoma.

INSIGHT-005 received regulatory approval to commence from the Paul-Ehrlich-Institut, German Federal Institute for Vaccines and Biomedicines, in May 2023. The approval followed the new Clinical Trial Collaboration and Supply Agreement Immutep signed with Merck KGaA, Darmstadt, Germany and Pfizer in the November 2022. It is the second agreement entered into by Immutep with Merck KGaA and Pfizer and builds on the encouraging clinical data reported from the completed INSIGHT-004 study in multiple solid tumour indications from efti and avelumab (BAVENCIO®). Under the Agreement, Immutep and Merck KGaA will jointly fund the study.

Manufacturing of Efti

Marking a significant milestone, in December 2022 Immutep successfully scaled-up the manufacturing process for efti with the completion of its first 2,000L manufacturing run by the Company's manufacturing partner, WuXi Biologics.

With multiple late-stage trials in progress, achieving large-scale manufacturing capability is an important step towards potential commercial production of efti.

Preclinical Research & Development

IMP761

IMP761 is Immutep's proprietary preclinical candidate and the world's first LAG-3 agonist for autoimmune diseases. This immunosuppressive agonist antibody to LAG-3 will be tested to treat the causes of autoimmune disease, such as inflammatory bowel disease, rheumatoid arthritis, and multiple sclerosis, rather than merely treating the symptoms. Currently a preclinical candidate, Immutep is advancing IMP761 towards first-in-human clinical trials.

Early in the financial year, Immutep established a GMP-compliant 200L manufacturing process for IMP761. The manufacturing process was developed by the Company's manufacturing partner, Northway Biotech and will provide supply of IMP761 for Investigational New Drug (IND)-enabling studies and clinical trials.

In May 2023, Immutep appointed a clinical research organisation to conduct its GLP toxicology studies evaluating the safety and toxicity of IMP761. The Company currently anticipates clinical trials will begin in H1 CY2024.

Licensed Programs

EOC Pharma - Phase II (Efti in China)

Immutep's Chinese development partner for efti, EOC Pharma, is continuing to progress it's plans for the development of efti (designated EOC202) in China. EOC holds the exclusive development and commercialisation rights of efti in China, Hong Kong, Macau and Taiwan. Immutep retains these rights in all other territories.

Novartis - Ieramilimab

Novartis is Immutep's partner for the development of ieramilimab (Novartis code: LAG525), a humanised LAG-3 antagonist antibody derived from Immutep's IMP701 antibody. Novartis continues to evaluate ieramilimab in multiple cancer indications and retains the candidate in its development portfolio.

GlaxoSmithKline (GSK) - IMP731 (GSK2831781)

Immutep's partner for GSK2831781, a LAG-3 depleting antibody derived from Immutep's IMP731 antibody, is GSK. The Company has an exclusive license with GSK for GSK2831781 which remains in place while the pharma company determines its options for this program.

LabCorp

Laboratory Corporation of America Holdings, known as LabCorp (NYSE: LH), is Immutep's collaboration partner for the development of immuno-oncology products or services. This is a field of growing importance since the validation of the first LAG-3 product (Bristol Myers Squibb's relatlimab) in 2022.

Throughout the financial year, Immutep has continued to support LabCorp with its development of LAG-3 products and services, applying its in-depth LAG-3 expertise and knowledge.

Immutep received initial fees from LabCorp and may be eligible to receive further revenues from commercial milestones as the collaboration progresses under its 2020 License and Collaboration Agreement with LabCorp. The collaboration is unrelated to any of Immutep's own in-house pharmaceutical development programs in cancer or autoimmune disease.

Building Robust Intellectual Property

Ensuring Immutep has strong intellectual property protection for its product candidates is crucial. Throughout the financial year, Immutep continued to build its patent portfolio with the addition of 13 new patents.

Eftilagimod Alpha

Immutep was granted ten patents for efti in the financial year, spanning key geographies such as the US, Australia, China, Japan, Russia, South Korea and India.

A new patent was granted by the US Patent Office protecting Immutep's intellectual property for treating cancer by administering efti and a PD-1 pathway inhibitor, specifically BMS-936559, durvalumab, atezolizumab or avelumab. This is the third US patent granted from this family. Similar patents from this family were also granted in India, Japan and Russia during the financial year.

The US Patent Office also granted a patent drawn to methods of treating cancer with a combination of efti and chemotherapy, where efti is administered in a dose of more than 6 mg. This is the third US patent granted from this family.

In addition, the Japanese Patent Office granted a divisional patent protecting Immutep's intellectual property relating to combination preparations comprising efti and a chemotherapy agent which is oxaliplatin, carboplatin, or topotecan. A similar patent was also granted by the South Korean Patent Office. These patents follow the grant of the Japanese parent patent and corresponding patents in the US, Europe, China and Australia, as announced in 2019 through 2021.

Patents were granted in three territories in relation to a potency assay for release testing of efti which is used in Immutep's commercial-scale (2,000L) manufacturing process. Patents were granted by the Australian and Japan Patent Offices in 2023, and the South Korean Patent Office in 2022.

IMP761

The US Patent Office and Japanese Patent Office each granted a new patent protecting IMP761. These two new patents follow the grant of a similar European patent announced in October 2020.

IMP731 (GSK2831781)

Immutep was also awarded a new patent by the Chinese Patent Office protecting IMP731 in the territory of mainland China. The patent is co-owned by Immutep and the French Institute of Health and Medical Research (INSERM) and is exclusively licensed to GSK, Immutep's development partner for IMP731.

Financial Performance

Licensing revenue was A$nil in FY 2023 compared with A$170K in FY 2022.

In FY 2023, Immutep recognised A$0.58 million of grant income from the Australian Federal Government's R&D tax incentive program, which was provided mainly in respect of expenditure incurred on eligible research and development activities conducted in FY 2023 for the TACTI-002 and TACTI-003 trials.

The Company's French subsidiary received A$2.67 million of grant income from the French Crédit d'Impôt Recherche scheme for expenditure incurred on eligible research and development activities conducted in calendar year 2022 and recognized accrual of grant income of A$2.73 million for FY 2023.

Interest income increased from A$225K in FY 2022 to A$939K in FY 2023. The increase was mainly due to the increase in cash and higher interest rate. Total revenue and other income were A$5.20 million in FY 2023 compared to A$6.76 million in FY 2022.

Research and development and intellectual property expenses increased from A$31.34 million in FY 2022 to A$36.26 million in FY 2023. The increase is mainly attributable to increases in clinical trial costs. Clinical trial costs related to TACTI-003 increased significantly in FY 2023 as the trial has reached 91% patient recruitment. AIPAC-003 is also actively recruiting patients in its integrated phase II/III trial in Metastic Breast Cancer.

Corporate administrative expenses for FY 2023 were A$8.68 million compared to A$7.21 million for FY 2022.

The loss after tax for FY 2023 of A$ 39,896,348, which was higher compared to A$32,210,826 for FY 2022. This increase was mainly attributable to increased clinical trial activities undertaken during the financial year.

In FY 2023, the Company recognized a non-cash gain of A$132K from the net change in fair value of warrants, whilst in FY 2022 a gain of A$591K in the net change in fair value of warrants was recognized.

The Company completed a capital raising of A$80m in June 2023, which consisted of a placement and institutional component of the Entitlement Offer of approximately A$68 million and a retail Entitlement Offer component of approximately A$12m.

Immutep's cash and cash equivalent balance as at 30 June 2023 was approximately A$123.4 million. Immutep will continue to manage its strong cash balance carefully as it pursues its overall development strategy for efti and IMP761.

Business Risks

As a biotech company Immutep functions within a dynamic and ever-changing environment due to the uncertain nature of drug development and regulatory approval processes. Immutep periodically examines its group risk profile to evaluate significant business risks in areas such as intellectual property, clinical trials, supply chains and regulatory policy. This assessment encompasses established and emerging risks that could impact Immutep's global operations.

Product Development

The Company is focussed on the development of LAG-3 immunotherapeutic products for the treatment of cancer and autoimmune diseases.

Currently, the Company has no products approved for commercial sale. There can be no assurance that the Company or any of its licensing partners will be successful in developing any of its LAG-3 product candidates, or that the Company will be able to obtain the necessary regulatory approvals with respect to any or all of its product candidates.

Financial Viability and Future Growth

The Company's long-term goals demand additional financial infusion, necessary to fund clinical trials, regulatory applications, intellectual property safeguarding, augmented manufacturing capacity, marketing initiatives, and operational expenses. To secure these funds, the Company envisions pursuing public or private financings and/or exploring licensing opportunities or strategic collaborations. Such financial avenues may not always be forthcoming on acceptable terms or from reliable sources. Any shortfall in funding could precipitate the curtailment or cessation of vital operations, including research and development, thereby potentially compromising the Company's overall business, financial stability, and operational outcomes.

Human Capital

The Company's success relies on keeping important staff and building strong relationships with industry and scientific partners. This is mostly achieved by having experienced leaders and key scientists stay with the Company. If these important people were to leave, it could reduce the Company's ability to implement its business strategies and plans in a timely fashion or at all. Changes in leadership might lead to trying different business strategies that might not work as planned, which could slow down the Company's progress. Biotechnology and pharmaceutical industries are subject to rapid and significant technological change. The Company's product candidates may be or become uncompetitive. To remain competitive, the Company must employ and retain suitably qualified staff that are continuously keeping abreast of changing technology and with developments in the fields of oncology and autoimmune disease. The Company's success depends on recruiting and retaining talented people in various areas like management, clinical research, scientific research, manufacturing, and building relationships with doctors, scientists, research institutions, and health groups.

Intellectual Property

The success of the Company is, also dependent on its ability to obtain and maintain patent protection or, where applicable, to receive/maintain marketing exclusivity for its product candidates. Without the granting of these rights, the ability to pursue damages for infringement would be limited.

Any future success will depend in part on whether the Company can obtain and maintain patents to protect its own products and technologies; obtain licenses to the patented technologies of third parties; and operate without infringing on the proprietary rights of third parties. Biotechnology patent matters can involve complex legal and scientific questions, and it is impossible to predict the outcome of biotechnology and pharmaceutical patent claims. Any of the Company's future patent applications may not be approved, or it may not develop additional products or processes that are patentable. Some countries in which the Company may sell its product candidate or license its intellectual property may fail to protect the Company's intellectual property rights.

Outlook

Looking ahead to FY24, Immutep is excited to continue to build value for shareholders through data and depth in the development program for efti.

Immutep will be reporting more mature OS data and additional efficacy and safety results from first line NSCLC patients in the Phase II TACTI-002 trial in an Oral Presentation at ESMO Congress 2023 in October. Recruitment is expected to be completed soon for the Phase IIb TACTI-003 trial to enable Immutep to report top-line results in the first half of FY24. Immutep also anticipates making strong patient recruitment progress for the Phase II/III AIPAC-003 and to report initial safety data from the open-label lead-in part of the trial which involves up to 12 patients.

In addition, further results from the Phase I INSIGHT-003 trial will be announced, including from the expanded patient population (50 patients). Importantly, the team will also continue work towards the commencement of the Phase III TACTI-004 trial in 1st line NSCLC patients, expected to start in the second half of FY24.

The completion of the required GLP toxicology study for our autoimmune candidate, IMP761 will bring a new and exciting dimension to Immutep's portfolio as we prepare to commence a first-in-human trial in the second half of FY24.

Finally, the recently completed capital raising of A$80 million positions Immutep very strongly as we move forward with our strategy with a cash balance of approximately A$123.4 million (as at 30 June 2023). The cash balance enables us to significantly expand our clinical development and manufacturing programs, and to advance our pre-clinical program in autoimmune disease. Importantly, the financings also extend our cash runway into early calendar year 2026, based on current cashflow forecasts.

Sincerely,

Mr. Marc Voigt
CEO and Executive Director

Immutep Limited
30 August 2023

DIRECTORS' REPORT

The directors present their report on the consolidated entity (referred to hereafter as the 'consolidated entity' or 'Group') consisting of Immutep Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2023.

Directors
The following persons were directors of Immutep Limited during the whole of the financial year and up to the date of this report unless otherwise stated:

Dr Russell Howard (Non- Executive Chairman)
Mr Pete Meyers (Non-Executive Director & Deputy Chairman)
Mr Marc Voigt (Executive Director & Chief Executive Officer)
Ms Lucy Turnbull, AO (Non-Executive Director) resigned on 11 April 2023
Mr Frédéric Triebel (Executive Director & Chief Scientific Officer) appointed 13 September 2022
Ms Lis Boyce (Non-Executive Director) appointed 11 April 2023

Principal activities
Immutep is a globally active biotechnology company that is a leader in the development of LAG-3 related immunotherapeutic products for cancer and autoimmune disease. It is dedicated to leveraging its technology and expertise to discover and develop novel immunotherapies, and to partner with leading organisations to bring innovative treatment options to market for patients.

Its lead product candidate is eftilagimod alpha ("efti" or "IMP321"), a soluble LAG-3Ig fusion protein based on the LAG-3 immune control mechanism, which is in clinical development for the treatment of cancer. Immutep has two other clinical candidates (IMP701 and IMP731) that are fully licensed to major pharmaceutical partners, and a fourth candidate (IMP761) which is in pre-clinical development for autoimmune disease. Immutep is listed on the Australian Securities Exchange (IMM), and on the NASDAQ (IMMP) in the United States.

Dividends
There were no dividends paid or declared during the current or previous financial year.

Review of operations
The loss after tax for the consolidated entity amounted to $39,896,348 (30 June 2022: loss after tax of $32,210,826). The basic earnings per share for financial year 2023 is loss of 4.47 cents per share (30 Jun 2022: loss of 3.79 cents per share).

Significant changes in the state of affairs
With the support of new and existing shareholders, Immutep completed a fully underwritten pro rata accelerated non-renounceable entitlement offer (Entitlement Offer) and a placement to institutional investors (Placement) to raise a total amount of approximately A$80 million. The funds raised extends Immutep's cash runway to early CY2026, based on current cashflow forecasts, and will support its registrational and late-stage trials of efti and ongoing expansion of its clinical pipeline including potentially a first-in-human trial for IMP761. Immutep was pleased to have very strong support from its existing shareholders and welcomed new healthcare-focused and specialist funds to its register. The placement was supported by high-quality institutional investors in Australia and offshore.

The proceeds from the capital raisings will drive development of Immutep's oncology and autoimmune programs including its lead product candidate, eftilagimod alpha. The capital raising during the financial year has strengthened the Group's balance sheet ahead of several key clinical data value inflection points, thus extending the Group's cash reach to early calendar year 2026.

There were no other significant changes in the state of affairs of the Group during the financial year.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2023, that has significantly affected the Group's operations, results, or state of affairs, or may do so in future years.

Likely developments and expected results of operations

Information on likely developments in the operations of the consolidated entity is included in the Review of Operations and Activities on page 5. Information on the expected results of operations has not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Environmental regulation

Immutep's activities in respect of the conduct of preclinical and clinical trials and the manufacturing of drugs are undertaken in accordance with applicable environment and human safety regulations in each of the jurisdictions in which the Company has operations. The Company is not aware of any matter that requires disclosure with respect to any significant regulations in respect of its operating activities and believes that there have been no issues of non-compliance during the period.

The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

DIRECTORS' REPORT (CONTINUED)

Information on directors

Dr Russell Howard	**-**	**Non-Executive Chairman**
Qualifications	-	PhD
Experience and expertise	-	Dr. Russell Howard is an Australian scientist, executive manager, and entrepreneur. He was a pioneer in molecular parasitology and commercialisation of "DNA Shuffling". He is an inventor of 9 patents and has over 140 scientific publications. After his PhD in biochemistry from the University of Melbourne, he held positions at several research laboratories, including the National Institutes of Health in the USA where he gained tenure. In industry, Dr. Howard worked at Schering-Plough's DNAX Research Institute in Palo Alto, CA; was the President and Scientific Director of Affymax, Inc. and co-founder and CEO of Maxygen, Inc. After its spin-out from GlaxoWellcome, as Maxygen's CEO, Dr. Howard led its IPO on NASDAQ and a secondary offering, raising US$ 260 million. Maxygen developed and partnered dozens of technology applications and products over 12 years of his tenure as CEO. After leaving Maxygen in 2008, he started the Cleantech company Oakbio Inc (dba NovoNutrients) and remains involved in several innovative companies in the USA and Australia. He is currently Non-Executive Chairman of NeuClone Pty Ltd.
Date of appointment	-	Appointed as Non-Executive Director on 8 May 2013 and appointed as Non-Executive Chairman on 17 November 2017
Other current directorships	-	None
Former directorships (in the last 3 years)	-	None
Special responsibilities	-	Chair of Remuneration Committee and Member of Audit and Risk Committee

Mr Pete Meyers	**-**	**Non-Executive Director and Deputy Chairman**
Qualifications	-	BS, MBA
Experience and expertise	-	Pete Meyers is the Chief Financial Officer of Slayback Pharma LLC. Prior to joining Slayback, Mr. Meyers served in Chief Financial Officer roles at Eagle Pharmaceuticals, Inc., Motif BioSciences Inc. and TetraLogic Pharmaceuticals Corporation. Prior to his role at TetraLogic, Mr. Meyers spent 18 years in health care investment banking, holding positions of increasing responsibility at Dillon, Read &Co., Credit Suisse First Boston LLC and, most recently, as Co-Head of Global Health Care Investment Banking at Deutsche Bank Securities Inc. Mr. Meyers is the Chairman and President of The Thomas M. Brennan Memorial Foundation, Inc., and serves on the Board of Directors of East End Hospice, Inc. He earned a Bachelor of Science degree in Finance from Boston College and a Master of Business Administration degree from Columbia Business School.
Date of appointment	-	Appointed as Non-Executive Director on 12 February 2014 and appointed as Non-Executive Deputy Chairman on 17 November 2017
Other current directorships	-	None
Former directorships (in the last 3 years)	-	None
Special responsibilities	-	Chairman of the Audit & Risk Committee, Member of the Remuneration Committee

Ms Lis Boyce	**-**	**Non-Executive Director**
Qualifications	-	BA LLB University of Sydney
Experience and expertise	-	Ms Boyce is a senior corporate lawyer with over 30 years' experience including capital raising, strategic collaborations, corporate governance and mergers & acquisitions. She is a partner in Piper Alderman's corporate team, and co-chairs the firm's Life Sciences & Healthcare focus group. Lis's strong focus on Life Sciences is reflected in her appointment as deputy chair of AusBiotech's AusMedtech Advisory Group, and as a member of AusBiotech's Leadership Committee for NSW. Lis is a Graduate of the Australian Institute of Company Directors, and a Fellow of the Governance Institute of Australia.
Date of appointment	-	11 April 2023
Other current directorships	-	None
Former directorships (in the last 3 years)	-	None
Special responsibilities	-	Member of Remuneration Committee and Member of Audit and Risk Committee

Mr Marc Voigt	-	Executive Director & Chief Executive Officer (CEO)
Qualifications	-	MBA
Experience and expertise	-	Marc has more than 21 years of experience in the financial and biotech industry, having joined the Immutep team in 2011 as the General Manager, European Operations based in Berlin, Germany. In May 2012, he became Immutep 's Chief Business Officer and in November 2012 its Chief Financial Officer, as well as continuing to focus on its European operations. Having started his career at the Allianz Group working in pension insurances and funds, he moved to net.IPO AG, a publicly listed boutique investment bank in Frankfurt where he was focused on IPOs and venture capital investments. Marc then worked for a number of years as an investment manager for a midsize venture capital fund based in Berlin, Specialising in healthcare. He also gained considerable operational experience while serving in different management roles with Revotar Biopharmaceuticals, Caprotec Bioanalytics and Medical Enzymes AG respectfully, where he handled several successful licensing transactions and financing rounds. Since 2001, Marc has been a judge and coach in BPW, Germany's largest regional start-up initiative.
Date of appointment	-	9 July 2014
Other current directorships	-	None
Former directorships (in the last 3 years)	-	None
Special responsibilities	-	None

Prof. Frédéric Triebel	-	Executive Director & Chief Scientific Officer
Qualifications	-	M.D., Ph.D.
Experience and expertise	-	Frédéric Triebel, MD Ph.D., was the scientific founder of Immutep S.A. (2001) and served as the Scientific and Medical Director at Immutep from 2004. Before starting Immutep S.A., he was Professor in Immunology at Paris University. While working at Institut Gustave Roussy (IGR), a large cancer centre in Paris, he discovered the LAG-3 gene in 1990 and continued working on this research program since then, identifying the functions and medical usefulness of this molecule. He headed a research group at IGR while also being involved in the biological follow-up of cancer patients treated in Phase I/II immunotherapy trials. He was Director of an INSERM Unit from 1991 to 1996. First trained as a clinical haematologist, Prof. Triebel holds a Ph.D. in immunology (Paris University) and successfully developed several research programs in immunogenetics and immunotherapy, leading to 144 publications and 16 patents.
Date of appointment	-	13 September 2022
Other current directorships	-	None
Former directorships (in the last 3 years)	-	None
Special responsibilities	-	None

Ms Lucy Turnbull, AO	-	Non-Executive Director
Qualifications	-	LLB University of Sydney, MBA AGSM
Experience and expertise	-	Ms Turnbull is a distinguished Australian businesswoman, philanthropist and former local government politician. With a background in commercial law and investment banking, she was the first female Lord Mayor of the City of Sydney from 2003 to 2004 and has served on the boards of the NSW Cancer Institute, the Sydney Children's Hospital Foundation, the Sydney Cancer Centre and the Sydney Festival. In 2011, Ms Turnbull was appointed an Officer of the Order of Australia for her service to the community, local government and business, including through her philanthropic contributions and fundraising for a range of medical, social welfare, educational, youth and cultural organisations. From 2015 to 2020 she served as the inaugural Chief Commissioner of the Greater Sydney Commission, a NSW state government body focused on delivering strategic planning for the whole of metropolitan Sydney. Ms Turnbull rejoined Immutep's Board in February 2022, having previously served as its Chairman from October 2010 to November 2017, stepping down from the role only due to her elevated professional and personal commitments at the time.
Date of appointment	-	25 February 2022
Date of resignation		11 April 2023
Other current directorships	-	None
Former directorships (in the last 3 years)	-	None
Special responsibilities	-	Former Member of Remuneration Committee and Member of Audit and Risk Committee

DIRECTORS' REPORT (CONTINUED)

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

'Former directorships (in the last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

Meetings of directors

The number of meetings of the Company's Board of Directors and of each board committee held during the year ended 30 June 2023, and the number of meetings attended by each director were:

	Full Board		**Remuneration Committee**		**Audit and Risk Committee**	
	Attended	Held	Attended	Held	Attended	Held
Dr Russell Howard	10	10	1	1	2	2
Mr Pete Meyers	8	10	1	1	2	2
Mr Marc Voigt	10	10	-	-	-	-
Prof. Frédéric Triebel	6	7	-	-	-	-
Ms Lis Boyce	4	4	-	-	-	-
Ms Lucy Turnbull, AO	6	6	1	1	2	2

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Management directory

Ms Deanne Miller,
Chief Operating Officer, General Counsel & Company Secretary

Ms Miller has broad commercial experience having held legal, investment banking, regulatory compliance and tax advisory positions, including, Legal Counsel at RBC Investor Services, Associate Director at Westpac Group, Legal & Compliance Manager at Macquarie Group, Regulatory Compliance Analyst at the Australian Securities and Investment Commission, and Tax Advisor at KPMG. She joined the Company as General Counsel and Company Secretary in October 2012 and was promoted to the role of Chief Operating Officer in November 2016. She has a Combined Bachelor of Laws (Honours) and Bachelor of Commerce, Accounting and Finance (double major) from the University of Sydney. She is admitted as a solicitor in NSW and member of the Law Society of NSW.

DIRECTORS' REPORT (CONTINUED)

REMUNERATION REPORT (AUDITED)

The Directors are pleased to present the 2023 remuneration report which sets out remuneration information for Immutep Limited's Non-Executive Directors, Executive Directors, and key management personnel.

Directors and key management personnel disclosed in this report

Name	Position
Dr Russell Howard	Non – Executive Chairman
Mr Pete Meyers	Non – Executive Director and Deputy Chairman
Mr Marc Voigt	Executive Director & Chief Executive Officer
Dr Frédéric Triebel	Executive Director & Chief Scientific Officer
Ms Lis Boyce	Non- Executive Director
Ms Lucy Turnbull, AO	Former Non- Executive Director
Key management personnel	
Ms Deanne Miller	Chief Operating Officer, General Counsel & Company Secretary

The remuneration report is set out under the following main headings:
A Principles used to determine the nature and amount of remuneration
B Details of remuneration
C Service agreements
D Share-based compensation

A. Principles used to determine the nature and amount of remuneration

Remuneration Policy
Remuneration of all Executive and Non-Executive Directors and Officers of the Company is determined by the Remuneration Committee.

Remuneration Governance
The Remuneration Committee is a committee of the board. It is primarily responsible for making recommendations to the board on:
- non-Executive Director fees
- remuneration levels of executive directors and other key management personnel
- the over-arching executive remuneration framework and operation of the incentive plan, and
- key performance indicators (KPI) and performance hurdles for the executive team.

Their objective is to ensure that remuneration policies and structures are fair and competitive and aligned with the long-term interests of the Company.

The Corporate Governance Statement provides further information on the role of this committee.

Non-Executive Directors' fees
Non-executive directors' remuneration are determined within an aggregate directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at $500,000 per annum and was approved by shareholders at the annual general meeting on 26 November 2010.

The remuneration paid to each director is inclusive of committee fees. No retirement benefits are payable other than statutory superannuation, if applicable.

The 4th edition of the Corporate Governance Principles and Recommendations released by the ASX Corporate Governance Council (Council) specifies that it is generally acceptable for non-executive directors to receive securities as part of their remuneration to align their interest with the interests of other security holders, however non-executive directors should not receive performance-based remuneration as it may lead to bias in their decision making and compromise their objectivity. Accordingly, as a means of attracting and retaining talented individuals, given the fiscal constraints of a development stage company, the Board has chosen to grant equity in the form of performance rights which vest based only on meeting continuous service conditions. Non-Executive Directors do not receive performance-based bonuses and prior shareholder approval is required to participate in any issue of equity.

A. Principles used to determine the nature and amount of remuneration (continued)

Executive remuneration policy and framework
In determining executive remuneration, the board aims to ensure that remuneration practices are:
- competitive and reasonable, enabling the Company to attract and retain key talent from both the domestic and international marketplaces,
- aligned to the Company's strategic and business objectives and the creation of shareholder value, transparent, and
- justifiable to shareholders.

The executive remuneration framework has three components:
- base pay and benefits, including superannuation, social security payments and health insurance
- short-term performance incentives, and
- long-term incentives through participation in employee option plans and the grant of performance rights.

Executive remuneration mix
In accordance with the Company's objective to ensure that executive remuneration is aligned to Company performance, a portion of the executives' target pay is "at risk".

Base pay and benefits
Executives receive their base pay and benefits structured as a total employment cost (TEC) package which may be delivered as a combination of cash and prescribed non-financial benefits at the executives' discretion. Executives are offered a competitive base pay that comprises the fixed component of pay and rewards.

Independent remuneration information is obtained from sources such as independent salary surveys to ensure base pay is set to reflect the market for a comparable role. Base pay for executives is reviewed annually to ensure the executive's pay is competitive with the market.

In order to obtain the experience required to achieve the Company's goals, it has been necessary to recruit management from the international marketplace. Accordingly, executive pay is also viewed in light of the market from which our executives are recruited in order to be competitive with the relevant market.

An executive's pay is also reviewed on promotion. There are no guaranteed base pay increases included in any executives' contracts. Superannuation contributions are paid on behalf of Australian based executives.

At this stage of the Company's development, shareholder return is enhanced by the achievement of milestones in the development of the Company's products. The Company's Remuneration Policy is not directly based on its financial performance, rather on industry practice, given the Company operates in the biotechnology sector and the Company's primary focus is research activities with a long-term objective of developing and commercialising the research & development results. At senior management level, performance pay is partly determined by achieving successful capital raising milestones to support its clinical programs and partly by the achievement of clinical milestones and business development activities in a manner that aligns the executive's performance pay with value creation for shareholders.

The Company envisages its earnings will remain negative whilst the Company continues in the research and development phase. Shareholder wealth reflects this speculative and volatile market sector.

Short-term incentives
Executives have the opportunity to earn an annual short-term incentive (STI) depending on their accountabilities and impact on the organisation. STIs may be awarded at the end of a performance review cycle for meeting group and individual milestone achievements that align to the Company's strategic and business objectives at the discretion of the board.

The remuneration committee is responsible for determining the amount of STI to be awarded. To assist in this assessment, the committee receives reports on performance from management. The committee has the discretion to adjust short-term incentives downwards in light of unexpected or unintended circumstances.

In the current pre-commercialisation stage of the Company's development, it is the Board's preference to issue non-cash STIs except in unusual circumstances.

A. Principles used to determine the nature and amount of remuneration (continued)

Non-cash STIs are granted under the Executive Incentive Plan (EIP) which was approved by shareholders at the 2021 Annual General Meeting. In light of our global operations the Board adopted the Company's incentive arrangements to ensure that it continues to retain and motivate key executives in a manner that is aligned with shareholders' interests. The Company's 'umbrella' EIP was adopted to allow eligible executives to apply for the grant of performance rights and/or options. Equity incentives granted in accordance with the EIP Rules are designed to provide meaningful remuneration opportunities and will reflect the importance of retaining a world-class management team. The Company endeavours to achieve simplicity and transparency in remuneration design, whilst also balancing competitive market practices in the United States, France, Germany, and Australia.

Long-term incentives
Long-term incentives (LTI) are also provided to certain employees via the EIP. The LTI is intended to:

- reward high performance and to encourage a high-performance culture
- align the interest of executives and senior management with those of the company and shareholders
- provide the company with the means to compete for talented staff by offering remuneration that includes an equity-based component, like many of its competitors
- assist with the attraction and retention of key personnel.

Executives and senior managers eligible to participate in the LTI are considered by the Board to be in roles that have the opportunity to significantly influence long-term shareholder value.

The Company may issue eligible participants with performance rights which entitle the holder to subscribe for or be transferred fully paid ordinary shares of the Company for no consideration. Equity-settled performance rights carry no dividend or voting rights.

The performance rights are issued to executive directors and employees for no consideration and are subject to the continuing employment and lapse upon resignation, redundancy or termination, or failure to achieve the specified performance vesting condition. The performance rights will immediately vest and become exercisable if in the Board's opinion a vesting event occurs (as defined in the plan rules) such as a takeover bid or winding up of the Company. If the performance rights vest and are exercised, the employee receives ordinary shares in the Company for no consideration.

Voting and comments made at the Company's 2022 Annual General Meeting
At the Company's 2022 AGM 96.25% "yes" votes were cast in favour on the poll for the resolution on its remuneration report for the 2022 financial year. The Company addressed specific feedback at the AGM or throughout the year on its remuneration practices.

B. Details of remuneration

Amounts of remuneration

Details of the remuneration of the directors and key management personnel (defined as those who have the authority and responsibility for planning, directing, and controlling the major activities of the consolidated entity) are set out in the following tables.

DIRECTORS' REPORT (CONTINUED)

B. Details of remuneration (Continued)

Amounts of remuneration (Continued)

30-Jun-23	Short-term Benefits			Post-Employment Benefits	Long-term Benefits	Share-based Payments		Total
	Salary and fees	Cash bonus	Non Monetary	Superannuation/ Retirement benefits	Long service leave	Executive Performance Rights	Non-executive Performance Rights	
	$	$	$	$	$	$	$	$
Dr R Howard	87,990*	-	-	9,239	-	-	74,761[1]	171,990
Mr P Meyers	6,250**	-	-	-	-	-	186,034[2,3]	192,284
Ms L Turnbull	32,034	-	-	3,364	-	-	2,101[4]	37,499
Ms L Boyce	12,222	-	-	1,283			48,819[5]	62,324
Mr M Voigt	440,096***	99,982	25,043#	-	-	549,001[6]	-	1,114,122
Dr F Triebel	272,662****	39,019	132,759#	6,682	-	293,119[7]	-	744,241
Other Key Management Personnel								
Ms D Miller	248,614*****	75,000	-	33,980	11,967	226,239[7]	-	595,800
	1,099,868	**214,001**	**157,802**	**54,548**	**11,967**	**1,068,359**	**311,715**	**2,918,260**

*The cash salary for Dr Howard increased by AUD 16.5k p.a. effective April 2023.
**The cash salary for Mr Meyers increased by AUD25k p.a. effective April 2023.
***The cash salary for Mr Voigt increased by EUR13.8k p.a. effective Jan 2023.
****The cash salary for Dr Triebel increased by EUR8.8k p.a. effective Jan 2023.
***** The cash salary for Ms Miller increased by AUD12.1k p.a. effective Jan 2023.

#Non-monetary benefits include compulsory employer funded social security contributions ($25,043 for Mr M Voigt and $132,759 for Dr F Triebel) which are paid directly by the Company to Government authorities in line with German and French regulations.

[1] On 1 December 2021, Dr Russell Howard was issued 339,621 performance rights to vest over 3 tranches in lieu of additional cash fees, in accordance with shareholder approval received at the AGM on 26 November 2021. As indicated in the 2021 AGM notice of meeting, the number of performance rights was calculated based on 3 years of directors' fees at $60,000 p.a. divided by $0.53 (being the 5-day VWAP up to and including 21 September 2021). However, the fair value of his performance rights reflects the prevailing share price as at the date of shareholder approval. The first tranche of 113,207 performance rights vested on 1 December 2022 (being for service from 1 December 2021 to 30 November 2022). The second tranche of 113,207 performance rights will vest on 1 December 2023 (being for service from 1 December 2022 to 30 November 2023). The third tranche of 113,207 performance rights are due to vest on 1 December 2024 (being for service from 1 December 2023 to 30 November 2024).

Dr Russell Howard will be issued an additional 176,148 performance rights to vest over 4 tranches in lieu of cash for his services as a non-executive director, subject to shareholder approval at the 2023 AGM. The number of performance rights granted will be calculated based on 3.57 years of directors' fees at $16,500 p.a. divided by $0.33 (being the 5 day VWAP up to and including the 20 July 2023). However, the future fair value of the performance rights will be revised to reflect the actual prevailing share price as at the date of shareholder approval. The first tranche of performance rights will vest on grant date (in recognition of service from 1 April 2023 to the date of shareholder approval at the 2023 AGM. The second tranche of performance rights are due to vest on 1 December 2024 (in recognition of service from 2023 AGM date to 30 November 2024). The third tranche of performance rights are due to vest on 1 December 2025 (in recognition of service from 1 December 2024 to 30 November 2025). The fourth tranche of performance rights are due to vest on 1 December 2026 (in recognition of service from 1 December 2025 to 30 November 2026).

[2] On 2 December 2019, Mr Pete Meyers was issued 1,500,000 performance rights to vest over 3 tranches in lieu of cash for his services as a non-executive director, in accordance with shareholder approval received at the AGM on 1 November 2019. As indicated in the 2019 AGM notice of meeting, the number of performance rights was calculated based on 3 years of directors' fees at $105,000 p.a. divided by $0.21 (being the closing share price on 14 August 2019). However, the fair value of his performance rights reflects the prevailing share price as at the date of shareholder approval. The first tranche of 500,000 performance rights vested on 1 October 2021 (being for service from 1 October 2020 to 30 September 2021). The second tranche of 500,000 performance rights vested on 1 October 2022 (being for service from 1 October 2021 to 30 September 2022). The third tranche of 500,000 performance rights will vest on 1 October 2023 (being for service from 1 October 2022 to 30 September 2023).

[3] On 16 December 2022, Mr Pete Meyers was issued 1,166,667 performance rights to vest over 3 tranches in lieu of cash for his services as a non-executive director, in accordance with shareholder approval received at the AGM on 23 November 2022. As indicated in the 2022 AGM notice of meeting, the number of performance rights was calculated based on 3 years of directors' fees at $105,000 p.a. divided by $0.27 (being the 5-day VWAP up to and including 12 September 2022). However, the fair value of his performance rights reflects the prevailing share price as at the date of shareholder approval. The first tranche of 388,889 performance rights are due to vest on 1 October 2024 (being for service from 1 October 2023 to 30 September 2024). The second tranche of 388,889 performance rights are due to vest on 1 October 2025 (being for service from 1 October 2024 to 30 September 2025). The third tranche of 388,889 performance rights is due to vest 1 October 2026 (being for service from 1 October 2025 to 30 September 2026).

B. Details of remuneration (Continued)

Amounts of remuneration (Continued)

[4] On 16 December 2022, Ms Lucy Turnbull was issued 457,832 performance rights to vest over 4 tranches in lieu of cash for her services as a non-executive director, in accordance with shareholder approval received at the 2022 AGM. As indicated in the 2022 AGM notice of meeting, the number of performance rights were calculated based on 3.76 years of directors' fees at $45,000 p.a. divided by $0.37 (being the 5-day VWAP up to and including 18 February 2022, being the date of appointment as Director). The fair value of her performance rights reflected the prevailing share price as at the date of shareholder approval. The first tranche of 92,966 performance rights vested on 1 December 2022 (in recognition of service from 25 February 2022 to 30 November 2022). The second tranche of 121,622 performance rights were due to vest on 1 December 2023 (in recognition of service from 1 December 2022 to 30 November 2023). The third tranche of 121,622 performance rights were due to vest on 1 December 2024 (in recognition of service from 1 December 2023 to 30 November 2024). The fourth tranche of 121,622 performance rights were due to vest on 1 December 2025 (in recognition of service from 1 December 2024 to 30 November 2025). Due to the resignation of Ms Lucy Turnbull as Director on 11 April 2023, 43,984 performance rights vested from the second tranche. 320,882 performance rights were forfeited from the second, third and fourth tranche as the service conditions have not been performed.

[5] Ms Lis Boyce will be issued 582,653 performance rights to vest over 4 tranches in lieu of cash for her services as a non-executive director, subject to shareholder approval at the 2023 AGM. As indicated in the Appendix 3X released to ASX on the date of Ms Boyce's appointment on 11 April 2023, the number of performance rights granted will be calculated based on 3.54 years of directors' fees at $55,000 p.a. divided by $0.33 (being the 5 day VWAP up to and including the 20 July 2023). However, the future fair value of the performance rights will be revised to reflect the actual prevailing share price as at the date of shareholder approval. The first tranche of performance rights will vest on grant date (in recognition of service from 11 April 2023 to the date of shareholder approval at the 2023 AGM). The second tranche of performance rights are due to vest on 1 December 2024 (in recognition of service from 2023 AGM date to 30 November 2024). The third tranche of performance rights are due to vest on 1 December 2025 (in recognition of service from 1 December 2024 to 30 November 2025). The fourth tranche of performance rights are due to vest on 1 December 2026 (in recognition of service from 1 December 2025 to 30 November 2026).

[6] Mr Marc Voigt was issued 3,600,000 performance rights to vest over 3 tranches, in accordance with shareholder approval received at the AGM on 1 November 2019. One-third vested on 1 October 2020; one-third vested on 1 October 2021 and one-third vested on 1 October 2022. Vesting was contingent upon the employee being continuously employed in good standing through the vesting period.

On 1 December 2021, Mr Marc Voigt was issued 3,600,000 performance rights to vest over 3 tranches, in accordance with shareholder approval received at the AGM on 26 November 2021. One-third will vest on 1 October 2023; one-third are due to vest on 1 October 2024 and one-third is due to vest on 1 October 2025. Vesting is contingent upon the employee being continuously employed in good standing through the vesting period and dependent upon Mr Voigt meeting KPIs as determined by the Board.

The performance rights are subject to accelerated vesting according to agreed terms in each person's contract. For vesting details of the other Performance Rights please refer to Section D on Share-based compensation below.

[7] On 3 October 2019, Ms Deanne Miller and Dr Frederic Triebel were issued 1,800,000 and 2,700,000 performance rights respectively under the Executive Incentive Plan (EIP). The vesting date for the Performance Rights issued to Ms D Miller and Dr F Triebel during the year are as follows: One-third vested on 1 October 2020; one-third vested on 1 October 2021 and one-third vested on 1 October 2022.

On 1 December 2021, Ms Deanne Miller and Dr Frederic Triebel were issued 1,800,000 and 2,700,000 performance rights respectively under the Executive Incentive Plan (EIP). The vesting date for the Performance Rights issued to Ms D Miller and Dr F Triebel during the year are as follows: The first tranche representing one-third will vest on 1 October 2023; the second tranche representing one-third are due to vest on 1 October 2024 and third tranche representing one-third is due to vest on 1 October 2025. Vesting is contingent upon the executives being continuously employed in good standing through the vesting period and meeting KPIs. The performance rights are subject to accelerated vesting according to agreed terms in each person's contract.

KPIs for executive KMPs are related to the following:

Mr Marc Voigt
- Sourcing and conversion of business development opportunities;
- Managing and securing funds to achieve company goals;
- Effective management of international stakeholder communications within an ASX & NASDAQ dual listed environment; and
- Pre-clinical and clinical trials and global organisational growth.

Dr Frederic Triebel
- Medical objectives relating to the clinical trials, regulatory affairs and manufacturing;
- Scientific objectives relating to preclinical development and collaborations with external parties; and
- Investor relations objectives to assist with raising awareness and understanding of the Company's LAG-3 candidates.

Ms Deanne Miller
- Compliance objectives relating to management of legal and regulatory obligations and communications within an ASX & NASDAQ dual listed environment;
- Corporate development objectives relating to the management of key relationships and communications with collaboration partners; and
- Investor relations and financial objectives to support execution of company goals.

KPIs related to tranche 2 and tranche 3 were subsequently agreed after 30 June 2023 and accordingly the fair value for these tranches were determined based on the market share price as at 30 June 2023. The value will be re-assessed at each reporting date until grant date has been identified.

For vesting details of the other Performance Rights please refer to Section D on Share-based compensation below.

DIRECTORS' REPORT (CONTINUED)
B. Details of remuneration (continued)

30-Jun-22	Short-term Benefits			Post-Employment Benefits	Long-term Benefits	Share-based Payments		Total
	Salary and fees	Cash bonus	Non Monetary	Superannuation	Long service leave	Executive Performance Rights*	Non-executive Performance Rights***	
	$	$	$	$	$	$	$	$
Dr R Howard	82,192	-	-	8,219	-	-	95,191[1]	185,602
Mr P Meyers	-	-	-	-	-	-	102,219[2]	102,219
Mr G Chamberlain	-	-	-	-	-	-	72,470[3]	72,470
Ms L Turnbull	14,155	-	-	1,415	-	-	40,354[4]	55,924
Mr M Voigt	427,989**	84,472	24,125#	-	-	406,710[5]	-	943,296
Other Key Management Personnel								
Dr F Triebel	264,212*	19,410	122,021#	5,856	-	232,716[6]	-	644,215
Ms D Miller	242,550***	60,000	-	32,121	13,091	161,097[6]	-	508,859
	1,031,098	**163,882**	**146,146**	**47,611**	**13,091**	**800,523**	**310,234**	**2,512,585**

*The cash salary for Dr Triebel remains the same as FY 2022. The variances are from the foreign currency translation.
**The cash salary for Mr Voigt increased by EUR13.1k p.a. effective July 2021.
*** The cash salary for Ms Miller increased by AUD11.5k p.a. effective July 2021.
#Non-monetary benefits include compulsory employer funded social security contributions ($24,125 for Mr M Voigt and $122,021 for Dr F Triebel) which are paid directly by the Company to Government authorities in line with German and French regulations.

[1] Dr Russell Howard was issued 1,000,000 performance rights to vest over 4 tranches in accordance with shareholder approval received at the AGM on 16 November 2018. The 1,000,000 performance rights were granted in lieu of additional cash fees. As indicated in the 2018 AGM notice of meeting, the total number of performance rights proposed by the Company was calculated based on 4 years of director's fees at $60,000 p.a. divided by $0.24 (being the 5 day VWAP up to and including 15 December 2017). However, the fair value of Dr Howard's performance rights for the purposes of this financial report reflects the prevailing share price as at the date of shareholder approval. The first tranche of 250,000 performance rights vested on 1 December 2018 (being for continued service from 18 November 2017 to 17 November 2018). The second tranche of 250,000 performance rights vested on 1 December 2019 (being for continued service from 18 November 2018 to 17 November 2019). The third tranche of 250,000 performance rights vested on 1 December 2020 (being for continued service from 18 November 2019 to 17 November 2020). The final 250,000 rights vested on 1 December 2021 (being continued service from 18 November 2020 to 17 November 2021).

On 1 December 2021, Dr Russell Howard was issued 339,621 performance rights to vest over 3 tranches in lieu of additional cash fees, in accordance with shareholder approval received at the AGM on 26 November 2021. As indicated in the 2021 AGM notice of meeting, the number of performance rights was calculated based on 3 years of directors' fees at $60,000 p.a. divided by $0.53 (being the 5-day VWAP up to and including 21 September 2021). However, the fair value of his performance rights reflects the prevailing share price as at the date of shareholder approval. The first tranche of 113,207 performance rights are due to vest on 1 December 2022 (being for service from 1 December 2021 to 30 November 2022). The second tranche of 113,207 performance rights are due to vest on 1 December 2023 (being for service from 1 December 2022 to 30 November 2023). The third tranche of 113,207 performance rights are due to vest on 1 December 2024 (being for service from 1 December 2023 to 30 November 2024).

[2] On 2 December 2019, Mr Pete Meyers was issued 1,500,000 performance rights to vest over 3 tranches in lieu of cash for his services as a non-executive director, in accordance with shareholder approval received at the AGM on 1 November 2019. As indicated in the 2019 AGM notice of meeting, the number of performance rights was calculated based on 3 years of directors' fees at $105,000 p.a. divided by $0.21 (being the closing share price on 14 August 2019). However, the fair value of his performance rights reflects the prevailing share price as at the date of shareholder approval. The first tranche of 500,000 performance rights vested on 1 October 2021 (being for service from 1 October 2020 to 30 September 2021). The second tranche of 500,000 performance rights due to vest on 1 October 2022 (being for service from 1 October 2021 to 30 September 2022). The third tranche of 500,000 performance rights due to vest 1 October 2023 (being for service from 1 October 2022 to 30 September 2023).

[3]On 6 November 2020, Mr Grant Chamberlain was issued 1,350,000 performance rights to vest over 3 tranches in lieu of cash for his services as a non-executive director, in accordance with shareholder approval received at the AGM on 27 October 2020. As indicated in the 2020 AGM notice of meeting, the number of performance rights was calculated based on 3 years of directors' fees at $90,000 p.a. divided by $0.20 (being the closing share price on 18 August 2020). However, the fair value of his performance rights reflects the prevailing share price as at the date of shareholder approval.

The first tranche of 450,000 performance rights vested on 1 October 2021 (being for service from 1 October 2020 to 30 September 2021). The second tranche of 450,000 performance rights that were due to vest on 1 October 2022 (being for service from 1 October 2021 to 30 September 2022) was gifted to Grant's estate following his death on 28 January 2022 as approved by the Board of Directors and were recognised as fully vested as at 30 June 2022. The third tranche of 450,000 performance rights (being for service from 1 October 2022 to 30 September 2023) was cancelled.

[4]Ms Lucy Turnbull will be issued 457,832 performance rights to vest over 4 tranches in lieu of cash for her services as a non-executive director, subject to shareholder approval at the 2022 AGM. As indicated in the Appendix 3X released to ASX on the date of Ms Turnbull's appointment on 25 February 2022, the number of performance rights was calculated based on 3.76 years of directors' fees at $45,000 p.a. divided by $0.37(being the 5-day VWAP up to and including 18 February 2022). However, the future fair value of the performance rights will be revised to reflect the actual prevailing share price as at the date of shareholder approval. The first tranche of 92,966 performance rights are due to vest on 1 December 2022 (in recognition of service from 25 February 2022 to 30 November 2022). The second tranche of 121,622 performance rights will vest on 1 December 2023 (in recognition of service from 1 December 2022 to 30 November 2023). The third tranche of 121,622 performance rights are due to vest on 1 December 2024 (in recognition of service from 1 December 2023 to 30 November 2024). The fourth tranche of 121,622 performance rights are due to vest on 1 December 2025 (in recognition of service from 1 December 2024 to 30 November 2025).

B. Details of remuneration (continued)

[5] Mr Marc Voigt was issued 3,600,000 performance rights to vest over 3 tranches, in accordance with shareholder approval received at the AGM on 1 November 2019. One-third vested on 1 October 2020; One-third vested on 1 October 2021 and One-third is due to vest on 1 October 2022. Vesting is contingent upon the employee being continuously employed in good standing through the vesting period.

On 1 December 2021, Mr Marc Voigt was issued 3,600,000 performance rights to vest over 3 tranches, in accordance with shareholder approval received at the AGM on 26 November 2021. One-third will vest on 1 October 2023; one-third is due to vest on 1 October 2024 and one-third is due to vest on 1 October 2025. Vesting is contingent upon the employee being continuously employed in good standing through the vesting period and dependent upon Mr Voigt meeting KPIs as determined by the Board.

The performance rights are subject to accelerated vesting according to agreed terms in each person's contract. For vesting details of the other Performance Rights please refer to Section D on Share-based compensation below.

[6] On 3 October 2019, Ms Deanne Miller and Dr Frederic Triebel were issued 1,800,000 and 2,700,000 performance rights respectively under the Executive Incentive Plan (EIP). The vesting date for the Performance Rights issued to Ms D Miller and Dr F Triebel during the year are as follows: One-third vested on 1 October 2020; one-third vested on 1 October 2021 and one-third is due to vest on 1 October 2022.

On 1 December 2021, Ms Deanne Miller and Dr Frederic Triebel were issued 1,800,000 and 2,700,000 performance rights respectively under the Executive Incentive Plan (EIP). The vesting date for the Performance Rights issued to Ms D Miller and Dr F Triebel during the year are as follows: One-third will vest on 1 October 2023; one -third are due to vest on 1 October 2024 and one-third is due to vest on 1 October 2025. Vesting is contingent upon the executives being continuously employed in good standing through the vesting period and meeting KPIs. The performance rights are subject to accelerated vesting according to agreed terms in each person's contract.

KPIs for executive KMPs are related to the following:

Mr Marc Voigt
- Sourcing and conversion of business development opportunities;
- Managing and securing funds to achieve company goals;
- Effective management of international stakeholder communications within an ASX & NASDAQ dual listed environment; and
- Pre-clinical and clinical trials and global organisational growth.

Dr Frederic Triebel
- Medical objectives relating to the clinical trials, regulatory affairs and manufacturing;
- Scientific objectives relating to preclinical development and collaborations with external parties; and
- Investor relations objectives to assist with raising awareness and understanding of the Company's LAG-3 candidates.

Ms Deanne Miller
- Compliance objectives relating to management of legal and regulatory obligations and communications within an ASX & NASDAQ dual listed environment;
- Corporate development objectives relating to the management of key relationships and communications with collaboration partners; and
- Investor relations and financial objectives to support execution of company goals.

For vesting details of the other Performance Rights please refer to Section D on Share-based compensation below.

B. Details of remuneration (continued)

The relative proportions of remuneration that are linked to performance and those that are fixed are as follows:

Name	Fixed remuneration 2023	Fixed remuneration 2022	At risk – STI 2023	At risk – STI 2022	At risk – LTI 2023	At risk – LTI 2022
Non-Executive directors						
Dr R Howard	100%	100%	-	-	-	-
Mr P Meyers	100%	100%	-	-	-	-
Ms L Turnbull	100%	100%	-	-	-	-
Ms L Boyce	100%	100%	-	-	-	-
Executive directors						
Mr M Voigt	42%	48%	9%	9%	49%	43%
Dr F Triebel	55%	60%	5%	3%	40%	37%
Other Key Management Personnel						
Ms D Miller	49%	57%	13%	12%	38%	31%

C. Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. The service agreements specify the components of remuneration, benefits, and notice periods. Participating in the STI and LTI plans is subject to the Board's discretion. Compensation paid to key management personnel is determined by the Remuneration Committee on an annual basis with reference to market salary surveys. Determination of compensation for Non-Executive Directors is detailed on pages 19, 20, and 21 of the directors' report. Details of the current terms of these agreements are below. Unless stated otherwise, all salaries quoted below are as at 30 June 2023.

Mr Marc Voigt	-	**Executive Director & CEO**
Agreement commenced:	-	9 July 2014
Details	-	The initial term was for a period of 3 years. This term was subsequently extended for a further 3 years and extended again for an additional term that will expire on 9 July 2026, unless terminated earlier by either party in accordance with the Agreement. Each party is to provide at least 6 months' notice of its intention to extend the term of the contract. The contract can be terminated by the company giving 12 months' notice or by Marc giving 6 months' notice. Immutep may make payments in lieu of the period of notice, or for any unexpired part of that notice period.
Base salary	-	EUR 289,406

Ms Deanne Miller	-	**Chief Operating Officer, General Counsel & Company Secretary**
Agreement commenced:	-	17 October 2012
Details	-	The agreement can be terminated with 6 months' notice. Immutep may make payments of base salary in lieu of notice period.
Base salary	-	AUD 254,678

Dr Frédéric Triebel	-	**Executive Director & Chief Scientific Officer**
Agreement commenced:	-	12 December 2014
Details	-	Each of the parties may terminate the employment contract and the present Amendment, subject to compliance with the law and the Collective Bargaining Agreement ("CBA") and notably to a 6-month notice period as set forth in the CBA. The party which fails to comply with the notice period provisions shall be liable to pay the other an indemnity equal to the salary for the remainder of the notice period.
Base salary	-	EUR 178,800

Under the cash bonus scheme approved by the Board of directors in February 2020, Mr Marc Voigt, Dr Frederic Triebel and Ms Deanne Miller are each entitled to a cash bonus of A$300,000 conditional on meeting predetermined KPIs that are designed to support our corporate strategy to develop product candidates to sell, license or partner with large pharmaceutical companies at key value inflection points or on a change of control. As at 30 June 2023, no obligation has arisen for recognition.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct or gross negligence.

DIRECTORS' REPORT (CONTINUED)

D. Share-based compensation

Issue of shares

There were no shares issued to directors and key management personnel as part of compensation during the year ended 30 June 2023. During the year 4,606,173 performance rights were exercised and converted into ordinary shares.

Options

There are no options which were granted in prior years which affected remuneration in this financial year or future reporting years. Options granted under the plan carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share.

Shares provided on exercise of remuneration options

No ordinary shares in the Company have been issued as a result of the exercise of remuneration options by a director.

Performance rights

The terms and conditions of each grant of performance rights affecting remuneration of key management personnel in this financial year or future reporting years are as follows. All performance rights movement and fair value in the table are shown on post share consolidation basis.

