



FY2021

# RESULTS PRESENTATION



WELCOME

# TODAY'S SPEAKERS



**Sam Chandler**

Co-Founder & CEO



**Ana Sirbu**

CFO

# AGENDA

- 1** Business Overview and Financial Highlights
- 2** Financial Results
- 3** Business Strategy and Outlook
- 4** Q&A



RESULTS PRESENTATION FY2021

# BUSINESS OVERVIEW & FINANCIAL HIGHLIGHTS

Sam Chandler

Co-Founder & CEO





We're the leader in document productivity and digital transformation



**67%**

of the **Fortune 500**  
are Nitro customers<sup>1</sup>

14% of the F500 are scaled customers with >100 licenses



**13,000+**

Business Customers<sup>2</sup>



**157**

Countries



<sup>1</sup> 2021 Fortune 500 customers with paid licences, as of 31 December 2021.

<sup>2</sup> A Business Customer is a PDF Pro customer with 10 or more licenced users, or an eSign customer .

# nitro **SNAPSHOT**



High-growth, recurring B2B SaaS revenue model



Large and growing TAM



Leader in both PDF productivity and eSigning, evolving further into a productivity software platform



Investing in R&D and go-to-market for continued growth and scale



Strategic M&A as key lever in product roadmap acceleration  
*(Connective, PDFpen in 2021)*



Experienced leadership team



INTRODUCING

# THE WORLD'S FIRST DOCUMENT PRODUCTIVITY PLATFORM



## PDF Productivity

- ✓ Windows PDF Productivity
- ✓ Web PDF Productivity
- ✓ Mac PDF Productivity
- ✓ Mobile PDF Productivity



## eSign

- ✓ Simple eSign
- ✓ Enterprise eSign
- ✓ High-Trust eSign
- ✓ Identity Verification/eID



## Workflows + Integrations

- ✓ Web Storage Integrations
- ✓ Enterprise Integrations
- ✓ Document Generation
- ✓ Workflow Automation



## API/SDK

- ