



ASX Announcement

31 March 2020

Nitro Board and Executive Update

Key points

- Kathy Miller, Chief Financial Officer and Co-Company Secretary, has advised of her intention to retire and will step down as CFO and Co-Company Secretary but will remain with the Company in an advisory capacity during 2020
- Richard Wenzel, Co-Founder and Senior Vice President, Tax and Treasury, is retiring from his executive duties, but will remain on the Board as a non-executive director
- Kurt Johnson, Chairman, who has a long career in financial and executive leadership roles, is appointed as Executive Chairman and acting CFO for an initial period of 12 months
- Lisa Hennessy has been appointed Lead Independent Director

Nitro Software Limited (ASX:NTO) (“Nitro”, “the Company” or “the Group”), a global document productivity software company driving digital transformation in organisations around the world, today announces a number of changes to Board and Executive roles.

Retirement of Kathy Miller

Kathy Miller joined Nitro as Chief Financial Officer (CFO) in January 2019 and supported the successful listing of the Company on the ASX in December. Ms Miller has advised the Board of her intention to retire and, as agreed with the Board, is resigning from the role of CFO and Co-Company Secretary. However, Ms Miller will continue to support the Company in an advisory capacity until the end of 2020.

Nitro Co-Founder and CEO Sam Chandler said: “Kathy has made an extremely valuable contribution to the company since her appointment, including providing strong and experienced leadership in preparing Nitro for its successful IPO on the ASX in December last year.

“We look forward to continuing to work with Kathy as she supports the transition of the CFO role.”

The Company will commence a search for a new Chief Financial Officer.

Retirement of Richard Wenzel from Executive Role

Richard Wenzel co-founded Nitro in 2005 with CEO Sam Chandler and has most recently served as Senior Vice President, Tax and Treasury. Mr Wenzel is retiring from his executive position following his relocation back to Australia after more than a decade living in the United States. His responsibilities have been reassigned to members of the Finance team.

Mr Wenzel will remain on the Nitro Board as a non-executive director.



Mr Chandler said: “Rich and I have a deep history, having founded Nitro together almost 15 years ago. We have built a great business and an outstanding team based on delivering success to our customers. I am incredibly proud of what we have achieved, extremely grateful for Rich’s contribution to those achievements, and look forward to continuing to work with Rich in his new role as a non-executive director.”

A summary of the material variations to Mr Wenzel’s terms of employment is included in the attachment.

Appointment of Kurt Johnson as Executive Chairman and acting CFO

To support the Company and its Finance function Chairman Kurt Johnson will transition to an executive role for an initial period of 12 months.

Mr Johnson’s shift to Executive Chairman and acting CFO provides Nitro with strong finance capabilities. His background in investment banking and experience as a private and public company CFO, including significant M&A transaction experience, will be highly valuable as Nitro continues to execute its growth strategy.

Mr Johnson previously served as the CFO of ValueClick on its journey from private company to a NASDAQ-listed global success, as the President and CEO of NASDAQ-listed FastClick and as an investment banker for Olympic Capital Partners. He is also an experienced private investor and board member.

Mr Chandler said: “Kurt has served as a director of Nitro for 10 years, including as Lead Independent Director before his appointment as Chairman, and this next evolution in our partnership is exciting. We have navigated many challenges and experienced significant success together during our long collaboration at Nitro, and I’m thrilled to now count Kurt as a member of Nitro’s executive team where I know he can drive even more value for shareholders.”

A summary of Mr Johnson’s material terms of employment as Executive Chairman and acting CFO is included in the attachment.

Appointment of Lisa Hennessy as Lead Independent Director

To ensure continued strong governance, independent director Lisa Hennessy, who joined the Nitro Board at the time of Nitro’s IPO, has been appointed Lead Independent Director.

Ends

Authorised for release to the ASX by the Nitro Board.



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Forward-Looking Statements

This ASX release may include forward-looking statements that are based on information and assumptions known to date and are subject to various risks and uncertainties. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Nitro. These factors may cause actual results to differ materially from those expressed in the statements contained in this announcement.