Grant date **	Type of performance right granted	Vesting date and exercisable date	Number of performance rights***	Value per right at grant date***	% Vested and exercised 30 June 2023
				$	
3 Oct 19(b)	LTI – Tranche 3	1 Oct 2022	1,500,000	0.260	100
1 Nov 19(b)	LTI – Tranche 2	1 Oct 2022	500,000	0.280	100
1 Nov 19(b)	LTI – Tranche 3	1 Oct 23	500,000	0.280	-
1 Nov 19(b)	LTI – Tranche 3	1 Oct 2022	1,200,000	0.280	100
1 Dec 21(a)	LTI – Tranche 1	1 Oct 23	1,500,000	0.490	-
1 Dec 21(a)	LTI – Tranche 2	1 Oct 24	1,500,000	0.315	-
1 Dec 21(a)	LTI – Tranche 3	1 Oct 25	1,500,000	0.315	-
1 Dec 21(b)	LTI – Tranche 1	1 Dec 22	113,207	0.490	100
1 Dec 21(b)	LTI – Tranche 2	1 Dec 23	113,207	0.490	-
1 Dec 21(b)	LTI – Tranche 3	1 Dec 24	113,207	0.490	-
1 Dec 21(a)	LTI – Tranche 1	1 Oct 23	1,200,000	0.490	-
1 Dec 21(a)	LTI – Tranche 2	1 Oct 24	1,200,000	0.315	-
1 Dec 21(a)	LTI – Tranche 3	1 Oct 25	1,200,000	0.315	-
21 Dec 22(b)	LTI – Tranche 1	1 Oct 24	388,889	0.310	-
21 Dec 22(b)	LTI – Tranche 2	1 Oct 25	388,889	0.310	-
21 Dec 22(b)	LTI – Tranche 3	1 Oct 26	388,889	0.310	-
21 Dec 22(b)	LTI – Tranche 1	1 Dec 22	92,966	0.310	100
21 Dec 22(b)	LTI – Tranche 2	1 Dec 23	121,622*	0.310	*
21 Dec 22(b)	LTI – Tranche 3	1 Dec 24	121,622*	0.310	*
21 Dec 22(b)	LTI – Tranche 4	1 Dec 25	121,622*	0.310	*

(a)Performance hurdles based on individual KPIs have been set for performance rights granted.
(b)No performance hurdles have been set with respect to these performance rights granted.
* Due to the resignation of Ms Lucy Turnbull as Director on 11 April 2023, 43,984 performance rights vested from the second tranche. 320,882 performance rights were forfeited from the second, third and fourth tranche due to the service conditions not having been performed.
** In addition to the performance hurdles set, the participant must be employed by the company on the vesting date. Performance rights granted under the plan carry no dividend or voting rights. When exercisable, each performance right is convertible into one ordinary share.
***On 5 November 2019, there was a 10 to 1 share consolidation. All performance rights and fair value in the table above have therefore been adjusted accordingly.

Details of bonuses and share-based compensation

Details of performance rights over ordinary shares in the Company provided as remuneration to each director and each of the key management personnel are set out below. The table further shows the percentages of the options granted under the Employee Option Plan that vested and/or were forfeited during the year.

For each cash bonus and grant of performance rights included in the tables on pages 22 to 24, the percentage of the available bonus or grant that was paid, or that vested, in the financial year, and the percentage that was forfeited because the person did not meet the vesting criteria is set out below.

Name	Cash bonus			Share-based compensation benefits (performance rights)						
	Paid	For-feited	Year granted	No Granted (A)	Value of rights at grant date	Vested	Number of rights vested/ exercised during the year(A)	Value of rights at exercise date******	For-feited	Financial years in which rights may vest
	%	%			$	%		$	%	
Mr R Howard	-	-	2021*	339,621	166,414	33%	113,207	28,868	-	2022, 2023, 2024
Mr P Meyers	-	-	2019** 2022	1,500,000 1,166,667	420,000 361,667	67% -	500,000 -	145,000 -	- -	2021, 2022 & 2023
Ms L Turnbull	-	-	2022***	457,832	141,928	30%	92,966	23,706	70%	2022 & 2023
Mr M Voigt	100%	-	2019**** 2021*****	3,600,000 3,600,000	1,008,000 1,764,000	100% -	2,400,000 -	612,000 -	- -	2021, 2022 & 2023 2023, 2024, 2025
Dr F Triebel	100%	-	2019**** 2021*****	2,700,000 2,700,000	702,000 1,323,000	100% -	900,000 -	153,000 -	- -	2021, 2022 & 2023 2023, 2024, 2025
Ms D Miller	100%	-	2019**** 2021*****	1,800,000 1,800,000	468,000 882,000	100% -	600,000 -	229,500 -	- -	2021, 2022 & 2023 2023, 2024, 2025

* Dr Russell Howard was issued 339,621 performance rights in lieu of cash for his services as a non-executive director, in accordance with shareholder approval received at the AGM on 26 November 2021.
The first tranche of 113,207 performance rights vested on 1 December 2022 (being for continued service from 1 December 2021 to 30 November 2022).
The second tranche of 113,207 performance rights will vest on 1 December 2023 (being for continued service from 1 December 2022 to 30 November 2023).
The third tranche of 113,207 performance rights are due to vest on 1 December 2024 (being for continued service from 1 December 2023 to 30 November 2024).

** Mr Pete Meyers was issued 1,500,000 performance rights to vest over 3 tranches in lieu of cash for his services as a non-executive director, in accordance with shareholder approval received at the AGM on 1 November 2019. As indicated in the 2019 AGM notice of meeting, the number of performance rights was calculated based on 3 years of directors' fees at $105,000 p.a. divided by $0.21 (being the closing share price on 14 August 2019). However, the fair value of his performance rights reflects the prevailing share price as at the date of shareholder approval.
The first tranche of 500,000 performance rights vested on 1 October 2021 (being for service from 1 October 2020 to 30 September 2021).
The second tranche of 500,000 performance rights vested on 1 October 2022 (being for service from 1 October 2021 to 30 September 2022).
The third tranche of 500,000 performance rights will vest on 1 October 2023 (being for service from 1 October 2022 to 30 September 2023).

Mr Pete Meyers was issued 1,166,667 performance rights to vest over 3 tranches in lieu of cash for his services as a non-executive director, in accordance with shareholder approval received at the AGM on 23 November 2022. As indicated in the 2022 AGM notice of meeting, the number of performance rights was calculated based on 3 years of directors' fees at $105,000 p.a. divided by $0.27 (being the 5-day VWAP up to and including 12 September 2022). However, the fair value of his performance rights reflects the prevailing share price as at the date of shareholder approval.
The first tranche of 388,889 performance rights are due to vest on 1 October 2024 (being for service from 1 October 2023 to 30 September 2024).
The second tranche of 388,889 performance rights are due to vest on 1 October 2025 (being for service from 1 October 2024 to 30 September 2025).
The third tranche of 388,889 performance rights are due to vest on 1 October 2026 (being for service from 1 October 2025 to 30 September 2026).

*** Ms Lucy Turnbull was issued 457,832 performance rights to vest over 4 tranches in lieu of cash for her services as a non-executive director, in accordance with shareholder approval received at the 2022 AGM. As indicated 2022 AGM notice of meeting, the number of performance rights was calculated based on 3.76 years of directors' fees at $45,000 p.a. divided by $0.37 (being the 5-day VWAP up to and including 18 February 2022, being the date of appointment as Director). The fair value of her performance rights reflects the prevailing share price as at the date of shareholder approval. The first tranche of 92,966 performance rights vested on 1 December 2022 (in recognition of service from 25 February 2022 to 30 November 2022). The second tranche of 121,622 performance rights was due to vest on 1 December 2023 (in recognition of service from 1 December 2022 to 30 November 2023). The third tranche of 121,622 performance rights was due to vest on 1 December 2024 (in recognition of service from 1 December 2023 to 30 November 2024). The fourth tranche of 121,622 performance rights was due to vest on 1 December 2025 (in recognition of service from 1 December 2024 to 30 November 2025). Due to the resignation of Ms Lucy Turnbull as Director on 11 April 2023, 43,984 performance rights vested from the second tranche. 320,882 performance rights were forfeited from the second, third and fourth tranche due to the service conditions not having been performed.

**** Performance rights were granted under the EIP. Long-term incentive performance rights vest in three tranches as follows:
- 1/3 vested on 1 October 2020
- 1/3 vested on 1 October 2021
- 1/3 vested on 1 October 2022

Vesting is contingent upon the employee being continuously employed in good standing through the vesting period. The performance rights are subject to accelerated vesting according to agreed terms in each person's contract.

***** Performance rights were granted under the EIP. Long-term incentive performance rights vest in three tranches as follows:
- 1/3 are due to vest on 1 October 2023
- 1/3 are due to vest on 1 October 2024
- 1/3 are due to vest on 1 October 2025

Vesting is contingent upon the employee being continuously employed in good standing through the vesting period. The performance rights are subject to accelerated vesting according to agreed terms in each person's contract.

****** The value at the exercise date of performance rights that were granted as part of remuneration and were exercised during the year has been determined as the intrinsic value of the performance rights at that date.

DIRECTORS' REPORT (CONTINUED)

Equity instruments held by key management personnel

The tables on the following page show the number of:
(i) Options over ordinary shares in the company
(ii) Performance rights over ordinary shares in the company

Shares in the company that were held during the financial year by key management personnel of the Group, including their close family members and entities related to them. There were no shares granted during the reporting period as compensation.

(i) Option holdings

There were no options holdings held and no movements during the financial year ended 30 June 2023.

(ii) Performance Rights holdings

2023	Balance at start of the year	Granted	Exercised	Other Changes	Balance at end of the year	Vested and exercisable	Unvested
Performance rights over ordinary shares							
Dr Russell Howard	339,621	-	(113,207)	-	226,414	-	226,414
Mr Pete Meyers	1,000,000	1,166,667	(500,000)	-	1,666,667	-	1,666,667
Mr Marc Voigt	6,000,000	-	(2,400,000)	-	3,600,000	-	3,600,000
Dr Frédéric Triebel	3,600,000	-	(900,000)	-	2,700,000	-	2,700,000
Ms Lucy Turnbull	-	457,832	(92,966)	(364,866)*	-	-	-
Ms Lis Boyce	-	-	-	-	-	-	-
Ms Deanne Miller	2,400,000	-	(600,000)	-	1,800,000	-	1,800,000
	13,339,621	**1,624,499**	**(4,606,173)**	(364,866)	**9,993,081**	**-**	**9,993,081**

*The change during the year represents derecognition due to the cessation of the director's resignation.

(iii) Ordinary Share holdings

2023	Balance at start of the year	Received during the year on exercise of performance rights	Received during the year on the exercise of options	Other changes during the year#	Balance at end of the year
Ordinary shares					
Dr Russell Howard	1,000,000	113,207	-	-	1,113,207
Mr Pete Meyers	2,274,395	500,000	-	-	2,774,395
Mr Marc Voigt	8,847,445	2,400,000	-	-	11,247,445
Dr Frédéric Triebel	7,753,764	900,000	-	-	8,653,764
Ms Lucy Turnbull	3,284,126	92,966	-	(3,377,092)*	-
Ms Lis Boyce	-	-	-	-	-
Ms Deanne Miller	2,767,305	600,000	-	(100,000)	3,267,305
Total ordinary shares	**25,927,035**	**4,606,173**	**-**	**(3,477,092)**	**27,056,116**
ADRs					
Mr Marc Voigt	45	-	-	-	**45**
Total ADR	**45**	-	-	-	**45**

Other changes during the year includes on market acquisitions and/or disposals
*The change during the year represents derecognition due to the director's resignation.

This concludes the remuneration report, which has been audited.

DIRECTORS' REPORT (CONTINUED)

Shares under option
Unissued ordinary shares of Immutep Limited under option at the date of this report are as follows:

Date options granted	Expiration Date	Exercise Price	Number	Listed/Unlisted Options
5 August 2015	4 August 2025	$0.248	847,600	Unlisted
			847,600	

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

Indemnity and insurance of officers
During the financial year, the Company paid a premium to insure the directors and officers of the Company and its controlled entities.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings.

This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company.

Indemnity and insurance of auditor
The Company has not during or since the end of this financial year indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company
No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001.*

DIRECTORS' REPORT (CONTINUED)

Non-audit services
The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

The board of directors has considered the position and, in accordance with advice received from the Audit and Risk Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001.* The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

During the financial year 2023 and 2022, no fee was paid or payable for non-audit services provided by the auditor of the parent entity, its related practices and non-related audit firms.

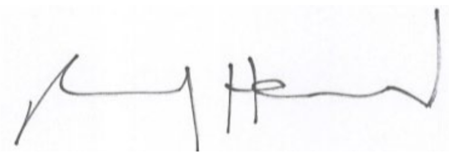
Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 32.

Auditor

PricewaterhouseCoopers continues in office in accordance with section 327 of the *Corporations Act 2001*.

This report is made in accordance with a resolution of directors.

On behalf of the directors



Dr Russell Howard
Chairman

Sydney
30 August 2023

Auditor's Independence Declaration

As lead auditor for the audit of Immutep Limited for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Immutep Limited and the entities it controlled during the period.

Jason Hayes
Partner
PricewaterhouseCoopers

Sydney
30 August 2023

PricewaterhouseCoopers, ABN 52 780 433 757
One International Towers Sydney, Watermans Quay, Barangaroo, GPO BOX 2650, SYDNEY NSW 2001
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CORPORATE GOVERNANCE STATEMENT

The Board is committed to achieving and demonstrating the highest standards of corporate governance. The Board continues to refine and improve the governance framework and practices in place to ensure they meet the interests of shareholders.

The Company complies with the Australian Securities Exchange (ASX) Corporate Governance Council's Corporate Governance Principles and Recommendations – 4th edition (the Principles). A copy of the company's Corporate Governance Statement is available at the company's website at the following address http://www.immutep.com/about-us/corporate-governance.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

At Immutep we are committed to improving the lives of our patients, employees and communities. Whilst our product candidates and the industry we work within have the potential to make a real difference to people's lives, we are mindful that the paths we take to develop our candidates and how we conduct our business are just as important. Hence, we are progressing our Environmental, Social and Governance (ESG) initiatives and have implemented this ESG report to explain to our stakeholders how we are addressing and tracking on a range of Environmental, Social and Governance matters.

A copy of the company's ESG Report is available at the company's website at the following address http://www.immutep.com/about-us/corporate-governance.

FINANCIAL STATEMENTS

Contents

General information
These financial statements are the consolidated financial statements of the consolidated entity consisting of Immutep Limited and its subsidiaries. The financial statements are presented in the Australian currency.

Immutep Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 33
George Street
Australia Square
Sydney NSW 2000

The financial statements were authorised for issue by the directors on 30 August 2023. The directors have the power to amend and reissue the financial statements.

A description of the nature of the consolidated entity's operations and its principal activities is included in the review of operations and activities on pages 5 to 13 and in the directors' report on pages 14 to 31, both of which are not part of these financial statements.

Through the use of the internet, we have ensured that our corporate reporting is timely and complete.
All press releases, financial reports and other information are available on our website: www.immutep.com.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2023

	Note	Consolidated	
		30 June 2023 $	30 June 2022 $
Revenue			
License revenue		-	170,369
Other income			
Research material sales		191,721	84,018
Grant income		3,314,001	4,459,974
Net gain on foreign exchange		623,511	1,228,122
Net gain on fair value movement of warrants	15	131,896	591,070
Interest income		938,999	224,520
Total revenue and other income		**5,200,128**	**6,758,073**
Expenses			
Research & development and intellectual property expenses	5	(36,257,187)	(31,341,576)
Corporate administrative expenses	5	(8,679,840)	(7,210,123)
Finance costs		(20,401)	(92,430)
Net change in fair value of convertible note liability	16	(139,048)	(324,736)
Loss before income tax expense		**(39,896,348)**	**(32,210,792)**
Income tax expense	6	-	(34)
Loss after income tax expense for the year		**(39,896,348)**	**(32,210,826)**
Other Comprehensive Income/(Loss)			
Items that may be reclassified to profit or loss			
Exchange differences on the translation of foreign operations		3,592,502	(922,327)
Other comprehensive income/(loss) for the year, net of tax		**3,592,502**	**(922,327)**
Total comprehensive loss for the year		**(36,303,846)**	**(33,133,153)**
Loss for the year is attributable to			
Owners of Immutep Limited		**(39,896,348)**	**(32,210,826)**
Total comprehensive loss for the year is attributable to			
Owners of Immutep Limited		**(36,303,846)**	**(33,133,153)**
		Cents	**Cents**
Basic loss per share	31	**(4.47)**	**(3.79)**
Diluted loss per share	31	**(4.47)**	**(3.79)**

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED BALANCE SHEET

AS AT 30 JUNE 2023

	Note	Consolidated 30 June 2023 $	Consolidated 30 June 2022 $
ASSETS			
Current assets			
Cash and cash equivalents	7	123,417,716	79,995,129
Current receivables	8	7,952,061	8,373,607
Other current assets	9	3,595,567	2,443,004
Total current assets		**134,965,344**	**90,811,740**
Non-current assets			
Plant and equipment	11	83,144	37,933
Intangibles	12	9,490,222	10,554,070
Right of use assets	19	385,369	270,147
Other non-current assets	10	2,524,911	495,660
Total non-current assets		**12,483,646**	**11,357,810**
TOTAL ASSETS		**147,448,990**	**102,169,550**
Current liabilities			
Trade and other payables	14	9,024,600	5,752,188
Employee benefits	17	562,301	357,029
Warrant liability	15	-	131,896
Lease liability	19	185,205	173,377
Total current liabilities		**9,772,106**	**6,414,490**
Non-current liabilities			
Convertible note liability	16	835,446	1,452,950
Warrant liability	15	-	-
Employee benefits	18	164,432	117,252
Lease liability	19	207,617	107,492
Deferred tax liability	13	-	-
Total non-current liabilities		**1,207,495**	**1,677,694**
TOTAL LIABILITIES		**10,979,601**	**8,092,184**
NET ASSETS		**136,469,389**	**94,077,366**
EQUITY			
Contributed equity	20	446,272,203	367,407,757
Reserves	21	30,127,718	29,004,818
Accumulated losses	21	(339,930,532)	(302,335,209)
Equity attributable to the owners of Immutep Limited		**136,469,389**	**94,077,366**
TOTAL EQUITY		**136,469,389**	**94,077,366**

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2023

Consolidated	Contributed equity $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2021	**313,422,305**	**34,491,526**	**(274,642,220)**	**73,271,611**
Other comprehensive income for the year, net of tax		(922,327)	-	(922,327)
Loss after income tax expense for the year	-	-	(32,210,826)	(32,210,826)
Total comprehensive income/(loss) for the year	**-**	**(922,327)**	**(32,210,826)**	**(33,133,153)**
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	51,053,411	-	-	51,053,411
Conversion of Convertible Notes	2,059,791	(5,178,972)	4,517,837	1,398,656
Employee share-based payment	-	1,486,841	-	1,486,841
Exercise of vested performance rights	872,250	(872,250)	-	-
Balance at 30 June 2022	**367,407,757**	**29,004,818**	**(302,335,209)**	**94,077,366**
Other comprehensive income for the year, net of tax	-	3,592,502	-	3,592,502
Loss after income tax expense for the year	-	-	(39,896,348)	(39,896,348)
Total comprehensive income/(loss) for the year	**-**	**3,592,502**	**(39,896,348)**	**(36,303,846)**
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	75,937,746	-	-	75,937,746
Conversion of Convertible Notes	1,045,012	(2,589,486)	2,301,025	756,551
Employee share-based payment	-	2,001,572	-	2,001,572
Exercise of vested performance rights	1,881,688	(1,881,688)	-	-
Balance at 30 June 2023	**446,272,203**	**30,127,718**	**(339,930,532)**	**136,469,389**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2023

	Note	Consolidated 30 June 2023 $	30 June 2022 $
Cash flows related to operating activities			
Payments to suppliers and employees (inclusive of goods and services tax)		(39,991,402)	(33,838,950)
Cash receipts from grant income and government incentives		3,655,807	3,302,200
Cash receipts from license revenue		-	87,816
Other income		82,319	86,990
Interest received		917,997	224,656
Income taxes paid		-	(34)
Payment for interest expenses		(20,541)	(92,430)
Net cash outflows from operating activities	30	**(35,355,820)**	**(30,229,752)**
Cash flows related to investing activities			
Payments for plant and equipment	11	(82,735)	(22,914)
Net cash outflows from investing activities		**(82,735)**	**(22,914)**
Cash flows related to financing activities*			
Proceeds from issue of shares	20	80,082,752	52,975,330
Share issue transaction costs	20	(3,848,741)	(2,427,155)
Principal elements of lease payments	19	(211,974)	(222,536)
Advance payment from shareholders for SPP		-	-
Net cash inflows from financing activities		**76,022,037**	**50,325,639**
Net increase in cash and cash equivalents		40,583,481	20,072,973
Effect of exchange rate on cash and cash equivalent		2,839,106	(671,035)
Cash and cash equivalents at the beginning of the year		79,995,129	60,593,191
Cash and cash equivalents at the end of the year	7	**123,417,716**	**79,995,129**

**Non-cash financing activities relate mainly to the following:*

- *Fair value movement of convertible notes disclosed in Note 16 to the financial statements.*
- *Fair value movement of warrant liability disclosed in Note 15 to the financial statements.*
- *Exercise of vested performance rights for no cash consideration disclosed in Note 21 to the financial statements.*

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated. The financial statements are for the consolidated entity consisting of the Company and its subsidiaries.

