

Chairman's Address to the Annual General Meeting

2020 has been a year of great change at Corum where we have put in place the building blocks for sustainable future growth. In addition to Board renewal we have made significant changes in our Key Management Personnel with new Heads of Finance, Sales, Software Development and of course CEO. The Board is pleased with how the new team is beginning to shape up under Julian's leadership.

Corum currently operates in an industry that is generally resilient to economic conditions. However, the Board was cognisant of the potential effect that the Covid 19 pandemic and associated lockdowns could have on our pharmacy customers and took immediate steps to implement cost efficiencies and strengthen our cash position. These included streamlining our team and our Key Management Personnel and the Board taking a 20% salary reduction for the June quarter. We also availed ourselves of the cash flow measures that Government provided to business. However, we did not need to seek Government assistance provided under the Job Keeper scheme.

During 2020 Corum has focused on our customers as much as possible and ensured that business continuity, performance and 24/7 support has been maintained. In addition, we have supported those of our customers located in the hardest hit areas, namely airports and shopping centres.

Corum has taken an important role in supporting our customers and balanced the needs of shareholders respectfully. I am proud of our approach and wanted to pass on these sentiments to our employees, customers and shareholders.

In March we announced that we had increased our stake in PharmX, an unlisted entity that is the pre-eminent electronic ordering gateway between wholesalers, direct suppliers and the pharmacy market. And in September we further announced that we had reached agreement to acquire the remaining interests. We undertook a partially underwritten equity raising by means of a 1 for 3 Non-renounceable Entitlement Offer to raise \$5.6m before costs to support this acquisition. This was strongly supported by our existing shareholders and we were pleased to welcome new shareholders, both private and institutional, onto the register by means of a subsequent placement. The equity was issued at 4.2c with shareholders already benefitting in that the current share price is 8.6c per share.

PharmX is an important part of the pharmacy industry infrastructure and will continue to operate as an independent business unit within the Corum Group. It has however, suffered from a relative lack of investment in recent years to extend its reach and our aim is to provide management with the appropriate support for it to realise its potential.

In early October we concluded negotiations with BAMB group over the co-development of a cloud-based Head Office system. Under a resolution, passed at the 2019 AGM, Corum was to have issued a total of some 63 million shares as part of the consideration for this development and the accompanying Intellectual property rights.

This Board is of the view that we should have control of the development of our own products and we reached

an agreement to pay some \$2m over 3 years in lieu of the previous arrangement. Julian will provide more detail on our product strategy in his presentation.

Probably the highlight of our year happened at the end of last month when we were approached by Arrotex Pharmaceuticals about making a strategic investment in Corum. Arrotex is the largest manufacturer of generics and private label OTC medicines in Australia and, amongst other interests, is the majority owner in Pharmacy Alliance. The Board agreed to issue 60 million new shares at 5.5c and invite Dennis Bastas, the executive chairman and CEO of Arrotex to join the Corum Board. Dennis is well known as an industry leader and I am delighted to welcome him to Corum and that he is able to join us virtually today. We are excited about this strategic investment and see it as an endorsement of the Board and its strategy. I look forward to the contribution that his industry experience and connections will undoubtedly bring.

I would like to take a moment to comment on Corum's remuneration framework. The Board believes strongly in aligning the interests of all stakeholders and in February introduced, for the first time, a long-term incentive plan for key personnel.

The Board has taken formal external advice in relation to this and set appropriately challenging targets, based on earnings per share, to management. We believe that this is the best way of driving management performance over the long term. We are seeking in the next few weeks to enroll more of our key personnel into our long-term incentive plan.

We are also aware that we have work to do in the area of Investor relations. Historically, with a concentrated register, it was not a priority for the Board. With the revamped register including new institutional holders, family offices and private holders, many of whom are pharmacists, we know that we need to be more active in this area and we are currently developing plans for future engagement.

It has been a year of real change and progress for the Corum Group and we have entered the 2021 financial year in a much stronger position both strategically and financially. There is still much work to be done but the future looks exciting as we look to grow our core software business and take advantage of market opportunities as and when they present themselves.

I would like to take this opportunity on behalf of the Board to thank Julian and his team for their work throughout the past year and look forward to further shared success this year.

Finally, I'd like to thank you, our shareholders for your ongoing support of the company.

- ENDS -

This notice has been authorised for release to the ASX by the Chairman of the Board of the Company.

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About Corum Group

Corum Group Limited [ASX:COO] (Corum) 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.