WILSONS

Date	Theme	Sector
13 June 2023	Company Update	Healthcare

Company

Immutep Limited (IMM)

Funding secured; bring on the readouts

We maintain our OVERWEIGHT recommendation with a revised risked PT of $0.90/sh. We are excited for the prospect of clear air for Immutep now that the funding overhang has been lifted with their recent capital raise, with a very eventful, data-driven upcoming 2H. The timing of capital injection was earlier than our expectations, well ahead of the largest, potential re-rate catalyst (in TACTI-003 topline) later this year. Confirmation of trial design for a registrational Phase III in 1L mNSCLC (TACTI-004) is helpful, albeit some details have surprised us there. Feasibility of execution, given the competitive recruitment space that is 1L mNSCLC, is perhaps a larger consideration than we had given credit for. With ASCO now wound down, we review several of the novel NSCLC approaches of interest (TROP2, TIGIT) and see that Efti continues to stack up. Nothing has changed in our view of how Efti can expand, and, boost the market dominance of anti-PD-1 blockbusters such as Keytruda in huge oncology markets. We have however modified how we value this asset in NSCLC, which attributes more to overall valuation, that was previously muted given we modelled an early (pre-Phase III) licensing partnership. With adequate capital under IMM's belt, nothing should impede share price momentum of positive clinical readouts – with our eye keenly focused on HNSCC topline in 2H.

Key Points

Capital raise; timing & quantum. The $80M capital raise/placement surprised us in terms of timing, and quantum to some extent. We had previously anticipated a 2H CY23 potential raise (in lieu of a licensing transaction) aligned with TACTI-003 topline data readouts, given this was, and remains, the most material valuation re-rate catalyst for IMM near-term, alongside previous management commentary. We had previously assessed a ≥$60M funding gap to complete a Phase III in 1L mNSCLC, however was estimated in the absence of final trial design. One aspect not previously budgeted in our calculations was the cost of study drugs other than Efti (i.e. pembrolizumab) which is now able to be funded by IMM for the upcoming TACTI-004 trial (having previously been 'donated' by collaboration partner MSD). This is not an immaterial cost with pembro at ~US$8,000 per dose, hence the larger raise (+$20M vs WILSe) is perhaps not a surprise taking this into account.

ASCO wrap. In the note we briefly summarise and highlight relevant novel programs in 1L mNSCLC unveiled at ASCO. Efti in combination with pembrolizumab continues to stack up well.

Forecasts. Changes to EBITDA reflect a move in how we model and forecast the 1L NSCLC program; no longer via a near term partnering agreement pre-Phase III but IMM moving into a self-funded registrational Phase III program themselves, hence R&D spend is lifted across FY24-26 (funded by the raise). Moderations to FY23e cost base aligning to cash balance update given at time of raise. EPS changes reflect cost updates, but also SOI increases. No change to peak sales/ TAMs/ risk in any of our Efti models. First revenue potential FY26e.

Valuation. Updated SOTP valuation of $0.90/sh (risked) comprises: a) Efti 1L NSCLC ($0.61/sh); b) Efti in mBC ($0.22/share); and c) Efti in HNSCC ($0.06/sh). Unrisked valuation lifted to $5.57/sh (previously $2.43) reflecting capture of the 'total' NSCLC opportunity within valuation as opposed to as a near term partnering deal only. TACTI-003 HNSCC topline success later this year would add 6% upside to risked valuation, but more importantly catalyse major strategic interest.

Recommendation	**OVERWEIGHT**
12-mth target price (AUD)	$0.90
Share price @ 9-Jun-23 (AUD)	$0.29
Forecast 12-mth capital return	215.8%
Forecast 12-mth dividend yield	0.0%
12-mth total shareholder return	**215.8%**
Market cap ($m)	338.4
Enterprise value ($m)	258.4
Shares on issue (m)	1,187
Sold short (%)	0.4
ASX All Ords weight (%)	0.0
Median turnover/day ($m)	0.4

Dr Melissa Benson
melissa.benson@wilsonsadvisory.com.au
Tel. +61 2 8247 6639

Dr Shane Storey
shane.storey@wilsonsadvisory.com.au
Tel. +61 7 3212 1351

Madeleine Williams
madeleine.williams@wilsonsadvisory.com.au
Tel. +61 3 9640 3834

12-mth price performance ($)

	1-mth	6-mth	12-mth
Abs return (%)	20.6	(16.1)	(20.7)
Rel return (%)	23.4	(14.7)	(21.2)

Financial summary (Y/E Jun, AUD)	FY21A	FY22A	FY23E	FY24E	FY25E
Sales ($m)	0.0	0.0	0.0	0.0	0.0
EBITDA norm ($m)	(27.9)	(30.3)	(41.4)	(45.3)	(40.5)
Consensus EBITDA ($m)			(43.0)	(28.5)	(42.8)
EPS norm (cents)	(5.0)	(3.8)	(4.2)	(3.9)	(3.6)

Key changes		3-May	After	Var %
EBITDA	FY23E	(48.4)	(41.4)	14%
norm	FY24E	35.1	(45.3)	-229%
($m)	FY25E	(30.2)	(40.5)	-34%
EPS	FY23E	(5.8)	(4.2)	28%
norm	FY24E	3.9	(3.9)	-202%
(cents)	FY25E	(3.8)	(3.6)	4%
Price target		**0.91**	**0.90**	**-1%**
Rating		**O/W**	**O/W**	

Source: Company data, Wilsons estimate, Refinitiv, IRESS.
All amounts are in Australian Dollar (A$) unless otherwise stated.

Business Description

Immutep (IMM:ASX) is a clinical stage Australian biopharma operating in the immuno-oncology (IO) sector with their portfolio of LAG-3 directed biologics. Immutep have four assets under development, all with strong IP protection; two of which are out-licensed (LAG525 - Novartis, IMP731 - GSK) with attached milestone and royalty revenue optionality, with the remaining two (Efti and IMP761) being developed in-house for a range of oncology (incl. HNSCC, NSCLC, mBC) and autoimmune indications.

Catalysts

a) achievement of clinical trial endpoints; b) partnership opportunities; c) regulatory approvals (including IND approvals); d) corporate activity.

Investment Thesis

We stay OVERWEIGHT with a revised $0.90/sh risked PT. We are excited for the prospect of clear air now that the funding overhang has been lifted, with a very eventful, data-driven 2H this year. Nothing has changed in our view of how Efti can expand, and, boost the market dominance of anti-PD-1 blockbusters. With adequate capital under IMM's belt, nothing should impede share price momentum of clinical readouts –our eye keenly focused on TACTI-003 topline in 2H.

Risks

a) adverse clinical trial outcomes; b) negative regulator interactions; c) competitive intensity of immuno-oncology field; d) available capital.

P&L ($m)	FY21A	FY22A	FY23E	FY24E	FY25E
Sales	0.0	0.0	0.0	0.0	0.0
EBITDA norm	(27.9)	(30.3)	(41.4)	(45.3)	(40.5)
EBIT norm	(30.0)	(32.3)	(43.9)	(47.9)	(43.4)
PBT norm	(29.9)	(32.2)	(43.2)	(46.8)	(42.8)
NPAT norm	(29.9)	(32.2)	(43.2)	(46.8)	(42.8)
NPAT reported	(30.5)	(33.1)	(41.6)	(46.8)	(42.8)
EPS norm (cents)	(5.0)	(3.8)	(4.2)	(3.9)	(3.6)
DPS (cents)	0.0	0.0	0.0	0.0	0.0

Growth (%)	FY21A	FY22A	FY23E	FY24E	FY25E
Sales	n/m	n/m	n/m	n/m	n/m
EBITDA norm	115.0	8.4	36.9	9.2	(10.5)
NPAT norm	100.9	7.7	34.2	8.2	(8.5)
EPS norm (cents)	38.6	(24.7)	10.4	(5.8)	(8.5)
DPS (cents)	n/m	n/m	n/m	n/m	n/m

Margins and returns (%)	FY21A	FY22A	FY23E	FY24E	FY25E

Interims ($m)	1H22A	2H22A	1H23A	2H23E	1H24E
Sales	0.0	0.0	0.0	0.0	0.0
EBITDA norm	(15.4)	(14.8)	(20.9)	(20.5)	(22.6)
EBIT norm	(16.4)	(16.0)	(22.1)	(21.8)	(23.9)
PBT norm	(16.3)	(15.9)	(21.8)	(21.4)	(23.3)
NPAT norm	(16.3)	(15.9)	(21.8)	(21.4)	(23.3)
NPAT reported	(16.8)	(16.4)	(20.2)	(21.4)	(23.3)
EPS norm (cents)	(1.9)	(1.9)	(2.5)	(1.8)	(2.0)
DPS (cents)	0.0	0.0	0.0	0.0	0.0

Stock specific	FY21A	FY22A	FY23E	FY24E	FY25E
R&D expense (m)	(17.2)	(31.3)	(37.0)	(40.0)	(35.0)
Licensing revenue (m)	0.0	0.2	0.0	0.0	0.0