About Nitro

Nitro is a global document productivity software company driving digital transformation in organizations around the world across multiple industries. The Company's core solution, the Nitro Productivity Suite, provides integrated PDF productivity, eSignature and business intelligence (BI) tools to customers through a horizontal, SaaS and desktop-based software suite. Nitro's software solution is highly scalable, serving large multinational enterprises and government agencies, as well as small business and individual users. Nitro has over 2 million licenses sold, and over 10,982 Business Customers in 144 countries around the world, including global market leaders across multiple industries, over 65% of the 2019 Fortune 500, and two of the 2019 Fortune 10. Nitro is headquartered in San Francisco and has offices in Dublin, London and Melbourne.

The statistics above are as at 31 December 2019.

The presentation currency of the Company/Group is United States Dollars (USD) and unless otherwise stated, all amounts are presented in USD.

For more information on Nitro, please visit

Website: <https://www.gonitro.com/>

Investors: <https://ir.gonitro.com/Investor-Centre/>



ATTACHMENT

Material Terms of Employment – Executive Chairman

In accordance with ASX Listing Rule 3.16.4, Nitro makes the following disclosures in respect of the material terms of the executive employment agreement between the Company and Mr Kurt Johnson:

Position:	Executive Chairman and acting Chief Financial Officer
Commencement Date:	1 April 2020
Term:	<p>The period commencing on the Commencement Date and ending on 30 April 2021, unless terminated earlier or extended (in each case at the discretion of the Board).</p> <p>It is the expectation of the Board and Mr Johnson that, upon completion of his term as Executive Chairman, Mr Johnson will seek re-appointment, and the Board will so reappoint Mr Johnson, as a non-executive Director of the Company.</p>
Total Fixed Remuneration:	<p>US\$325,000 per annum.</p> <p>Mr Johnson will also be provided with accommodation proximate to the Company's head office in San Francisco, at the cost of the Company. If the Company is not able to provide such accommodation, it will (subject to approval of the Chair of the Remuneration and Nomination Committee) reimburse Mr Johnson's reasonable accommodation costs.</p> <p>The Company will provide a travel stipend of US\$600 per week in which Mr Johnson commutes to the San Francisco office.</p>
Short Term incentive:	Not applicable.
Long Term incentive:	<p>Subject to Shareholders approving the grant at Nitro's Annual General Meeting, the Company will grant to Mr Johnson:</p> <ul style="list-style-type: none"> • 100,000 fully paid ordinary shares in Nitro; and • a number of performance rights which, if they vest, will each entitle Mr Johnson to one fully paid ordinary share in Nitro. <p>Further information in relation to the grant of shares and performance rights will be set out in Nitro's Notice of Annual General Meeting to be provided in April 2020.</p>
Termination:	Mr Johnson's employment relationship is at-will. Either Mr Johnson or Nitro may terminate his employment at any time without advance notice.
Restraint:	There are no non-solicitation or non-compete obligations under Mr Johnson's employment agreement, as such obligations are not enforceable under Californian law.



Material Variation to Terms of Employment – Mr Wenzel

The cessation of Mr Wenzel's executive role will involve a material variation in his terms of employment.

In accordance with ASX Listing Rule 3.16.4, the Company notes that Mr Wenzel will cease to be a full-time employee from 31 March 2020. From 1 July 2020, he will receive remuneration as a non-executive director (currently US\$57,600 per annum, inclusive of superannuation where applicable) and shall have no entitlement to any short-term incentive or participation in the Company's employee equity incentive plan (including in respect of FY20). Any existing options held by Mr Wenzel will vest in accordance with their existing vesting conditions.

The Company has agreed to pay Mr Wenzel three months' salary as severance and a one-off payment of US\$20,000 to cover relocation costs (being US\$76,250 in aggregate), to continue Mr Wenzel's existing health insurance through 30 June 2020 and for Mr Wenzel to retain his Company laptop and mobile phone.