(a) Basis of preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*. Immutep Limited is a for-profit entity for the purpose of preparing financial statements.

(i) Compliance with IFRS

The consolidated financial statements of the Immutep Limited Group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(ii) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2023 reporting periods and have not been early adopted by the Group. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

(iii) New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 July 2022:

• AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018– 2020 and Other Amendments [AASB 1, AASB 3, AASB 9, AASB 116, AASB 137 & AASB 141].

The Group also elected to adopt the following amendments early:

• AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction [AASB 112].

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(iv) Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, financial assets and liabilities (including derivative financial instruments), which are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

(v) Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Principles of consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group 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 to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances, and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker (CODM), who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

(d) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is the Immutep Limited's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. Foreign exchange gains and losses that relate to borrowings are presented in the statement of comprehensive income, within finance costs. All other foreign exchange gains and losses are presented separately in the statement of comprehensive income on a net basis.

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Foreign currency translation (continued)

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as available-for-sale financial assets are recognised in other comprehensive income.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. In the financial statements that include the foreign operation and the reporting entity (e.g. consolidated financial statements when the foreign operation is a subsidiary), such exchange differences shall be recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investment.

(e) Revenue recognition

Revenue is recognised when (or as) the Group satisfies a performance obligation by transferring a promised good or service to a customer. Revenue is presented net of GST, rebates, and discounts. Performance obligations are completed at a point in time and over time. Revenue is recognised for the major business activities of the Group as follows:

(i) *License revenue*

At present, the Group is in the research and development phase of operations and license revenue earned is through milestone payments as communicated by third party research collaborators based on the progress of their on-going clinical trials and research.

The Group recognizes revenues from license fees for intellectual property (IP) both at a point in time and over a period of time. The Group must make an assessment as to whether such a license represents a right-to-use the IP (at a point in time) or a right to access the IP (over time). Revenue for a right-to-use license is recognized by the Group when the licensee can use and benefit from the IP after the license term begins, e.g., the Group has no further obligations in the context of the out-licensing of a drug candidate or technology. A license is considered a right to access the intellectual property when the Group undertakes activities during the license term that significantly affect the IP, the customer is directly exposed to any positive or negative effects of these activities, and these activities do not result in the transfer of a good or service to the customer. Revenues from the right to access the IP are recognized on a straight-line basis over the license term.

Milestone payments for research and development are contingent upon the occurrence of a future event and represent variable consideration. The Group's management estimates at the contract's inception that the most likely amount for milestone payments is zero. The most likely amount method of estimation is considered the most predictive for the outcome since the outcome is binary; e.g. achieving a specific success in clinical development (or not). The Group includes milestone payments in the total transaction price only to the extent that it is highly probable that a significant reversal of accumulated revenue will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Revenue recognition (continued)

The transaction price is allocated to separate performance obligations based on relative standalone selling prices. If the transaction price includes consideration that varies based on a future event or circumstance (e.g., the completion of a clinical trial phase), the Group would allocate that variable consideration (and any subsequent changes to it) entirely to one performance obligation if both of the following criteria are met:

- The payment terms of the variable consideration relate specifically to the Group's efforts to satisfy that performance obligation or transfer the distinct good or service (or to a specific outcome from satisfying that separate performance obligation).
- Allocating the variable amount entirely to the separate performance obligation or the distinct good or service reflects the amount of consideration to which the Group expects to be entitled in exchange for satisfying that particular performance obligation when considering all of the performance obligations and payment terms in the contract.

Variable consideration is only recognised as revenue when the related performance obligation is satisfied, and the Group determines that it is probable that there will not be a significant reversal of cumulative revenue recognised in future periods.

Other income

(ii) Grant income

Grants from the governments, including Australian Research and Development Rebates, France's Crédit d'Impôt Recherche are recognised at their fair value when there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions. Government grants relating to operating costs are recognised in the Statements of Comprehensive Income as grant income.

(iii) Research material sales

Revenue from the sale of materials supplied to other researchers in order to conduct further studies on LAG-3 technologies is recognised at a point in time when the materials are delivered, the legal title has passed, and the other party has accepted the materials.

(iv) Research collaboration income

Revenue from services provided in relation to undertaking research collaborations with third parties are recognised over time in the accounting period in which the services are rendered. Revenue is measured based on the consideration specified in the agreement or contract with a third party.

(f) Income tax

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Income tax (continued)

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Immutep Limited and its wholly owned Australian controlled entities have implemented the tax consolidation legislation. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements. Foreign subsidiaries are taxed individually by the respective local jurisdictions. For the purposes of preparation of the financial statements, the tax position of each entity is calculated individually and consolidated as consolidated tax entity.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(g) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds it recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(h) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Current receivables

Current receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Collectability of current receivables is reviewed on an ongoing basis. Receivables which are known to be uncollectible are written off by reducing the carrying amount.

(j) Financial Instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled, or expires.

Classification and initial measurement of financial assets
All financial assets are initially measured at fair value adjusted for transaction costs (where applicable), except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15.

Subsequent measurement of financial assets
For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- financial assets at amortised cost
- financial assets at fair value through profit or loss
- financial assets at fair value through other comprehensive income

Classifications are determined by both:

- The entity's business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Financial instruments (continued)

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Financial assets at fair value through profit or loss (FVPL) and financial assets at fair value through other comprehensive income (FVOCI)

The Group does not hold any financial assets at fair value through profit or loss or fair value through comprehensive income.

Impairment of financial assets

AASB 9 requires more forward-looking information to recognise expected credit losses - the 'expected credit losses (ECL) model'. Accordingly, the impairment of financial assets including trade receivables is being assessed using an expected credit loss model.

Classification and measurement of financial liabilities

The Group's financial liabilities comprise trade and other payables, convertible notes and US warrant liabilities. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for convertible note and US warrants liabilities.

All interest-related charges and, if applicable, changes in an instruments' fair value that are reported in profit or loss are included.

(k) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(l) Compound instruments

Convertible notes, including the attached options and warrants, issued to Ridgeback Capital Investments are accounted for as share based payments when the fair value of the instruments are higher than the consideration received, representing intangible benefits received from the strategic investor. The difference between the fair value and consideration received at issuance of the convertible notes and attached options and warrants is recognised immediately in profit and loss as a share-based payment charge.

If options or warrants contain a settlement choice between cash or shares, this settlement choice constitutes a compound feature of the convertible notes, which triggers the separation of debt and equity components to be accounted for separately. The liability component is measured at fair value at initial recognition and subsequent changes in fair value are recognised in profit and loss. The difference between the fair value of the convertible notes and the liability component at inception is accounted as an equity element and not remeasured subsequently.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) US warrant liability

The US warrant liabilities, which are viewed as debt instruments, are measured at fair value through profit or loss. These are classified as liabilities because these warrants exercise price are in a currency other than the functional currency of the Company.

The liability has been designated as at fair value through profit or loss on initial recognition and subsequent changes in fair value are recognised in the profit or loss. This liability is considered a derivative financial liability.

Finance costs

Finance costs are expensed in the period in which they are incurred.

(n) Plant and equipment

Plant and equipment are stated at historical cost less depreciation less impairment (if any). Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:
- Computers – 3 years
- Plant and equipment – 3-5 years
- Furniture and fittings – 3-5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(g)). Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

(o) Intangible assets

(i) *Intellectual property*

Costs incurred in acquiring intellectual property are capitalised and amortised on a straight-line basis over a period not exceeding the life of the patents, which averages 14 years. Where a patent has not been formally granted, the company estimates the life of the granted patent in accordance with the provisional application.

Costs include only those costs directly attributable to the acquisition of the intellectual property. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(g)).

(ii) *Research and development*

Research expenditure on internal projects is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be measured reliably. The expenditure that could be recognised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other expenditures that do not meet these criteria are recognised as an expense as incurred.

As the Company has not met the requirement under the standard to recognise costs in relation to development, these amounts have been expensed.

Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use on a straight-line basis over its useful life.

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Intangible assets (continued)

(iii) *Goodwill*

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The excess of the consideration transferred and the amount of any non-controlling interests in the acquiree over the fair value of the Group's share of the net identifiable assets acquired is recorded as goodwill. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised, but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(p) Employee benefits

(i) *Short-term obligations*

Liabilities for wages and salaries, including non-monetary benefits and accumulating annual leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

(ii) *Other long-term employee benefit obligations*

The liabilities for long service leave and annual leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments are recognised in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Retirement benefit obligations

The Group does not maintain a Group superannuation plan. The Group makes fixed percentage contributions for all Australian resident employees to complying third party superannuation funds. The Group has no statutory obligation and does not make contributions on behalf of its resident employees in the USA and Germany. The Group's legal or constructive obligation is limited to these contributions. Contributions to complying third party superannuation funds are recognised as an expense as they become payable.

(iv) Share-based payments

Share-based compensation benefits are provided to employees via the Executive Incentive Plan (EIP). Information relating to these schemes is set out in note 32.

The fair value of performance rights and options granted under the EIP are recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted, which includes any market performance conditions and the impact of any non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions.

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Employee benefits (continued)

(v) Termination benefits
Termination benefits are payable when employment is terminated before the normal employment contract expiry date. The Group recognises termination benefits when it is demonstrably committed to terminating the employment of current employees.

(vi) Bonus plan
The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(q) Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(r) Earnings per share

(i) Basic earnings per share
Basic earnings per share is calculated by dividing:

- the profit or loss attributable to owners of the Company
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements if applicable in ordinary shares issued during the year. Bonus elements when applicable will be included in the calculation of the weighted average number of ordinary shares and will be retrospectively applied to the prior financial year.

(ii) Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(s) Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses, and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

(t) Leases

The Group leases various offices and printer equipment. Rental contracts are typically made for fixed periods of 1 to 3 years and typically have extension options of 3 months to 1 year minimum at the discretion of either the Lessor or the Lessee. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Leases (continued)

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices, wherever practicable. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Operating leases with a term of less than 12 months are considered as short-term leases and leases below threshold of A$12,000 are considered as low value leases. Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. During the financial year ended 30 June 2023, the expense recognised for short term leases was A$6,539 and the expense recognised for low value leases was A$5,782.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using an incremental borrowing rate as calculated by management at the commencement date and taking into consideration feedback from surveyed financial institutions on incremental borrowing rates available for the Group as a lessee and nature of each lease portfolio. Incremental borrowing rates are re-assessed on a half yearly basis and is deemed equivalent for the Group's specific circumstances to a rate that an individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period.

Right-of-use assets are measured at cost comprising the following:
- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset’s useful life. The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group’s operations.

The Group does not provide residual value guarantees in relation to leases.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Parent entity financial information

The financial information for the parent entity, Immutep Limited, disclosed in note 0 has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries

As disclosed in note 0, non-current assets represent solely the investments of Immutep Limited, investments in its wholly owned subsidiaries. Investments in subsidiaries held by Immutep Limited are accounted for at cost in the separate financial statements of the parent entity.

(ii) Tax consolidation legislation

Immutep Limited and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation. The head entity, Immutep Limited, and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a standalone taxpayer in its own right.

The entities have also entered into a tax funding agreement under which the wholly-owned entities fully compensate for any current tax payable assumed and are compensated by the head entity for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to the head entity under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities' financial statements.

The amounts receivable/payable under the tax funding agreement are due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax instalments. Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as current amounts receivable from or payable to other entities in the Group. Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly-owned tax consolidated entities.

(iii) Share-based payments

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution to that subsidiary undertaking. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

2. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

The Group hedges its foreign exchange risk exposure arising from future commercial transactions and recognised assets and liabilities using natural hedging by holding currency that matches forecast expenditure in each of the major foreign currencies used (AUD, EUR, USD). The Group may use derivative financial instruments such as foreign exchange contracts to hedge certain risk exposures when the Group expects a major transaction in the currency other than the major foreign currencies used by the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis and cash flow forecasting in the case of foreign exchange and aging analysis for credit risk.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

Risk management is carried out by senior management under policies approved by the board of directors. Management identifies, evaluates, and hedges financial risks in close co-operation with the Group's operating units. The board provides the principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(a) Market risk

Foreign exchange risk
The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and Euro.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting. Management has set up a policy to manage the Company's exchange risk within the Group companies. The Group may hedge its foreign exchange risk exposure arising from future commercial transactions and recognised assets and liabilities using forward contracts or natural hedging.

The Group considers using forward exchange contracts to cover anticipated cash flows in USD and Euro periodically. This policy is reviewed regularly by directors from time to time. There were no outstanding foreign exchange contracts as at 30 June 2023 and 30 June 2022.

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in Australian dollars, was as follows:

	30 June 2023			30 June 2022	
	DKK	USD	**EUR**	**USD**	**EUR**
Cash in bank	-	2,992,306	27,753,499	11,897,759	42,964,345
Trade and other receivables	-	125,024	4,265,992	15,568	4,094,262
Trade and other payables	(179,329)	(1,484,954)	(4,271,655)	(1,068,539)	(1,717,675)

Sensitivity
Based on the financial assets and liabilities held at 30 June 2023, had the Australian dollar weakened/ strengthened by 10% against the Danish Krone with all other variables held constant, the Group's post-tax loss for the year would have been $17,933 higher /$17,933 lower (2022 - nil lower/nil higher).

Based on the financial assets and liabilities held at 30 June 2023, had the Australian dollar weakened/ strengthened by 10% against the US dollar with all other variables held constant, the Group's post-tax loss for the year would have been $163,238 lower/$163,238 higher (2022 - $1,084,479 lower/$1,084,479 higher).

Based on the financial instruments held at 30 June 2023, had the Australian dollar weakened/ strengthened by 10% against the Euro with all other variables held constant, the Group's post-tax loss for the year would have been $2,774,784 lower/$2,774,784 higher (2022 – $4,534,092 lower/$4,534,092 higher), mainly as a result of foreign exchange gains/losses on translation of Euro denominated financial instruments. Any changes in post-tax loss will have an equivalent change to equity.

The US warrants financial liability will be equity settled upon exercise of the US warrants. However, as the exercise will be done with an exercise price in US dollars, there is a foreign exchange risk due to the subsequent translation to Australian dollars.

Currently the Group's exposure to other foreign exchange movements is not material.

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents and receivables. Cash and cash equivalents consist primarily of deposits with banks for only independently rated parties with a minimum rating of 'A' according to ratings agencies are accepted. Receivables consist primarily of amounts recoverable from governments, where risk of non-recoverability is minimal. The credit quality of cash and cash equivalents and receivables are neither past due nor impaired can be assessed by reference to external credit ratings:

	30 June 2023 $	30 June 2022 $
Cash at bank and short-term bank deposits excluding restricted cash		
Minimum rating of A	123,417,716	79,995,129

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash to meet obligations when due. At the end of the reporting period the deposits at call and short-term deposits which mature within three months from acquisition of $123,417,716 (2022: $79,995,129) that are expected to readily generate cash inflows for managing liquidity risk.

Management monitors rolling forecasts of the Group's liquidity reserve cash and cash equivalents (Note 7) on the basis of expected cash flows. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these.

As outlined in Note 3, the Company's monitoring of its cash requirements extends to the consideration of potential capital raising strategies and an active involvement with its institutional and retail investor base.

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

(a) all non-derivative financial liabilities, and

(b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities **At 30 June 2023**	Less than 12 months $	Between 1 and 5 years $	> 5 years $	Total contractual cash flows $	Carrying Amount $
Non-Derivatives					
Trade and other payables	9,024,600	-	-	9,024,600	9,024,600
Convertible note liability (refer note16)	-	1,117,255	-	1,117,255	835,446
Lease liability	194,688	212,952	-	407,640	392,822
	9,219,288	**1,330,207**	**-**	**10,549,495**	**10,252,868**

At 30 June 2022	Less than 12 months $	Between 1 and 5 years $	> 5 years $	Total contractual cash flows $	Carrying Amount $
Non-Derivatives					
Trade and other payables	5,752,188	-	-	5,752,188	5,752,188
Convertible note liability (refer note16)	-	2,234,510	-	2,234,510	1,452,950
Lease liability	178,510	108,706	-	287,216	280,869
	5,930,698	**2,343,216**	**-**	**8,273,914**	**7,486,007**

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Fair value measurements

The following table presents the Group's financial assets and financial liabilities measured and recognised at fair value at 30 June 2023 and 30 June 2022 on a recurring basis:

At 30 June 2023	Level 1 $	Level 2 $	Level 3 $	Total $
Liabilities				
Convertible note liability	-	-	835,446	835,446
Warrant liability	-	-	-	-
Total liabilities	**-**	**-**	**835,446**	**835,446**

At 30 June 2022	Level 1 $	Level 2 $	Level 3 $	Total $
Liabilities				
Convertible note liability	-	-	1,452,950	1,452,950
Warrant liability	-	131,896	-	131,896
Total liabilities	**-**	**131,896**	**1,452,950**	**1,584,846**

(i) Valuation techniques used to determine fair values

Level 1: The fair value of financial instruments trade in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted (unadjusted) market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

(ii) Fair value measurements using value techniques

- There are no financial instruments as at 30 June 2023 under Level 1.
- Level 2 financial instruments consist of warrant liabilities. Refer to Note 15 for details of fair value measurement.
- Level 3 financial instruments consist of convertible notes. Refer to Note 16 for details of fair value measurement.

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Fair value measurements (continued)
(iii) Valuation inputs and relationships to fair value

For US warrant valuation inputs under Level 2, please refer to Note 15.

The following table summarises the quantitative information about the significant inputs used in level 3 fair value measurements:

Description	Fair value at 30 June 2023 $	Unobservable inputs	Range of inputs
Convertible note	835,446	Face value	859,427
		Interest rate of note	3%
		Risk adjusted interest rate	15%

(iv) Valuation process

The convertible note has continued to be valued using a discounted cashflow model.

3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Grant income
Grant income is based on judgements of management when determining the amount of grant income to recognise based on an assessment of qualifying expenditure and relevant rules and regulations in each tax jurisdiction.

(b) Development expenditure
The consolidated entity has expensed all internal development expenditure incurred during the year as the costs relate to the initial expenditure for development of biopharmaceutical products and the generation of future economic benefits is not considered probable given the current stage of development. It was considered appropriate to expense the development costs as they did not meet the criteria to be capitalised under *AASB 138 Intangible Assets*.

(c) Liquidity
The Group has experienced significant recurring operating losses and negative cash flows from operating activities since its inception. As at 30 June 2023, the Group holds cash and cash equivalents of $123,417,716 (2022: $79,995,129).

In line with the Company's financial risk management, the directors have carefully assessed the financial and operating implications of the above matters, including the expected cash outflows of ongoing research and development activities of the Group over the next 12 months. Based on this consideration, the directors are of the view that the Group will be able to pay its debts as and when they fall due for at least 12 months following the date of these financial statements and that it is appropriate for the financial statements to be prepared on a going concern basis.

Monitoring and addressing the ongoing cash requirements of the Group is a key focus of the directors. This involves consideration of future funding initiatives such as potential business development opportunities, for example an out-licensing transaction, capital raising initiatives, and the control of variable spending on research and development activities of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

(d) Assessment on the carrying value of intellectual property

Costs incurred in acquiring intellectual property are capitalised and amortised on a straight-line basis over a period not exceeding the life of the patents. Where a patent has not been formally granted, the company estimates the life of the granted patent in accordance with the provisional application. Costs include only those costs directly attributable to the acquisition of the intellectual property.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Intellectual property represents the largest asset of the Group as at 30 June 2023 and the most significant asset given the current research and development phase of operations. Accordingly, as commercial production has not yet commenced there is some judgment required in assessing the continued viability on the use of the intellectual property. Refer to note 1(g).

(e) Investment in subsidiaries

Investments in subsidiaries held by Immutep Limited are accounted for at cost in the separate financial statements of the parent entity.

Given the current phase of operations, management has recognised these assets to the extent of the value of tangible assets and liabilities consisting of the following adjusting for any impairment loss:

- Cash held with bank
- Intellectual property
- Accounts receivables and payables with external parties

(f) Fair value estimates of convertible note and warrant liability

Fair value estimation of convertible note and warrant liability is included in the notes 1(l) and (m) and notes 15 and 16 of the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4. SEGMENT REPORTING

Identification of reportable operating segments
Operating segments are reported in a manner consistent with internal reports which are reviewed and used by Management and the Board of Directors, who is identified as the Chief Operating Decision Maker ('CODM'). The Group operates in one operating segment being Immunotherapy.

Operating segment information

30 June 2023	Immunotherapy $	Unallocated $	Consolidated $
Revenue			
License revenue	-	-	-
Other Income			
Research material sales	191,721	-	191,721
Grant income	3,314,001	-	3,314,001
Net gain on fair value movement of warrants		131,896	131,896
Net gain on foreign exchange		623,511	623,511
Interest income		938,999	938,999
Total revenue and other income	**3,505,722**	**1,694,406**	**5,200,128**
Result			
Segment result	(41,431,305)	1,534,957	(39,896,348)
Profit/(loss) before income tax expense	**(41,431,305)**	**1,534,957**	**(39,896,348)**
Income tax expense	-	-	-
Loss after income tax expense			**(39,896,348)**
Total segment assets	**147,448,990**	**-**	**147,448,990**
Total segment liabilities	**10,979,601**	**-**	**10,979,601**

30 June 2022	Immunotherapy $	Unallocated $	Consolidated $
Revenue			
License revenue	170,369	-	170,369
Other Income			
Research material sales	84,018	-	84,018
Grant income	4,459,974	-	4,459,974
Net gain on fair value movement of warrants	-	591,070	591,070
Net gain on foreign exchange	-	1,228,122	1,228,122
Interest income	-	224,520	224,520
Total revenue and other income	**4,714,361**	**2,043,712**	**6,758,073**
Result			
Segment result	(33,929,768)	1,718,976	(32,210,792)
Profit/(loss) before income tax expense	**(33,929,768)**	**1,718,976**	**(32,210,792)**
Income tax expense			(34)
Loss after income tax expense			**(32,210,826)**
Total segment assets	**102,169,550**	**-**	**102,169,550**
Total segment liabilities	**8,092,184**	**-**	**8,092,184**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5. EXPENSES

	Consolidated	
	30 June 2023 **$**	**30 June 2022** **$**
Breakdown of expenses by nature		
Research and development*	28,793,385	25,337,538
Employee benefits expenses	6,527,725	4,966,304
Amortisation of Intellectual property	1,821,865	1,814,199
Employee share-based payment expenses	2,001,572	1,486,841
Intellectual property management	974,025	814,133
Auditor's remuneration	866,712	561,485
Depreciation	239,954	249,276
Other administrative expenses	3,711,789	3,321,923
Total Research & Development and Corporate & administrative expenses	**44,937,027**	**38,551,699**

* Research and development expense consists of expenditure incurred with third party vendors mainly related to contract research and contract manufacturing activities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6. INCOME TAX

(a) Income Tax Expense	Consolidated 30 June 2023 $	Consolidated 30 June 2022 $
Current tax		
Current tax on results for the year	-	34
Total current tax expense	**-**	**34**
Deferred income tax		
Decrease in deferred tax assets	(2,326,468)	244,144
Decrease in deferred tax liabilities	2,326,468	(244,144)
Total deferred tax benefit	**-**	**-**
Income tax expense	**-**	**34**

	Consolidated 30 June 2023 $	Consolidated 30 June 2022 $
(b) Numerical reconciliation of income tax expense to prima facie tax expense		
Loss before income tax expense	(39,896,348)	(32,210,792)
Tax at the Australian tax rate of 25% (2022: 25%)	(9,974,087)	(8,052,698)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible share-based payments	500,393	371,710
Other non-deductible expenses	332,523	1,485,059
Non-assessable income	(828,500)	(783,318)
Deductible capital listing fee	(507,561)	(368,398)
Adjustment of current tax for prior period	-	148,303
Difference in overseas tax rates*	5,442,226	4,118,372
	(5,035,006)	(3,080,970)
Net adjustment to deferred tax assets and liabilities for tax losses and temporary differences not recognised	5,035,006	3,080,936
Income tax expense**	**-**	**(34)**

*Difference in overseas tax rate is largely as a result of the corporate income tax rate of 10% applicable to the Immutep subsidiary in France for the financial year 2023 and 2022.
**Income tax expense relates to tax payable for the Immutep subsidiary in the United States.

(c) Tax Losses	Consolidated 30 June 2023 $	Consolidated 30 June 2022 $
Deferred tax assets for unused tax losses not recognised comprises:		
Unused tax losses for which no deferred tax asset has been recognised	221,070,595	206,764,587
Potential tax benefit	**42,042,046**	**43,688,958**

The above potential tax benefit for tax losses has not been recognised in the consolidated balance sheet as the recovery of this benefit is not probable. There is no expiration date for the tax losses carried forward. The estimated amount of cumulative tax losses at 30 June 2023 was $221,070,595 (2022: $206,764,587). Utilisation of these tax losses is dependent on the parent entity and its subsidiaries satisfying certain tests at the time the losses are recouped and in generating future taxable profits against which to utilise the losses.

7. CURRENT ASSETS – CASH AND CASH EQUIVALENTS

	Consolidated	
	30 June 2023 $	30 June 2022 $
Cash on hand	358	74
Cash at bank	119,829,155	79,693,054
Restricted cash	-	-
Cash on deposit	3,588,203	302,001
	123,417,716	**79,995,129**

The above cash and cash equivalent are held in AUD, USD, and Euro. The interest rates on these deposits which have been acquired three months of maturity, range from 0% to 4.70 % in 2023 (0% to 1.15% in 2022)

8. CURRENT RECEIVABLES

	Consolidated	
	30 June 2023 $	30 June 2022 $
GST and VAT receivables	1,781,734	2,088,394
Receivable for grant income	6,039,650	6,267,855
Accounts receivables	130,677	17,358
	7,952,061	**8,373,607**

Due to the short-term nature of these receivables, the carrying value is assumed to be their fair value at 30 June 2023. No receivables were impaired or past due.

9. OTHER CURRENT ASSETS

	Consolidated	
	30 June 2023 $	30 June 2022 $
Prepayments	3,521,300	2,377,901
Security deposit	53,194	65,060
Accrued income	21,073	43
	3,595,567	**2,443,004**

10. OTHER NON-CURRENT ASSETS

	Consolidated	
	30 June 2023 $	30 June 2022 $
Prepayments	2,524,911	495,660
	2,524,911	**495,660**

Prepayments are largely in relation to prepaid insurance and deposits paid to organisations involved in the clinical trials.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11. NON-CURRENT ASSETS – PLANT AND EQUIPMENT

	Plant and Equipment $	Computers $	Furniture and fittings $	Total $
At 30 June 2021				
Cost or fair value	549,961	98,985	21,552	670,498
Accumulated depreciation	(534,040)	(76,825)	(18,742)	(629,607)
Net book amount	**15,921**	**22,160**	**2,810**	**40,891**
Year ended 30 June 2022				
Opening net book amount	**15,921**	**22,160**	**2,810**	**40,891**
Exchange differences	(504)	(458)	(54)	(1,016)
Additions	2,343	14,671	5,900	22,914
Disposals	-	-	-	-
Depreciation charge	(7,703)	(14,112)	(3,041)	(24,856)
Closing net book amount	**10,057**	**22,261**	**5,615**	**37,933**
At 30 June 2022				
Cost or fair value	535,749	108,827	26,350	670,926
Accumulated depreciation	(525,692)	(86,566)	(20,735)	(632,993)
Net book amount	**10,057**	**22,261**	**5,615**	**37,933**
Year ended 30 June 2023				
Opening net book amount	**10,057**	**22,261**	**5,615**	**37,933**
Exchange differences	631	169	452	1,252
Additions	60,305	18,140	4,290	82,735
Disposals	-	(1,427)	-	(1,427)
Depreciation charge	(19,222)	(14,750)	(3,377)	(37,349)
Closing net book amount	**51,771**	**24,393**	**6,980**	**83,144**
At 30 June 2023				
Cost or fair value	506,059	182,397	39,394	727,850
Accumulated depreciation	(454,288)	(158,004)	(32,414)	(644,706)
Net book amount	**51,771**	**24,393**	**6,980**	**83,144**

12. NON-CURRENT ASSETS – INTANGIBLES

	Intellectual Property $	Goodwill $	Total $
Year ended 30 June 2022			
Opening net book amount	12,737,286	**109,962**	12,847,248
Exchange differences	(478,979)	-	(478,979)
Amortisation charge	(1,814,199)	-	(1,814,199)
Closing net book amount	**10,444,108**	**109,962**	**10,554,070**
At 30 June 2022			
Cost or fair value	23,864,364	109,962	23,974,326
Accumulated amortisation	(13,420,256)	-	(13,420,256)
Net book amount	**10,444,108**	**109,962**	**10,554,070**
Year ended 30 June 2023			
Opening net book amount	10,444,108	**109,962**	10,554,070
Exchange differences	758,017	-	758,017
Amortisation charge	(1,821,865)	-	(1,821,865)
Closing net book amount	**9,380,260**	**109,962**	**9,490,222**
At 30 June 2023			
Cost or fair value	25,816,589	109,962	25,926,551
Accumulated amortisation	(16,436,329)	-	(16,436,329)
Net book amount	**9,380,260**	**109,962**	**9,490,222**

Amortisation methods and useful lives

The Group amortises intangible assets with a limited useful life using the straight-line method.

The Group amortises intellectual property assets using the straight-line method over a 13-14 year period. The Group's intellectual property assets includes patents related to its LAG-3 product candidates.

13. DEFERRED TAX BALANCES

(i) Deferred tax assets

The balance comprises temporary differences attributable to:

	Consolidated	
	30 June 2023 $	30 June 2022 $
Employee benefits	97,869	71,205
Accruals	269,178	202,824
Unrealised exchange (gain)/loss	-	342,222
Unused tax loss	3,003,843	428,171
Set-off of deferred tax liabilities pursuant to set-off provisions	(3,370,890)	(1,044,422)
Net Deferred tax assets	**-**	**-**

(ii) Deferred tax liabilities

The amount of deferred tax liability represents the temporary difference that arose on the recognition of Intangibles recorded in the subsidiary Company in France. This has been set-off against deferred taxes in the subsidiary Company, accordingly, hence reducing the unrecognised tax losses for both the France subsidiary and the consolidated Group. The balance comprises temporary differences attributable to:

	Consolidated	
	30 June 2023 $	30 June 2022 $
Intangible assets	938,026	1,044,411
Unrealised exchange gain	2,432,357	-
Accrued income	507	11
Total deferred tax liabilities	3,370,890	1,044,422
Set-off of deferred tax liabilities pursuant to set-off provisions	(3,370,890)	(1,044,422)
Net deferred tax liabilities	**-**	**-**

(iii) Movements in deferred tax balances

Movements	Deferred Tax Asset $	Deferred Tax Liability $	Total $
At 30 June 2022	**1,044,422**	**(1,044,422)**	**-**
(Charged)/credited to profit or loss	2,326,468	(2,326,468)	-
At 30 June 2023	**3,370,890**	**(3,370,890)**	**-**

14. CURRENT LIABILITIES – TRADE AND OTHER PAYABLES

	Consolidated	
	30 June 2023 $	30 June 2022 $
Trade payables	5,448,213	2,866,144
Other payables and accruals	3,576,387	2,886,044
	9,024,600	**5,752,188**

15. US WARRANT LIABILITY

	30 June 2023 $	30 June 2022 $
Opening balance	131,896	722,966
Fair value movements	(131,896)	(591,070)
Exercising of warrants*	-	-
Closing balance**	**-**	**131,896**

In July 2017, the Group completed its first US capital raise after it entered into a securities purchase agreement with certain accredited investors for the Group to issue American Depositary Shares (ADSs) and Warrants of Immutep for cash consideration totaling A$6,561,765. In this private placement, the Company agreed to issue unregistered warrants to purchase up to 1,973,451 of its ADSs. The warrants were issued with an exercise price of US$2.50 per ADS, were exercisable immediately and expired on 5 January 2023. The warrants do not confer any rights to dividends or a right to participate in a new issue without exercising the warrant. During the financial year 2022, 1,347,211 of these warrants were exercised at US$2.49 each and 206,507 of these warrants remained as at 30 June 2022. During the financial year 2023 no warrants were exercised, and 206,507 warrants expired on 5 January 2023.

In December 2018, the Group completed its second US capital raise after it entered into a securities purchase agreement with certain accredited investors to purchase American Depositary Shares (ADSs) and Warrants of Immutep for cash consideration totaling A$7,328,509. In this private placement, the Group agreed to issue unregistered warrants to purchase up to 2,080,000 of its ADSs. The warrants were issued with an exercise price of US$2.50 per ADS. The Warrants were able to be exercised in whole or in part at any time or times up until the Warrant Expiry Date of 12 February 2022. The warrants did not confer any rights to dividends or a right to participate in a new issue without exercising the warrant. In December 2020, 2,080,000 of these warrants were exercised at US$2.49 each, hence none of these warrants remain as at 30 June 2023.

Both US warrant issues represent a written option to exchange a fixed number of the Group's own equity instruments for a fixed amount of cash that is denominated in a foreign currency (US dollars) and is thus classified as a derivative financial liability in accordance with AASB 132. The US warrants liability is initially recorded at fair value at issue date and subsequently measured at fair value through profit and loss at each reporting date. Capital raising costs have been allocated proportionately between issued capital and the US warrant issues in accordance with their relative fair values.

The 10 for 1 share consolidation in November 2019 did not change the number of US warrants nor the exercise price of those warrants as the American Depository Receipt (ADR) ratio was also changed from 1 ADS representing 100 shares to 1 ADS representing 10 shares. The effective date of the change was 5 November 2019.

15. US WARRANT LIABILITY (CONTINUED)

However, under the anti-dilution clause of share purchase agreements, the exercise price was adjusted due to the entitlement offer the Group conducted in August 2019. As a result, the exercise price for the remaining warrants is now US$2.49.

Fair value of warrants

As of June 30, 2023, the fair value of the US warrant is nil, given that there are no remaining outstanding US warrants subsequent to the expiration of 206,507 warrants on January 5, 2023.

16. NON-CURRENT LIABILITIES – CONVERTIBLE NOTE

	Consolidated	
	30 June 2023	**30 June 2022**
	$	**$**
Convertible note at fair value at beginning of reporting period	**1,452,950**	**2,526,870**
Net change in fair value	139,048	324,736
Transfer to contributed equity on conversion of Convertible Notes	(461,805)	(893,379)
Transfer to accumulated losses on conversion of Convertible Notes	(294,747)	(505,277)
Convertible note at fair value at end of reporting period	**835,446**	**1,452,950**

On 11 May 2015, the Company entered into a subscription agreement with Ridgeback Capital Investments (Ridgeback) to invest in Convertible Notes and Warrants of the Company for cash consideration totaling $13,750,828, which was subject to shareholder approval at an Extraordinary General Meeting. Shareholder approval was received on 31 July 2015.

During FY2021, 75% of the Convertible Notes were converted to ordinary shares. These occurred in three tranches of 25% each between March 2021 and June 2021. During FY2022, a further 12.5% of the original Convertible Notes were converted to ordinary shares in March 2022. At the reporting date, 6.25% of the original Convertible Note balance remains outstanding. The outstanding notional amount of the Convertible Notes (including the accrual of 3% p.a. interest) as at 30 June 2023 was $1,063,358, which can be converted into 6,646,432 ordinary shares at conversion price of $0.16 per share if Ridgeback elects to convert the Convertible Notes into ordinary shares. All converted Notes have been converted to ordinary shares at $nil consideration per the original subscription agreement.