Balance sheet ($m)	FY21A	FY22A	FY23E	FY24E	FY25E
Cash & equivalents	60.6	80.0	123.8	77.5	31.3
Current receivables	6.1	8.4	5.0	5.0	5.0
Current inventory	0.0	0.0	0.0	0.0	0.0
PPE	0.0	0.0	0.0	0.0	0.0
Intangibles	12.8	10.6	10.6	10.6	10.6
Other assets	2.4	3.2	3.4	3.7	2.2
Total assets	82.0	102.2	142.8	96.8	49.1
Current payables	4.8	5.8	7.3	8.0	4.8
Total debt	0.0	0.0	0.0	0.0	0.0
Other liabilities	3.8	2.2	1.4	1.4	1.4
Total liabilities	8.8	8.1	8.8	9.5	6.3
Minorities	0.0	0.0	0.0	0.0	0.0
Shareholders equity	73.3	94.1	134.0	87.3	42.8

Cash flow ($m)	FY21A	FY22A	FY23E	FY24E	FY25E
Operating cash flow	(17.6)	(30.2)	(33.9)	(46.1)	(46.1)
Maintenance capex	(0.0)	(0.0)	(0.2)	(0.2)	(0.2)
Free cash flow	(17.7)	(30.3)	(34.1)	(46.2)	(46.2)
Growth capex	0.0	0.0	0.0	0.0	0.0
Acquisitions/disposals	0.0	0.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0
Other cash flow	(3.1)	(3.3)	(2.1)	(0.1)	(0.1)
Cash flow pre-financing	(20.8)	(33.6)	(36.2)	(46.3)	(46.3)
Funded by equity	55.0	53.0	80.0	0.0	0.0
Funded by cash/debt	(89.3)	(72.4)	(123.8)	46.3	46.3

Liquidity	FY21A	FY22A	FY23E	FY24E	FY25E
Cash conversion (%)	63.5	100.3	83.4	104.3	115.3
Net debt ($m)	(60.6)	(80.0)	(123.8)	(77.5)	(31.3)
Net debt / EBITDA (x)	2.2	2.6	3.0	1.7	0.8
ND / ND + Equity (%)	(477.9)	(568.1)	n/m	(793.0)	(271.8)
EBIT / Interest expense (x)	n/m	n/m	69.5	42.6	67.9

Valuation	FY21A	FY22A	FY23E	FY24E	FY25E
EV / Sales (x)	n/m	n/m	n/m	n/m	n/m
EV / EBITDA (x)	n/m	n/m	n/m	n/m	n/m
EV / EBIT (x)	n/m	n/m	n/m	n/m	n/m
P / E (x)	n/m	n/m	n/m	n/m	n/m
P / BV (x)	2.9	2.6	2.5	3.9	
FCF yield (%)	(8.3)	(12.4)	(10.1)	(13.7)	
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0
Payout ratio (%)	0.0	0.0	0.0	0.0	0.0
Weighted shares (m)	594.5	849.9	1,033	1,187	1,187

Source: Company data, Wilsons estimate, Refinitiv, IRESS.
All amounts are in Australian Dollar (A$) unless otherwise stated.

Updates post raise: 2H 2023 an important period

Catalyst/potential news flow recap & update

1H 2023:

- FDA feedback regarding 1L mNSCLC trial design & progression (RECEIVED);
- Interim mOS data from 1L NSCLC TACTI-002 trial (RECEIVED)
- Initiation of enrolment into AIPAC-003 (RECEIVED)
- Close recruitment of TACTI-003 (**still pending**);

2H 2023:

- TACTI-003 Phase IIb 1L HNSCC topline data readout;
- Final mOS 1L NSCLC data from TACTI-002 at major 2H conference (either ESMO on 20-24th Oct, or SITC on 3-5th Nov in our view).

1H 2024:

- Initiation of Phase III 1L mNSCLC TACTI-004 trial;
- Further TACTI-003 data including durability of response (DoR) that may support FDA filing for Accelerated Approval (AA) in 1L mHNSCC (assuming trial success).

TRIAL cheat sheet

Trial Name	Indication
TACTI-002	1L & 2L Non-Small Cell Lung Cancer (NSCLC) & 2L HNSCC Phase II – recruitment completed – data maturing
TACTI-003	1L Head and Neck Squamous Cell Carcinoma (HNSCC) Phase IIb - recruiting
TACTI-004	1L NSCLC Phase III registrational trial – in preparation
AIPAC-003	Metastatic Breast Cancer (mBC) Phase II/III registrational trial - recruiting

Notable ASCO data readouts in 1L mNSCLC: a summary

There were two programs that stood out to us at the American Society of Oncology Conference (ASCO) this year. Those of the new anti-TIGIT hope from Gilead/Arcus Biosciences – domvanalimab, and Daichi/Astra Zeneca's TROP-2 directed antibody drug conjugate (ADC) - datopotamab deruxtecan, presented some interesting initial data in 1L mNSCLC patients, both in combination with anti-PD-1 agents (**Figure 1**). Only early, limited data is available. From what we have, the TROP-2 ADC combo displays impressive objective response (ORR) and disease control (DCR) rates, and 1-2 months of PFS increase over Efti, albeit with a higher (2-fold) AE burden. Less impressive is the Gilead/Arcus anti-TIGIT combination with mPFS at 12.0 months, noting this compares on a LFL basis to 16.7 months with the Efti combo with far higher toxicity (and ORR below Efti on LFL basis – 41% vs 55%).

Looking forward, Roche's anti-TIGIT, tiragolumab, has had a few very public fails in NSCLC. We get a final look at life in this program with the SYSCRAPER-01 Phase III trial readout later this year where we should see overall survival (OS) data (after the trial having failed its primary PFS endpoint), noting this trial is limited to the PD-L1 high cohort (TPS ≥ 50%).

Figure 1: Comparison of Efti vs other new approaches in 1L mNSCLC – ASCO 2023 highlights

		ASCO 2023		Standard of Care (SOC)				TACTI-004 SOC comparator
	Efti + pembrolizumab	**Datopotamab deruxtecan + pembrolizumab**	**Zimberelimab + domvanalimab**	**Pembrolizumab**	**Atezolizumab**	**Pembrolizumab + chemo**	**Nivolumab + ipilimumab**	**Nivolumab + ipilimumab + 2-cycle chemo**
	EXPERIMENTAL	EXPERIMENTAL	EXPERIMENTAL	SOC (PD-L1 ≥50%)	SOC (PD-L1 ≥50%)	SOC (PD-L1 ≥1%)	SOC (PD-L1 ≥1%)	SOC (PD-L1 ≥1%)
Targets	APC activator + Anti-PD-1	TROP2 ADC + Anti-PD-1	Anti-PD-L1 + Anti-TIGIT	Anti-PD-1	Anti-PD-L1	Anti-PD-1 + chemo	Anti-PD-1 + Anti-CTLA-4	Anti-PD-1 + Anti-CTLA-4 + chemo
Study	**TACTI-002**	**TROPION-Lung02**	**ARC-7**	**Keynote-042**	**IMpower110**	**Keynote-407**	**Checkmate-227**	**Checkmate-9LA**
Phase	II	Ib	II	III	III	III	III	III
Therapy Line	1L	1L	1L	1L	1L	1L	1L	1L
n	114	34	44	637	277	278	583	361
PD-L1 TPS <1%	34%	36%	nil	nil	nil	34%	32%	37%
TPS 1-49%	39%	44%	nil	53%	61%	37%	33%	35%
TPS ≥ 50%	27%	20%	100%	47%	39%	26%	35%	21%
Median PFS (all PD-L1)	6.9 m	8.3 m	-	-	-	8.0 m	5.1 m	6.7 m
mPFS PD-L1 <1%	4.2 m	NR	-	-	-	6.3 m	5.1 m	5.8 m
mPFS PD-L1 ≥ 1%	**9.3 m**	NR	-	**5.4 m**	**5.7m**	**8.2 m**	**5.1 m**	**7.1 m**
mPFS PD-L1 ≥ 50%	16.7 m	NR	12.0 m	7.1 m	8.1 m	NR	NR	7.5 m
Median OS (all PD-L1)	**NR**	**NR**	**NR**	**-**	**-**	**17.1 m**	**17.1 m**	**15.6 m**
mOS PD-L1 <1%	NR	NR	NR	-	-	15.0 m	17.2 m	16.8 m
mOS PD-L1 ≥ 1%	**25.0 m**	NR	NR	**16.7m**	**17.5 m**	**18.9 m**	**17.1 m**	**15.8 m**
mOS PD-L1 ≥ 50%	NR	NR	NR	20.0 m	20.2 m	NR	NR	18.0 m
DoR median	21.6 m	not yet reached	not yet reached	20.2 m	not estimatable	8.8 m	19.6 m	11.3 m
ORR (all PD-L1)	**40%**	**38-50%**	**-**	**-**	**-**	**63%**	**33%**	**38%**
ORR PD-L1 <1%	31%	NR	-	-	-	67%	27%	31%
ORR PD-L1 ≥ 1%	**48%**	NR	-	**27%**	**29%**	**59%**	**36%**	**43%**
ORR PD-L1 ≥ 50%	55%	NR	41%	39%	38%	NR	44%	50%
DCR (all)	73%	84-91%	NR	NR	NR	86%	66%	83%
Adverse Events (AEs)								
Discontinuation AEs	10%	16%	NR	8%	6%	27%	18%	19%
Grade ≥3 AEs	**12%**	**31%**	**47%**	**18%**	**34%**	**74%**	**33%**	**57%**
Treatment related death	3%	6%	NR	2%	1%	4%	1%	2%

NR: Not reported. Source: Trials as referenced, company data, ASCO.

Update to how we value 1L NSCLC program in SOTP in the event of TACTI-004

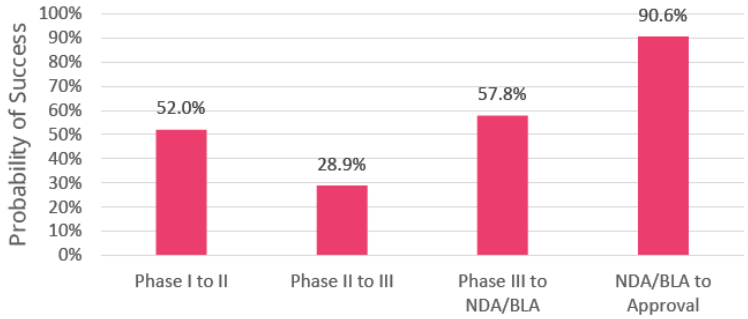
We had previously modelled the 1L NSCLC opportunity as a partnering deal pre-Phase III with a strategic pharma partner. Important to note, we have not changed any assumptions or timelines with regards to the opportunity for Efti in 1L mNSCLC in terms of peak share, sales, approval likelihood etc. We simply treat the value of the program differently for valuation purposes whereby Immutep are progressing Efti through a registrational Phase III in 1L NSCLC themselves (as opposed to our thinking that they would partner/license the asset for this indication pre-Phase III).

We now model self-commercialisation of Efti in 1L NSCLC post a successful Phase III program for the purposes of demonstrating the economics of this program as a function of SOTP valuation. At initiation we highlighted that the size of the opportunity for Efti in 1L NSCLC was materially larger than that of 1L HNSCC – which we continue to see as a $700M peak sales opportunity in 1L mHNSCC – and as a materially larger ≥$3.0B peak sales opportunity in 1L NSCLC. The SOTP contribution from Efti in NSCLC in an unrisked sense is >5x that of HNSCC.

Clinical risk profiles and probability of success. We look to aggregate data of clinical trial progression and success rates to inform our real-options valuation of each clinical pipeline program. **Figure 2** summarises aggregate average success rates for drugs across the traditional development stages (across indications and drug classes). When more specifically looking at oncology drugs, there has been a ≥2-fold overall higher success probability attributed to immuno-oncology drugs versus oncology drugs overall. With a similar uplift in overall success probability (2-fold) also observed in trials utilising preselection biomarkers[1] (akin to PD-L1 pre-selection in the case of the TACTI programs).

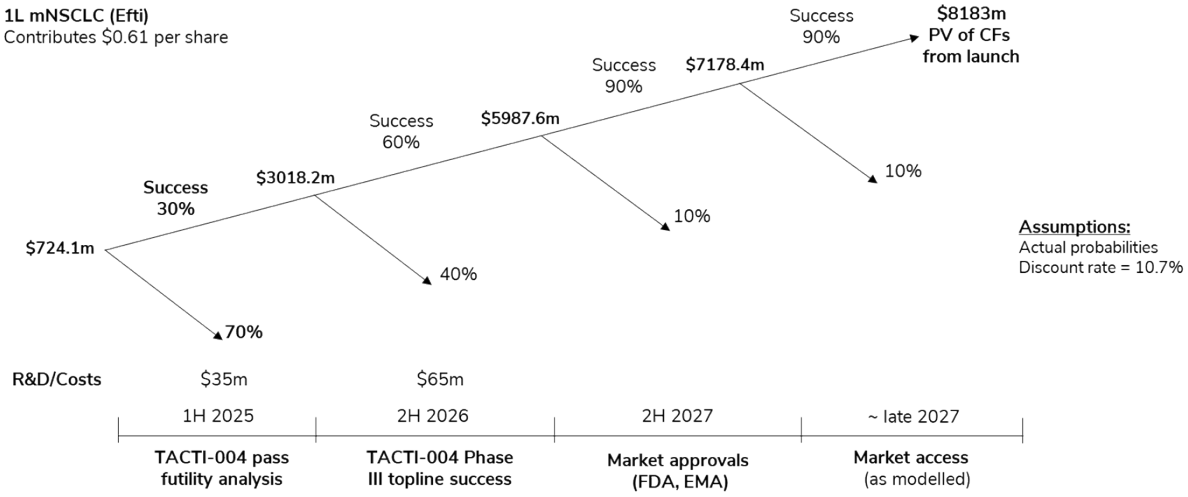
We use these success rates to guide our decision tree risking for 1L NSCLC (**Figure 3**), with the risk declining post the futility readout (from 30% likelihood of success to 60% post futility) given the nature of what this interim readout does (i.e. indicate early on if there is any chance the trial is able to reach is primary endpoints; and thus by passing this point the chance of a 0% likelihood of success if removed from the equation). Our futility read is risked ~30% in line with a Phase II to III style transition which is conservative – but steps up to 60% more in line with Phase III success averages (per **Figure 2**).

