

Corum to increase ownership in PharmX

Corum Group Limited (ASX:COO) (“Corum”) provides the following update in relation to matters relevant to its investment in PharmX Pty Limited (“PharmX”).

PharmX is the pre-eminent electronic gateway that links pharmacies, pharmaceutical wholesalers and direct suppliers to the pharmacy market. PharmX is co-owned by Corum and three other investors, including Fred IT Group Pty Ltd. As noted in Corum’s 2019 Annual and 2020 Half-Year Reports proceedings were commenced in 2019 in the Supreme Court of Victoria (the “Court”) relating to PharmX.

The Court proceedings arose, in part, from the failure of PharmX to pay certain distributions to the investors and, in part, from an alleged change of control of Fred IT that had occurred in 2013 but was not reported at that time to the other investors, as required under the investors’ agreement (the “Agreement”). In December 2019, the Court found that Fred IT had in fact undergone a change of control in 2013.

As previously announced, the Court ordered the parties to enter mediation. The mediation was unsuccessful in resolving the issues in dispute.

Corum has now elected to exercise its rights under the Agreement to acquire its share of Fred IT’s investment in PharmX arising because of Fred IT’s change of control. Corum will pay approximately \$770,000 for this investment, which is expected to be cashflow accretive in the first year.

This announcement is authorised by the Board.

For further information
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