



Corum Group Limited
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Market Release

17 November 2020

CEO Presentation to the Annual General Meeting

Corum Group Limited [ASX:COO] (Corum) submits the following CEO presentation to be made at the 2020 Annual General Meeting.

This announcement has been authorised for release to ASX by the Board of Directors of Corum.

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About Corum Group

Corum Group Limited [ASX:COO] is an Australian company limited by shares that owns businesses in technology and software development.

For more than 30 years Corum has been using its deep industry expertise and extensive relationships to develop Point-Of-Sale, Dispensing and Management software for pharmacy head offices and retail stores and a range of eCommerce and ordering solutions throughout Australia.

Corum is determined to offer the best solutions to its customers through the products, services and processes of each of its businesses.

CEO Address

This is also my first Corum Annual General Meeting however there are already a few familiar faces amongst the audience, and I would like to say thank you to everyone for fielding my calls and making yourself available to catch-up. I lead from the front and at every opportunity have picked up the phone to our customers, shareholders, partners, media and competitors to say g'day and introduce myself and our new vision and mission, and importantly, what we are about – developing meaningful relationships and delivering, as a trusted partner, meaningful results.

It is an exciting time to be involved with Corum and I look forward to enjoying this ride together!

What a year 2020 has turned out to be!

Firstly, I would like to acknowledge our customers, the pharmacy groups and pharmacists of Australia, who have been manning the frontlines ensuring that our communities are supported, especially during the Covid 19 pandemic. It has often been stated that this group of hard-working Australians' is the forgotten front line – that certainly isn't the case as far as everyone at Corum is concerned and on behalf of our Team, thank you.

In my update today I want to focus on the operational progress this year and our goals for the current year.

It has been a busy year getting the business match fit for future growth.

Firstly, and most importantly, we have streamlined our cost base. We instituted a flatter management structure which unfortunately resulted in some redundancies and we appointed new functional heads in the areas of finance, sales and software development. Consequently, we now have a far more accountable team structure.

At the start of the Covid 19 outbreak we undertook a further efficiency drive, and this included Board and key management taking a 20% fee or salary reduction for the June quarter. We now have the cost platform to drive profitable sales into the future.

Secondly, we conducted a thorough review of all our software products

Dispense and Point of Sale systems are core systems of a pharmacy and they cannot operate without them.

In the dispense area we have completed the development of Corum Clear Dispense together with integrations with all major applications. This development has taken longer than first envisaged and was impacted by work needed to get our systems e prescribing ready. The Government – led e prescribing project was accelerated in response to the Covid 19 pandemic.

We will now have 2 solutions for dispense – LOTS and CCD and firstly we aim to quickly transfer our users off the legacy AWD product to our newer systems resulting in cost savings.

Our POS product LOTS POS is scheduled for a seamless upgrade to Corum Clear Retail during this year and together with our dispense solutions will provide, we believe, a market leading offering to the independent pharmacist.

Corum has a market leading Head Office solution, RPM, which provides a terrific lead-in for our dispense and point of sale software solutions to the growing number of groups in this consolidating market.

The pharmacy market has consolidated in recent years into franchise and banner groups where it is key to be able to offer more sophisticated head office solutions to help drive group profitability.

Through the refreshed Corum Board and wider associates, we now have a network of relationships at the decision maker levels of the large groups which we believe was lacking previously.

Corum is a major player in the pharmacy software system market. We used to be the largest and we want our market share back!

We are actively engaged in discussions with multiple groups to progress these opportunities.

We have also been developing, with BAMM, our new cloud-based Head Office solution, which will offer users more flexibility, functionality and workflow efficiencies. As a result of a Board decision to take all development in-house, we recently reached a settlement with BAMM that will see Corum pay \$2m over 3 years for the Intellectual Property rights of the software developed to date in lieu of around 63 million shares that were to be issued.

As a technology business, it is extremely important that we are in control of our own development and this is an extremely important turning point for our company.

We are only too aware that Corum's revenues have been in decline for some time. We have fixed up the cost base and growing revenues in our core products is now our main focus. We have revamped our sales force, aligned them more closely with the aims of the business with a new incentive scheme, and are utilising our network of connections to form partnerships with key industry players.

These initiatives are already beginning to have an effect in growing revenues and beginning the path to restoring our market share in our core software products.

Aside from our pharmacy software business, we now have 2 other business units, our e-commerce business and now PharmX.

Corum e-commerce operation is a payments business which primarily serves the real estate market. While it has been deemed non-core for some years, based on my experience in payments, I have already identified many opportunities to modify the basis of operation of the business and identified alignment possibilities with our wider product suite. I expect that you will hear more of our plans in this area through 2021.

The acquisition of PharmX was a major milestone for Corum and we believe significant opportunity exists to grow and further develop the gateway.

Key near term opportunities include:

1. Increase the range of direct suppliers available on the platform which will assist in increasing pharmacy efficiency through reducing manual orders in pharmacy;
2. Geographic expansion – there is a logical expansion of our developing business in the New Zealand market; and
3. Expansion of platform functionality – PharmX has historically been focused on electronic orders and invoicing. Potential exists to provide additional products and services with some key opportunities already identified and assessed for commercialization

To summarise, I believe that we have fixed the main issues within the business;



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- We have a sustainable cost base going forward;
- We have a clear product strategy; and
- We have an organisational structure both focused and incentivized to achieve growth.

And we have a valuable asset in PharmX and a strong cash position.

We still have a lot of work ahead of us to transform our organisation to where we want it to be, but the progress we have made to date has demonstrated that we are not only capable, but that we have a team who is willing and able to deliver. I'd like to take this opportunity to thank my team for their hard work this year under difficult circumstances.

I will conclude here by again saying thank you to our customers, the pharmacy groups and pharmacists of Australia who have been manning the frontlines ensuring that our communities have been adequately supported.

Additionally, I would like to thank our Board and Chairman for their ongoing support and finally I'd like to thank our shareholders for their continued support.

Together, we make a formidable team, and I can't wait to see what we can achieve in FY21 and beyond!



Corum Group Limited

CEO Update

Julian Sallabank CEO
November 17th 2020

FY21 Strategy



Sustainability of our Core Health Business

Our Pharmacy Software Solutions

Corum Health is a key enabler of Australian community pharmacy through its dispense, point of sale and head office pharmacy software solutions

		Solutions	
Dispense	<ul style="list-style-type: none">Medication dispense systems are highly regulatedePrescribing ready in a post COVID environment	 Corum LOTS Dispense	 Corum Clear Dispense
Point of Sale	<ul style="list-style-type: none">Manage front of house cash collectionAlso serve as stock ordering and control system	 Corum LOTS Point of Sale	 Corum Clear Point of Sale
Head Office	<ul style="list-style-type: none">Pharmacy group management solutionsRPM is the market leading head office system	 Corum RPM	 Corum Clear Enterprise

eCommerce

Corum eCommerce provides its clients a simple and efficient outsourced payment processing platform



Our eCommerce Solution

- Secure PCI compliant payment gateway
- Provides clients an efficient payment method for customers
- Avoids the need for clients to maintain expensive payment systems
- Full support desk service

REConnect oneCard

Secure payment solution primarily used by Real Estate agents without the need to maintain their own secure payment IT infrastructure

eCpay

Corporate grade payment solution offering customised features that is fast, reliable and secure and can be integrated to client requirements

Select Clients

CENTURY 21

RE/MAX

LJ Hooker

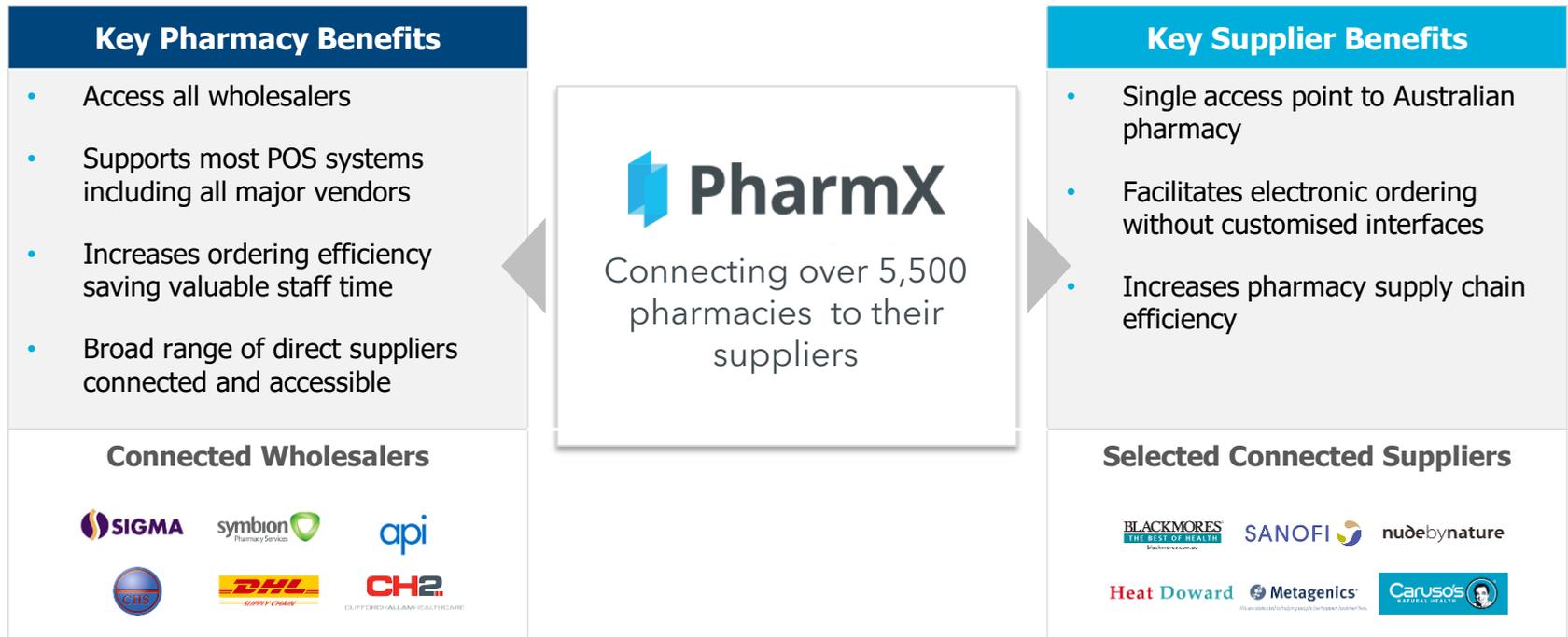


Raine&Horne.

FedEx[®]
Express

PharmX Overview

Established in 2006, PharmX is the pre-eminent electronic ordering gateway for Australian pharmacy with a long track record of delivering the stability and reliability required by the high order volumes of pharmacies



Thank You



Corum Group Limited