Figure 2: Clinical trial overall phase transition success rates (average from trials across 2011-2020)



Source: BIO Informa PharmaIntelligence 2021 Report[1].

Figure 3: Real options decision tree supporting 1L mNSCLC valuation of Efti



Source: Wilsons.

[1] BIO, Informa PharmaIntelligence, QLS. (2021) Clinical Development Success Rates and Contributing Factors 2011-2020. Feb 2021 Report. *Accessed Online.*

SOTP valuation update

We update our EV per share valuation to account for the 35% dilution of new SOI attributed to the recent $80M capital raise and placement. In addition to this we revise and update our SOTP valuation owing to a) updates with key trial programs now underway that help clarify timelines; and b) changes in view of IMM's pathway to approval in several indications (i.e. with HNSCC Accelerated Approval pathway and self-funded Phase III NSCLC completion).

Figure 5 overleaf shows our prior valuation vs current updated thinking in **Figure 6**. The key changes reflect: a) 35% increase to SOI; b) new modelling of 1L NSCLC opportunity which values entire opportunity in a risked manner as opposed to valuing a risked probability of licensing and royalty fees (pre-Phase III readout). The latter change has a marked impact on unrisked valuation also (+129% to $5.57 per share) as it fully values the total 1L NSCLC opportunity, as opposed to only a portion of that via partnering. The current risk applied to our valuation also increases (from 38% de-risked, to only 16% de-risked) as we include further trial development risk with the later phases of the 1L NSCLC program (now included in valuation) and previously outlined in **Figure 3**.

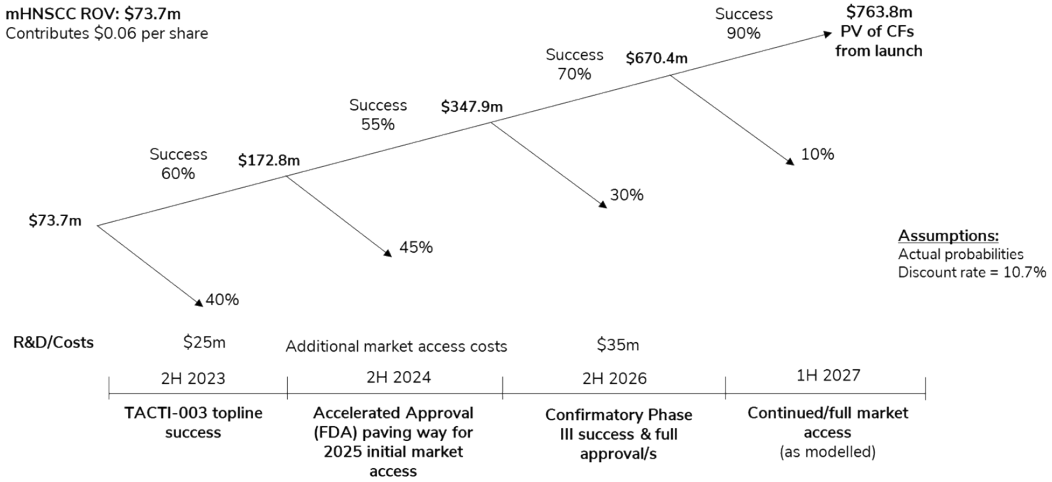
Strategic pharma partner still most likely outcome pre-commercialisation. Whilst we still view strategic pharma partnering/acquisition of IMM as the most likely outcome prior to any Efti regulatory approvals (with the TACTI-003 – HNSCC top line read in 2H still a pivotal point for this activity in our view), it is now prudent to model IMM's opportunity as though they commercialise Efti themselves, taking it through Phase III in NSCLC themselves – a feat we had previously not assessed may have been fiscally possible for IMM. With adequate capital into early 2026 – and a key futility analysis for TACTI-004 prior to this (1H 2025), we see the timeline for IMM to self-progress the Efti asset has elongated – hence our change in valuation view at this time. The view that IMM is a strong deal target is shared by management/board, given a key reason for bringing the raise forward in time was to ensure capital adequacy for their TACTI-004 program as IMM entered discussions with major oncology players at ASCO last week (providing leverage in discussions). We will of course see if this provides any fruits down the line.

Dilution impact. All else equal (i.e. no updates to SOTP valuation) the impact of share dilution to our prior risked PT is -26% (=$0.68/sh) which is not immaterial, albeit delivers a valuation still markedly higher than the current share price. As we previously postulated, a ≥22% impact owing to dilution was likely possible, however this was counterbalanced in our prior thinking by de-risking of the TACTI-003 program in line with an equity raise, which has not eventuated given the earlier timing of funding. Updates to our NSCLC SOTP valuation have mitigated overall PT dilution, however the dilution to the HNSCC and mBC programs in valuation is material (per **Figure 5** vs **6** overleaf).

Updates to mBC and HNSCC ROVs. We do not change any of our model assumptions with regards to market share, lines of treatment or Efti opportunity in either indication. We do however update the mBC program ROV to push out timing, with the new AIPAC-003 Phase II/III trial topline readout is not expected until ~2025 (at earliest). Hence, our prior assumptions (late 2024) have been shuffled back (noting this update was overdue, as this program has taken a back seat in terms of funding priority to 1L NSCLC – quite rightly so – but is now back underway and funded). Timing reduces the mBC SOTP EV attribution by ~10%. With dilution, mBC portion now $0.22/share to risked valuation (previously $0.33/share).

We also take the opportunity to update our timing and stage-gating of the TACTI-003 1L HNSCC program, which we had modelled, until now, as a traditional full approval post Phase III trial readout. As we have intimated in the past, the likelihood of an Accelerated Approval (AA) filing post TACTI-003 Phase IIb trial readout appears possible, provided strong efficacy and maintained safety is shown later this year in the first top-line readout (~4Qe). As a result, we update our real options valuation (**Figure 4** below) to de-risk based on Phase IIb readout success, and potential AA prior to confirmatory Phase III trials/full approvals later down the line. Note we take a moderated view on the likelihood of AA success post Phase IIb (55% likelihood). With dilution, mHNSCC portion now $0.06/share to risked valuation (previously $0.09/share).

Figure 4: Real options decision tree supporting 1L mHNSCC valuation of Efti (updated for AA scenario)



Source: Wilsons.

Figure 5: Previous SOTP valuation for IMM at $0.91/share (risked)

Valuation (SOTP)	Risked valuation (A$m)	Comments / methodology	Un-risked valuation (A$m)
Efti mBC	293	Real options valuation for EU and US market	1,008
Efti HNSCC	81	Real options valuation for EU and US market	462
Efti NSCLC	431	License deal to pharma based on upfront, milestone and royalty payments.	663
IMP761	-	In house pre Phase 1development stage	-
LAG525	-	Licensed to Novartis (milestones/royalty optionality)	-
GSK781	-	Licensed to GSK (milestones/royalty optionality)	-
Enterprise value ($M)	804		2133
EV per share (A$) - PT	**$ 0.91**	**Unrisked price per share (A$)**	**$ 2.43**
SOI used for PT (M)	879.3		
Current cash ($M)	55	Current probability of success in valuation	38%
Equity value per share (A$)	$ 0.98		

Source: Wilsons estimates.

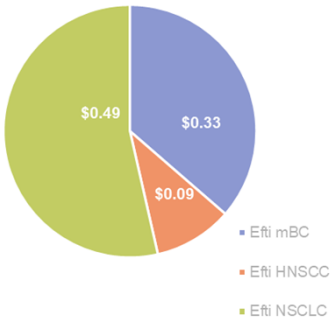
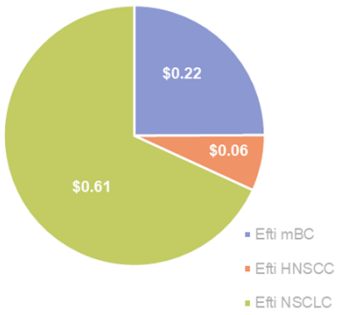


Figure 6: Updated SOTP valuation for IMM at $0.90/share (risked)

Valuation (SOTP)	Risked valuation (A$m)	Comments / methodology	Un-risked valuation (A$m)
Efti mBC	265	Real options valuation for EU and US market	922
Efti HNSCC	74	Real options valuation for EU and US market	467
Efti NSCLC	724	Real options valuation for EU and US market	5,230
IMP761	-	In house pre Phase 1development stage	-
LAG525	-	Licensed to Novartis (milestones/royalty optionality)	-
GSK781	-	Licensed to GSK (milestones/royalty optionality)	-
Enterprise value ($M)	1063		6620
EV per share (A$) - PT	**$ 0.90**	**Unrisked price per share (A$)**	**5.58**
SOI used for PT (M)	1187.3		
Current cash (A$M)	135	Current probability of success in valuation	16%
Equity value per share (A$)	$ 1.01		

Source: Wilsons estimates.