16. NON-CURRENT LIABILITIES - CONVERTIBLE NOTE (CONTINUED)

The 13,750,828 Convertible Notes issued in 2015 had a face value of $1.00 per note and are currently convertible at a price of approximately $0.16 per share (adjusted for post share consolidation and anti-dilution clause), mature on 4 August 2025 and accrue interest at a rate of 3% per annum which may also be converted into shares. Conversions may occur during the period (i) at least 3 months after the Issue Date and (ii) at least 15 business days prior to the maturity date into ordinary shares of the Company (subject to customary adjustments for rights or bonus issues, off market buybacks, issues at less than current market price, share purchase plan, dividend reinvestment plan at a discount, return of capital or dividend or other adjustment). If a change of control event, delisting event or event of default has occurred, Ridgeback may elect to convert the notes into shares or repayment of principal and interest. The Convertible Notes rank at least equal with all present and future unsubordinated and unsecured debt obligations of the Company and contain customary negative pledges regarding financial indebtedness, dividend payments, related party transaction and others.

Details of the warrants granted together with the convertible note at initial recognition date are as follows:

- 8,475,995 warrants were granted which are exercisable at a price of A$0.025 per share on or before 4 August 2025
- 371,445,231 warrants were granted which are exercisable at a price of A$0.0237 per share on or before 4 August 2020

All warrants may be settled on a gross or net basis and the number of warrants or exercise price may be adjusted for a pro rata issue of shares, a bonus issue or capital re-organisation. The Warrants do not confer any rights to dividends or a right to participate in a new issue without exercising the warrant.

As a result of the 10 to 1 share consolidation in November 2019, the above cited warrants have been restated in accordance with the subscription agreement. The exercise prices have been adjusted for the capital raising during the financial year under the anti-dilution clause of share purchase agreements.

The warrant expiry dates remain unchanged. The restated terms are as follows:

- 847,600 warrants with an exercise price of A$0.248 per share
- 37,144,524 warrants with an exercise price of A$0.235 per share

37,144,524 warrants with an exercise price of A$0.235 per share lapsed unexercised on 4 August 2020. None of the other warrants specified above have been exercised since initial recognition up to 30 June 2023.

Fair value of convertible notes

The following assumptions were used to determine the initial fair value of the debt component of the convertible note which were based on market conditions that existed at the grant date:

Assumption	Convertible notes	Rationale
Historic volatility	85.0%	Based on the Company's historical volatility data
Share price	$0.051	Closing market share price on 31 July 2015
Risk free interest rate	2.734%	Based on Australian Government securities yields which match the term of the convertible note
Risk adjusted interest rate	15.0%	An estimate of the expected interest rate of a similar non-convertible note issued by the company
Dividend yield	0.0%	Based on the Company's nil dividend history

The fair value of the convertible note was allocated between a financial liability for the traditional note component of the convertible note and into equity which represents the conversion feature. The traditional note component of the convertible note was initially recorded at fair value of $4.4m, based on the present value of the contractual cash flows of the note discounted at 15%.

16. NON-CURRENT LIABILITIES - CONVERTIBLE NOTE (CONTINUED)

The remaining value of the convertible note was allocated to the conversion feature and recognised as equity.

After initial recognition, there were five subsequent conversions of convertible notes in total as follows and of which one conversion happened during the year ended 30 June 2023:

Conversion of 3,437,707 convertible notes on 18 March 2021 (25%)

Conversion of 3,437,707 convertible notes on 14 May 2021 (25%)

Conversion of 3,437,707 convertible notes on 7 June 2021 (25%)

Conversion of 1,718,853 convertible notes on 14 March 2022 (12.5%)

Conversion of 859,427 convertible notes on 14 October 2022 (6.25%)

859,427 convertible notes (i.e., 6.25% of the initial convertible notes) remain outstanding as at 30 June 2023, each with a face value of A$1.00. The liability component of the convertible note has been measured at fair value as required by AASB 2 – Share-based Payments.

	Note – Liability $	Conversion feature – Equity $
Fair value at issuance	4,419,531	41,431,774
Fair value movements	6,005,325	-
Conversion to ordinary shares	(9,589,410)	(38,842,288)
Balance at 30 June 2023	**835,446**	**2,589,486**

17. CURRENT LIABILITIES – EMPLOYEE BENEFITS

	Consolidated	
	30 June 2023 $	30 June 2022 $
Annual leave	**562,301**	**357,029**

The current provision for employee benefits is in relation to accrued annual leave and covers all unconditional entitlements where employees have completed the required period of service. The entire amount of the provision is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations.

18. NON-CURRENT LIABILITIES – EMPLOYEE BENEFITS

	Consolidated	
	30 June 2023 $	30 June 2022 $
Long service leave	147,738	108,140
Provision for retirement payment	16,694	9,112
	164,432	**117,252**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

19. LEASES

The consolidated balance sheet shows the following amount relating to leases:

Right-of-use Assets	**Consolidated 30 June 2023 $**	**Consolidated 30 June 2022 $**
Buildings	385,369	270,147
	385,369	**270,147**

Lease Liabilities	**Consolidated 30 June 2023 $**	**Consolidated 30 June 2022 $**
Current	185,205	173,377
Non-current	207,617	107,492
Balance at 30 June 2023	**392,822**	**280,869**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

19. LEASES (CONTINUED)

The recognised ROU assets are comprised solely of property leases in Germany and France. Movements during the financial year ended 30 June 2023 and 30 June 2022 are as follows:

ROU asset	A$
Closing balance of ROU asset as at 1 July 2021	268,813
Lease addition and modification for the financial year ended 30 June 2022	306,667
Lease disposals for the financial year ended 30 June 2022	(74,782)
Depreciation for the financial year ended 30 June 2022	(224,406)
Foreign exchange differences	(6,145)
Closing balance of ROU asset as at 30 June 2022	**270,147**
Closing balance of ROU asset as at 1 July 2022	270,147
Lease addition and modification for the financial year ended 30 June 2023	311,986
Lease disposals for the financial year ended 30 June 2023	-
Depreciation for the financial year ended 30 June 2023	(202,605)
Foreign exchange differences	5,841
Closing balance of ROU asset as at 30 June 2023	**385,369**

For the year ended 30 June 2023 and 30 June 2022, movement of lease liabilities and aging presentation are as follows:

Lease Liabilities Reconciliation	Consolidated 30 June 2023 $	Consolidated 30 June 2022 $
Opening Balance	**280,869**	**288,307**
Lease additions and modifications	311,986	292,126
Interest charged for the year	8,678	10,462
Disposals	-	(76,123)
Principal paid for the year	(211,974)	(222,536)
Interest expense paid for the year	(8,818)	(9,712)
Foreign exchange adjustments	12,081	(1,655)
Closing Balance	**392,822**	**280,869**

Maturities of Lease Liabilities

The table below shows the Group's lease liabilities in relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cashflows.

Lease Liabilities	Less than 1 year $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Total contractual cashflows	Carrying amount $
2023	194,688	212,952	-	-	407,640	392,822
2022	178,510	108,706	-	-	287,216	280,869

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20. EQUITY – CONTRIBUTED

		Consolidated 30 June 2023 $	 30 June 2022 $
Fully paid ordinary shares	20(a)	436,610,249	357,745,803
Options over ordinary shares – listed		9,661,954	9,661,954
		446,272,203	**367,407,757**

In November 2019, the shareholders approved a 10 to 1 share consolidation during the FY 2019 Annual General Meeting. Refer to notes 15 and 16 for impact of the 10 to 1 share consolidation to US warrants and convertible notes, respectively.

(a) Ordinary shares

	Note	30 June 2023 No.	 $	30 June 2022 No.	 $
At the beginning of reporting period		866,239,815	357,745,803	748,152,935	303,760,351
Shares issued during the year	20(b)	308,010,583	80,082,752	102,769,866	53,440,330
Transaction costs relating to share issues		-	(4,145,006)	-	(2,386,919)
Exercise of performance rights - (shares issued during the year)	20(b)	6,908,380	1,881,688	3,200,000	872,250
Conversion of Convertible Notes (shares issued during the period)	20(b)	6,147,431	1,045,012	12,117,014	2,059,791
At reporting date		**1,187,306,209**	**436,610,249**	**866,239,815**	**357,745,803**

(b) Shares issued

2023 Details	Number	Issue Price $	Total $
Shares issued under Retail Entitlement Offer	47,145,743	0.26	12,257,894
Shares issued under Institutional placement	260,864,840	0.26	67,824,858
Performance rights exercised (transfer from share-based payment reserve)	6,908,380	0.27	1,881,688
Convertible Notes exercised	6,147,431	0.17	1,045,012
	321,066,394		**83,009,452**

2022 Details	Number	Issue Price $	Total $
Shares issued under Securities Purchase Plan	13,799,149	0.52	7,175,557
Share placement July 2021	88,970,717	0.52	46,264,773
Performance rights exercised (transfer from share-based payment reserve)	3,200,000	0.27	872,250
Convertible Notes exercised	12,117,014	0.17	2,059,791
	118,086,880		**56,372,371**

20. EQUITY – CONTRIBUTED (CONTINUED)

(b) Shares issued (continued)

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held.

The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Options
Information relating to the Company's Global Employee Share Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 32.

Unlisted options

Expiration Date	Exercise Price	Number
4 August 2025	$0.248	847,600
		847,600

Share buy-back
There is no current on-market share buy-back.

Capital risk management
The consolidated entity's objectives when managing capital are to safeguard its ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current parent entity's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

21. EQUITY – RESERVES AND RETAINED EARNINGS

	Consolidated 30 June 2023 $	30 June 2022 $
(a) Reserves		
Options issued reserve	19,116,205	19,116,205
Conversion feature of convertible note reserve	2,589,486	5,178,972
Foreign currency translation reserve	3,844,507	252,005
Share-based payments reserve	4,577,520	4,457,636
	30,127,718	**29,004,818**
Movements in options issued reserve were as follows:		
Opening balance and closing balance	**19,116,205**	**19,116,205**
Movements in conversion feature of convertible note reserve		
Opening balance	5,178,972	10,357,944
Transfer to accumulated losses on conversion of Convertible Notes	(2,006,280)	(4,012,560)
Transfer to contributed equity on conversion of Convertible Notes	(583,206)	(1,166,412)
Ending balance	**2,589,486**	**5,178,972**
Movements in foreign currency translation reserve were as follows:		
Opening balance	252,005	1,174,332
Currency translation differences arising during the year	3,592,502	(922,327)
Ending balance	**3,844,507**	**252,005**
Movements in share-based payments reserve were as follows:		
Opening balance	4,457,636	3,843,045
Options and performance rights expensed during the year	2,001,572	1,486,841
Exercise of vested performance rights transferred to contributed equity	(1,881,688)	(872,250)
Ending balance	**4,577,520**	**4,457,636**

	Consolidated 30 June 2023 $	30 June 2022 $
(b) Accumulated losses		
Movements in accumulated losses were as follows:		
Opening balance	(302,335,209)	(274,642,220)
Net loss for the year	(39,896,348)	(32,210,826)
Conversion of Convertible Notes*	2,301,025	4,517,837
Exercise of warrants	-	-
Ending balance	**(339,930,532)**	**(302,335,209)**

*The conversion of convertible notes to accumulated losses amounted to $2,301,025 (FY2022: $4,517,837). This amount is comprised of: $2,006,280 (FY2022: $4,012,560) related to the fair value feature of the converted convertible notes and $294,745 (FY2022: $505,277) related to the unwinding of the discount (fair value adjustment).

21. EQUITY – RESERVES AND RETAINED EARNINGS (CONTINUED)

(i) Conversion feature of convertible note reserve

This amount relates to the conversion feature of the convertible note issued to Ridgeback Capital Investments which has been measured at fair value at the time of issue as required by AASB 2.

(ii) Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entities are recognised in other comprehensive income as described in note 1(d) and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

(iii) Share-based payments reserve

The share-based payments reserve is used to recognise the grant date fair value of options and performance rights issued to employees and other parties but not exercised. For a reconciliation of movements in the share-based payment reserves refer to note 32.

22. EQUITY - DIVIDENDS

There were no dividends paid or declared during the current or previous financial year.

23. KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Directors and key management personnel compensation

	Consolidated	
	30 June 2023 $	30 June 2022 $
Short-term employee benefits	1,471,671	1,341,126
Long-term employee benefits	11,967	13,091
Post-employment benefits	54,548	47,611
Share-based payments	1,380,074	1,110,757
	2,918,260	**2,512,585**

Further remuneration disclosures are set out in the audited Remuneration Report within the Directors' Report on pages 19 to 29.

(b) Equity instrument disclosures relating to key management personnel

(i) Options provided as remuneration and shares issued on exercise of such options

There were no options provided as remuneration during the financial year ended 30 June 2023 and 30 June 2022.

23. KEY MANAGEMENT PERSONNEL DISCLOSURES (CONTINUED)

(b) Equity instrument disclosures relating to key management personnel (continued)

(ii) Shareholding

The numbers of shares in the Company held during the financial year by each director of the Company and other key management personnel of the Group, including their personally related parties, are set out below. There were no shares granted during the reporting period as compensation.

2023	Balance at start of the year Number	Received during the year on exercise of performance rights Number	Received during the year on the exercise of options Number	Other changes during the year# Number	Balance at end of the year Number
Ordinary shares					
Dr Russell Howard	1,000,000	113,207	-	-	1,113,207
Mr Pete Meyers	2,274,395	500,000	-	-	2,774,395
Mr Marc Voigt	8,847,445	2,400,000	-	-	11,247,445
Dr Frédéric Triebel	7,753,764	900,000	-	-	8,653,764
Ms Lucy Turnbull	3,284,126	92,966	-	(3,377,092)*	-
Ms Lis Boyce	-	-	-	-	-
Ms Deanne Miller	2,767,305	600,000	-	(100,000)	3,267,305
Total ordinary shares	**25,927,035**	**4,606,173**	**-**	**(3,477,092)**	**27,056,116**

Other changes during the year includes on market acquisitions and/or disposals
* This change during the year represents derecognition due to the resignation of the director

(iii) Option holdings

There were no options holdings held and no movements during the financial year ended 30 June 2023.

(iv) Performance rights holdings

The number of performance rights over ordinary shares in the parent entity held during the financial year by each director of the parent entity and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

2023	Balance at start of the year Number	Granted Number	Exercised Number	Other Changes Number	Balance at end of the year Number	Vested and exercisable Number	Unvested Number
Performance rights over ordinary shares							
Dr Russell Howard	339,621	-	(113,207)	-	226,414	-	226,414
Mr Pete Meyers	1,000,000	1,166,667	(500,000)	-	1,666,667	-	1,666,667
Mr Marc Voigt	6,000,000	-	(2,400,000)	-	3,600,000	-	3,600,000
Dr Frédéric Triebel	3,600,000	-	(900,000)	-	2,700,000	-	2,700,000
Ms Lucy Turnbull	-	457,832	(92,966)	(364,866)*	-	-	-
Ms Lis Boyce	-	-	-	-	-	-	-
Ms Deanne Miller	2,400,000	-	(600,000)	-	1,800,000	-	1,800,000
	13,339,621	**1,624,499**	**(4,606,173)**	**(364,866)**	**9,993,081**	**-**	**9,993,081**

*The change during the year represents derecognition due to the resignation of the director.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24. REMUNERATION OF AUDITORS

During the year, the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms.

	Consolidated	
	30 June 2023 $	30 June 2022 $
PricewaterhouseCoopers Australia		
Audit or review of the financial report	789,291	561,485
Other audit and assurance services in relation to regulatory filings overseas	77,421	-
Total remuneration of PricewaterhouseCoopers Australia	**866,712**	**561,485**

25. CONTINGENT LIABILITIES

There were no material contingent liabilities in existence at 30 June 2023 and 30 June 2022.

26. COMMITMENTS FOR EXPENDITURE

There were no material commitments for expenditure in existence at 30 June 2023 and 30 June 2022.

27. RELATED PARTY TRANSACTIONS

Parent entity
Immutep Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 28.

Key management personnel
Disclosures relating to key management personnel are included in the notes 23 and 32.

Transactions with related parties
There is no transaction occurred with related parties for financial year ended 30 June 2023 and financial year ended 30 June 2022.

Receivable from and payable to related parties
There were no trade receivables from or trade payables due to related parties at the reporting date.

Loans to/from related parties
There were no loans to or from related parties at the reporting date.

28. SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities, and results of the following subsidiaries in accordance with the accounting policy described in note 1:

	Country of incorporation	Class of Shares	Equity holding 30 June 2023 %	Equity holding 30 June 2022 %
Immutep USA Inc	USA	Ordinary	100	100
PRR Middle East FZ LLC	UAE	Ordinary	100	100
Immutep GmbH	Germany	Ordinary	100	100
Immutep Australia Pty Ltd	Australia	Ordinary	100	100
Immutep IP Pty Ltd	Australia	Ordinary	100	100
Immutep S.A.S.	France	Ordinary	100	100

29. EVENTS OCCURRING AFTER THE REPORTING DATE

No matter or circumstance has arisen since 30 June 2023, that has significantly affected the Group's operations, results, or state of affairs, or may do so in future years.

30. RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH USED IN OPERATING ACTIVITIES

	Consolidated 30 June 2023 $	Consolidated 30 June 2022 $
Loss after income tax expense for the year	(39,896,348)	(32,210,826)
Adjustments for:		
Depreciation and amortisation	2,061,819	2,063,462
Loss on disposal of plant and equipment	1,427	-
Share-based payments	2,001,572	1,486,841
Changes in fair value of US investor warrants	(131,896)	(591,070)
Net exchange difference	(296,038)	258,296
Net change in fair value of convertible note liability	139,048	324,736
Change in operating assets and liabilities:		
Decrease/(Increase) in current receivables	(1,607,705)	(2,249,376)
(Increase) in other operating assets	(1,152,563)	(782,505)
Increase in trade and other payables	3,272,412	1,435,459
Increase in employee benefits provision	252,452	35,231
Net cash used in operating activities	**(35,355,820)**	**(30,229,752)**

31. EARNINGS PER SHARE

	Consolidated	
	30 June 2023 $	30 June 2022 $
Loss after income tax attributable to the owners of Immutep Limited	(39,896,348)	(32,210,826)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share (EPS)	892,399,810	848,968,068
Weighted average number of ordinary shares used in calculating diluted earnings per share (EPS)	892,399,810	848,968,068
	Cents	Cents
Basic earnings per share	(4.47)	(3.79)
Diluted earnings per share	(4.47)	(3.79)

Information concerning other notes and options issued:

The following table summarises the convertible notes, performance rights, listed options and unlisted options that were not included in the calculation of weighted average number of ordinary shares because they are anti-dilutive for the periods presented.

	30 June 2023 Number	30 June 2022 Number
Unlisted options	847,600	847,600
Convertible notes	6,646,432	12,206,768
Non-executive director performance rights	1,937,065	1,339,621
Performance rights	12,130,033	16,769,906
US warrants*	-	2,065,070

*1 American Depository Shares (ADS) listed on NASDAQ equals 10 ordinary shares listed on ASX thus the number of warrants on issue has been grossed up.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
32. SHARE-BASED PAYMENTS

(a) Executive Incentive Plan (EIP)

Equity incentives are granted under the Executive Incentive Plan (EIP) which was approved by shareholders at the 2021 Annual General Meeting. In light of our increasing operations globally the Board reviewed the Company's incentive arrangements to ensure that it continued to retain and motivate key executives in a manner that is aligned with members' interests.

As a result of that review, an 'umbrella' EIP was adopted to which eligible executives are invited to apply for the grant of performance rights and/or options. Equity incentives granted in accordance with the EIP Rules are designed to provide meaningful remuneration opportunities and will reflect the importance of retaining a world-class management team. The Company endeavours to achieve simplicity and transparency in remuneration design, whilst also balancing competitive market practices in France, Germany, and Australia. The company grants Short Term Incentives (STIs) and Long-Term Incentives (LTIs) under the EIP. All the performance rights granted under the Executive Incentive Plan (EIP) exercisable into ordinary shares with nil exercise price. The weighted average remaining contractual life of performance rights outstanding at the end of the period was 3.50 years.

Set out below are summarises of all STI and LTI performance rights granted under the EIP excluding the performance rights issued to non-executive directors:

Financial year ended 30 June 2023

Grant date	Fair value	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Lapsed during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
3 October 2019	0.260	1,500,000	-	(1,500,000)	-	-	-
1 November 2019	0.280	2,400,000	-	(2,400,000)	-	-	-
2 January 2020	0.260	1,400,000	-	(1,400,000)	-	-	-
2 October 2020	0.235	263,502	-	(263,502)	-	-	-
1 October 2021	0.550	206,404	-	(188,705)	-	17,699	-
26 November 2021	0.490	3,600,000	-	-	-	3,600,000	-
26 November 2021	0.490	4,500,000	-	-	-	4,500,000	-
26 November 2021	0.490	2,900,000	-	-	-	2,900,000	-
16 December 2022	0.330	-	1,112,334	-	-	1,112,334	-
		16,769,906	**1,112,334**	**(5,752,207)**	**-**	**12,130,033**	

Financial year ended 30 June 2022

Grant date	Fair value	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Lapsed during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
3 October 2019	0.260	3,000,000	-	(1,500,000)	-	1,500,000	-
1 November 2019	0.280	2,400,000	-	-	-	2,400,000	1,200,000
2 January 2020	0.260	1,900,000	-	(500,000)	-	1,400,000	450,000
2 October 2020	0.235	263,502	-	-	-	263,502	263,502
1 October 2021	0.550	-	206,404	-	-	206,404	-
26 November 2021	0.490	-	3,600,000	-	-	3,600,000	-
26 November 2021	0.490	-	4,500,000	-	-	4,500,000	-
26 November 2021	0.490	-	2,900,000	-	-	2,900,000	-
		7,563,502	**11,206,404**	**(2,000,000)**	**-**	**16,769,906**	**1,913,502**

The weighted average share price on the exercising date during the financial year 2023 was $0.24.

The weighted average share price on the exercising date during the financial year 2022 was $0.535.

32. SHARE-BASED PAYMENTS (CONTINUED)

(a) Executive Incentive Plan (EIP) (continued)

The fair value at grant date for short term incentive (STI) and long-term incentives (LTI) performance rights are determined using a Black-Scholes option pricing model that takes into account the exercise price, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.
The model inputs for STI performance rights granted during the year ended 30 June 2023 included:

Grant date	**30 June 2023**
Share price at grant date	**0.275**
Expected price volatility of the Company's shares	**60%**
Expected dividend yield	**Nil**
Risk-free interest rate	**3.40%**

*Tranches 2(2,700,000 performance rights due to vest on 1 October 2024) and tranche 3 of performance rights (2,700,000 performance rights due to vest on 1 October 2025) granted during the year ended 30 June 2023 have not met the definition of grant date under AASB 2 - Share Based payments. Accordingly, the share-based expense recognised was using an estimate of the grant date fair value at 30 June 2023. The value will be re-assessed at each reporting date until grant date has been identified. For all tranches, the vesting conditions consist of service-based vesting conditions subject to certain defined corporate Key Performance Indicators (KPIs). The performance rights will expire, if not exercised, five years from the date of issue. There are no outstanding options under EIP at the beginning of the financial year 2023 and no option was granted during the year ended 30 June 2023.

The model inputs for STI performance rights granted during the year ended 30 June 2022 included:

Grant date	30 June 2022*	26 November 2021*
Share price at grant date	$0.290	$0.490
Expected price volatility of the Company's shares	75%	105%
Expected dividend yield	Nil	Nil
Risk-free interest rate	3.28%	1.39%

*Tranches 2(2,700,000 performance rights due to vest on 1 October 2024) and tranche 3 of performance rights (2,700,000 performance rights due to vest on 1 October 2025) granted during the year ended 30 June 2022 have not met the definition of grant date under AASB 2 - Share Based payments. Accordingly, the share-based expense recognised was using an estimate of the grant date fair value at 30 June 2022. For all tranches, the vesting conditions consist of service-based vesting conditions subject to certain defined corporate Key Performance Indicators (KPIs). The performance rights will expire, if not exercised, five years from the date of issue. There are no outstanding options under EIP at the beginning of the financial year 2022 and no option was granted during the year ended 30 June 2022.

Fair value of options granted
No options were granted during the year ended 30 June 2023 and 30 June 2022.

(b) Performance rights issued to non-executive directors with shareholders' approval
At the 2022 annual general meeting, shareholders approved the issue of 1,624,499 performance rights to Pete Meyers and Lucy Turnbull in lieu of cash for their services as non-executive directors. When exercisable, each performance right is convertible into one ordinary share. All the performance rights issued to non-executive directors are exercisable into ordinary shares with $nil exercising price. The weighted average remaining contractual life of performance rights outstanding at the end of the period was less than 3.52 years.

2023 Grant date	Type of performance right granted	Fair value*	Balance at start of the year Number*	Granted during the year Number	Exercised during the year Number	Changes during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
1 Nov 2019	Director rights	0.280	1,000,000	-	(500,000)	-	500,000	-
23 Nov 2022	Director rights	0.31	-	1,166,667	-	-	1,166,667	-
1 December 2021	Director rights	0.490	339,621	-	(113,207)	-	226,414	-
23 November 2022	Director rights	0.310	-	457,832	(92,966)	(364,866)*	-	-
Total			**1,339,621**	**1,624,499**	**(706,173)**	**(364,866)**	**1,893,081**	**-**

*The change during the year represents derecognition due to the resignation of the director.
The weighted average share price on the exercising date during the financial year 2023 was $0.28.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

32. SHARE-BASED PAYMENTS (CONTINUED)

(b) Performance rights issued to non-executive directors with shareholders' approval (continued)

2022 Grant date	Type of performance right granted	Fair value*	Balance at start of the year Number*	Granted during the year Number	Exercised during the year Number	Changes during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
16 Nov 2018	Director rights	0.390	250,000	-	(250,000)	-	-	-
1 Nov 2019	Director rights	0.280	1,500,000	-	(500,000)	-	1,000,000	-
27 Oct 2020	Director rights	0.255	1,350,000	-	(450,000)	(900,000)*	-	-
1 December 2021	Director rights	0.490	-	339,621	-	-	339,621	-
Total			**3,100,000**	**339,621**	**(1,200,000)**	**(900,000)**	**1,339,621**	**-**

*The change during the year represents derecognition due to the cessation of the director.

The weighted average share price on the exercising date during the financial year 2022 was $0.523.

Fair value of performance rights granted

The fair value at grant date for the performance rights issued to non-executive directors with shareholders' approval are determined using a Black-Scholes option pricing model that takes into account the exercise price, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The model inputs for STI performance rights granted during the year ended 30 June 2023 included:

Grant date	**30 June 2023***	**23 November 2022**
Share price at grant date	$0.315	$0.310
Expected price volatility of the Company's shares	75%	75%
Expected dividend yield	Nil	Nil
Risk-free interest rate	3.94%	3.40%

*Director performance rights granted during the year ended 30 June 2023 have not met the definition of grant date under AASB 2 - Share Based payments. Accordingly, the share-based expense recognised was using an estimate of the grant date fair value at 30 June 2023. The value will be re-assessed at the next reporting date as the grant date will be the 2023 AGM date.

The model inputs for STI performance rights granted during the year ended 30 June 2022 included:

Grant date	**30 June 2022***	**26 November 2021**
Share price at grant date	$0.290	$0.490
Expected price volatility of the Company's shares	75%	105%
Expected dividend yield	Nil	Nil
Risk-free interest rate	3.28%	1.39%

*Director performance rights granted during the year ended 30 June 2022 have not met the definition of grant date under AASB 2 - Share Based payments. Accordingly, the share-based expense recognised was using an estimate of the grant date fair value at 30 June 2022. The value will be re-assessed at each reporting date until grant date has been identified.

32. SHARE-BASED PAYMENTS (CONTINUED)

(c) Options issued to other parties

During the financial year ended 30 June 2016, options were issued to Ridgeback Capital Investments and Trout Group LLC and these are eligible to be exercised. The weighted average remaining contractual life of performance rights outstanding at the end of the period was less than 2.1 years.

Set out below is a summary of the options granted to both parties:

2021 Grant date	Expiry date	Exercise price	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Forfeited during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
31 Jul 2015	5 Aug 2020	0.235	-	-	-	-	-	-
31 Jul 2015	5 Aug 2025	0.248	847,600	-	-	-	847,600	-
30 Oct 2015	30 Oct 2020	0.568	-	-	-	-	-	-
7 Mar 2016	7 Mar 2021	0.398	-	-	-	-	-	-
Total			**847,600**	**-**	**-**	**-**	**847,600**	**-**

Fair value of options granted

No options were granted during the year ended 30 June 2023 (2022 – nil). The fair value at grant date is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

(d) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period were as follows:

	Consolidated 30 June 2023 $	Consolidated 30 June 2022 $
Employee share-based payment expense	2,001,572	1,486,841
	2,001,572	**1,486,841**

Share-based payment transactions with employees are recognised during the period as a part of corporate and administrative expenses.

33. PARENT ENTITY INFORMATION

Set out below is the supplementary information about the parent entity.

Statement of comprehensive income

	Parent	
	30 June 2023 **$**	**30 June 2022** **$**
Loss after income tax	(36,303,847)	(30,284,020)
Total comprehensive income	**(36,303,847)**	**(30,284,020)**

Statement of financial position

	Parent	
	30 June 2023 **$**	**30 June 2022** **$**
Total current assets	94,375,874	55,353,360
Total non current assets	46,255,643	42,570,439
Total assets	**140,631,517**	**97,923,799**
Total current liabilities	3,283,832	1,296,679
Total non current liabilities	983,178	2,654,636
Total liabilities	**4,267,010**	**3,951,315**
Equity		
- Contributed equity	446,272,203	367,407,757
- Reserves	26,283,211	28,752,813
- Accumulated losses	(336,190,907)	(302,188,086)
Total equity	**136,364,507**	**93,972,484**

Guarantees of financial support
There are no guarantees entered into by the parent entity.

Contingent liabilities of the parent entity
Refer to note 25 for details in relation to contingent liabilities as at 30 June 2023 and 30 June 2022.

Capital commitments - Property, plant, and equipment

The parent entity did not have any capital commitments for property, plant, and equipment at as 30 June 2023 and 30 June 2022.

DIRECTORS' DECLARATION

In the directors' opinion:

(a) the financial statements and notes set out on pages 34 to 81 are in accordance with the *Corporations Act 2001*, including:

(i) complying with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

(ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and

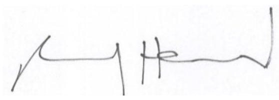
(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Note 1(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001.*

This declaration is made in accordance with a resolution of the directors.

On behalf of the directors



Dr Russell Howard
Chairman

Immutep Limited
Sydney
30 August 2023

Independent auditor's report

To the members of Immutep Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Immutep Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The Group financial report comprises:

- the consolidated balance sheet as at 30 June 2023
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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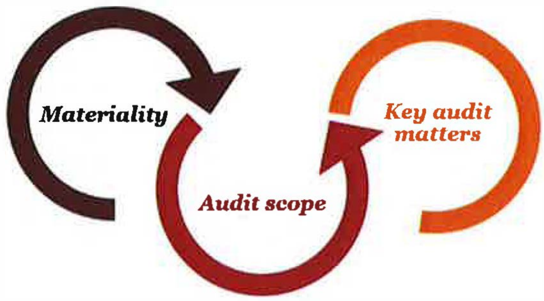
Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

The Group is in the biotechnology industry and is involved in research and development activities focused on cancer immunotherapies. The Group's corporate head office is located in Australia with research activities undertaken predominantly in Australia, France and Germany.



Materiality

- For the purpose of our audit we used overall Group materiality of $1,966,000, which represents approximately 5% of the Group's loss before tax.
- We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial report as a whole.
- We chose Group loss before tax because, in our view, it is the benchmark against which the performance of the Group is most commonly measured.
- We utilised a 5% threshold based on our professional judgement, noting it is within the range of commonly acceptable quantitative loss related thresholds.

Audit scope

- Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.
- The accounting processes are predominately performed by a Group finance function at the corporate head office in Sydney.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matter was addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matter to the Audit and Risk Committee.

Key audit matter	*How our audit addressed the key audit matter*
Grant income (refer to the consolidated statement of comprehensive income and to notes 1(e)(ii), 3(a) and 4 to the financial report) [A$3.3m] As described in Notes 1(e)(ii), 3(a) and 4 to the financial report, the Group recognised grant income of $3.3 million for the year ended 30 June 2023. Grant income is earned by the Group from governments in Australia and France related to Australian Research and Development Rebates and France's Credit d'Impôt Recherche and is recognised at fair value when there is reasonable assurance that the grant will be received and the Group will comply with all attached conditions. The Group applies judgement in determining the amount of grant income to recognise based on an assessment of qualifying expenditure and relevant rules and regulations in each tax jurisdiction. The principal considerations for our determination that performing procedures relating to grant income is a key audit matter are the judgements by the Group when determining the amount of grant income to recognise based on an assessment of qualifying expenditure and relevant rules and regulations in each tax jurisdiction, which in turn led to a high degree of auditor judgement, subjectivity and effort in performing procedures and evaluating audit evidence related to grant income.	Our audit procedures included, among others: • Testing the Group's process for determining the amount of grant income to recognise based on the relevant rules and regulations of the governments in each tax jurisdiction. • Comparing the nature and classification of the qualifying expenditure categorisations included in the current year to the prior year. • Comparing a sample of the qualifying expenditure used to calculate the grant income to the expenditure recorded in the general ledger, and comparing the expenditure to supporting evidence to assess whether it satisfies the qualification criteria. • Comparing the supporting calculations of accrued receivables for grant income at year-end to evidence of previously approved grants and to subsequent collections when applicable. • Considering the relevant disclosures against the requirements of Australian Accounting Standards.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group 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 to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian Auditing Standards 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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in pages 19 to 29 of the directors' report for the year ended 30 June 2023.

In our opinion, the remuneration report of Immutep Limited for the year ended 30 June 2023 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of *the Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

Jason Hayes
Partner

Sydney
30 August 2023

SHAREHOLDER INFORMATION

The shareholder information set out below was applicable as at 22 August 2023. There is a total of 1,187,306,209 ordinary fully paid shares on issue held by 13,253 holders.

Distribution of equitable securities
Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares
1 – 1,000	2,692
1,001 – 5,000	4,443
5,001 – 10,000	1,863
10,001 – 100,000	3,557
100,001 – and over	698
Total	13,253
Holding less than a marketable parcel	1,398

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

Top 20 holders of ordinary shares	Ordinary shares held	
	Number held	% of total shares Issued
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	386,571,289	32.56
NATIONAL NOMINEES LIMITED	165,050,307	13.90
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	81,121,672	6.83
CITICORP NOMINEES PTY LIMITED	70,936,692	5.97
UBS NOMINEES PTY LTD	39,284,648	3.31
BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	11,243,351	0.95
MARC VOIGT	11,191,695	0.94
FREDERIC TRIEBEL	8,653,764	0.73
WARBONT NOMINEES PTY LTD <UNPAID ENTREPOT A/C>	7,692,440	0.65
BNP PARIBAS NOMS PTY LTD <DRP>	7,584,327	0.64
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	6,862,905	0.58
HB BIOTECHNOLOGY LTD	6,484,177	0.55
CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	6,053,816	0.51
SANDHURST TRUSTEES LTD <ENDEAVOR ASSET MGMT MDA A/C>	4,978,772	0.42
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	4,799,700	0.40
MACENROCK PTY LTD <MACENROCK S/F A/C>	4,114,620	0.35
SISTERS PALM BEACH PTY LTD <THE SISTERS A/C>	3,800,000	0.32
DEANNE DIEM MILLER	3,267,305	0.28
LUCY TURNBULL	3,074,592	0.26
PETER MEYERS	2,774,395	0.23
Total	**835,540,467**	**70.38**

SHAREHOLDER INFORMATION (CONTINUED)

Unquoted equity securities	Number on issue	Number of holders
Options and warrants	847,600	1
Performance Rights	14,067,098	12
Convertible Notes	859,427	1

Substantial holders

Substantial holders in the company are set out below:

Substantial holder	Ordinary shares held		
	Number held	% of total shares held	Date of Notice
The Bank of New York Mellon Corporation (BNYM)	233,062,927	20.44%	13 June 2023
FIL Limited	114,582,698	10.05%	13 June 2023
Milford Asset Management Limited	61,555,077	5.34%	9 June 2023
Insignia Financial Ltd	85,419,914	7.49%	16 June 2023

*BNYM has a relevant Interest In 233,062,927 securities as depositary for Immutep Limited ADR program administered under the Deposit Agreement. BNYM's relevant interest in these securities arises as a result of the Deposit Agreement containing rights for BNYM to dispose of securities held under the ADR program in limited circumstances. Under the Deposit Agreement, ADR holders retain their rights to dispose of those securities and to give voting Instructions for the exercise of voting rights attached to the securities. BNYMC Group's power to vote or dispose of these securities is qualified accordingly. By an instrument of relief dated 29 April 2019, ASIC has granted certain relief to BNYM and its related bodies corporate from certain provisions of Chapter 6 of the Corporations Act in relation to the acquisition of, or increase In, voting power in securities held by BNYM as depositary under the ADR program.

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Options
No voting rights.

Performance rights
No voting rights.