NOTE: We do not generally value net cash on balance sheet for pre-commercialisation biotech companies in our coverage, given that it is anticipated this cash will be spent funding R&D programs, hence our PT is based on an Enterprise value (EV) per share, as opposed to an Equity value per share.

Disclaimers and Disclosures

Recommendation structure and other definitions

Definitions at wilsonsadvisory.com.au/disclosures.

Analyst certification

Each analyst of Wilsons Advisory and Stockbroking Limited (ACN 010 529 665: AFSL 238375) ("Wilsons") whose name appears in this research certifies that (1) the recommendations and opinions expressed in this research accurately reflect the analyst's personal, independent and objective views about any and all of the subject securities or issuers; (2) no part of the analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed by the analyst in the research; and (3) to the best of the analyst's knowledge, he/she is not in receipt of material non-public information about the issuer.

Disclaimer

This document has been prepared by Wilsons. This communication is not to be disclosed in whole or part or used by any other p arty without Wilsons' prior written consent. All material presented in this document, unless specifically indicated otherwise, is under copyright to Wilsons. None of the material, its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of Wilsons. This document is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would subject Wilsons to any registration or licensing requirement within such jurisdiction.

This document is being supplied to you solely for your information and no action should be taken on the basis of or in reliance on this document. To the extent that any information prepared by Wilsons contains any financial product advice, it is general advice only and has been prepared by Wilsons without reference to your objectives, financial situation or needs. You should consider the appropriateness of the advice in light of your own objectives, financial situation and needs before following or relying on the advice. You should also obtain a copy of, and consider, any relevant disclosure document before making any decision to acquire a financial product. Please refer to Wilsons' Financial Services Guide for more information: wilsonsadvisory.com.au/disclosures. Any person, before acting on any advice contained within this communication, should first consult with a Wilsons investment adviser to assess whether the advice within this communication is appropriate for their objectives, financial situation and needs. Those acting upon such information without advice do so entirely at their own risk.

This document provided by Wilsons is current as at the date of the issue but may be superseded by future publications. Wilsons assumes no obligation to update the information or advise on further developments relating to the company or companies covered in this document ("Companies") or relevant financial products. Wilsons has not independently verified all of the information given in this document which is provided at a point in time and may not contain all necessary information about the Companies. Wilsons makes no warranty, express or implied, concerning any information prepared by Wilsons. Wilsons expressly disclaims (1) any implied warranty of merchantability or (2) fitness for a particular purpose, including any warranty for the use or the results of the use of any information prepared by Wilson s with respect to their correctness, quality, accuracy, completeness, reliability, performance, timeliness, or continued availability. Wilsons' research content should be viewed as an additional investment resource, not as your sole source of information. To the fullest extent permitted by law Wilsons, its related bodies corporate and their respective officers, directors, employees or agents, disclaim any and all liabilities for any loss or damage howsoever arising in connection with the use of this document or its contents. Past performance does not necessarily indicate a financial product's likely future performance.

This document may contain "forward-looking statements". Forward-looking statements, opinions and estimates provided in this document are based on assumptions and contingencies which are outside the control of Wilsons and are subject to change without notice (including but not limited to economic conditions, market volatility and company-specific fundamentals), and therefore may not be realised in the future.

This report does not constitute an offer or invitation to purchase any securities and should not be relied upon in connection with any contract or commitment whatsoever.

Disclaimers and Disclosures

Regulatory disclosure

Wilsons restricts research analysts from trading in securities for which they write research. Other Wilsons employees may hold interests in the company, but none of those interests are material. Wilsons further advises that at the date of this report, neither Wilsons Advisory and Stockbroking Limited or Wilsons Corporate Finance Limited have any material interests in the company. Wilsons Corporate Finance Limited ACN 057 547 323, AFSL 238 383 acted as Joint Lead Manager and underwriter in the May 2023 pro rata accelerated non-renounceable entitlement offer and Institutional Placement of Immutep Limited Securities for which it received fees or will receive fees for acting in this capacity.

Wilsons Advisory and Stockbroking Limited may have a conflict of interest which investors should consider before making an investment decision. Wilsons Advisory and Stockbroking Limited, Wilsons Corporate Finance Limited and its related bodies corporate trades or may trade as principal in the securities that are subject of the research report. Wilsons further advises that at the date of this report, neither Wilsons Advisory and Stockbroking Limited or Wilsons Corporate Finance Limited have any material interests in the company. Wilsons restricts research analysts from trading in securities for which they write research. Other Wilsons employees may hold interests in the company, but none of those interests are material.

Wilsons contact

For more information please phone: 1300 655 015 or email: publications@wilsonsadvisory.com.au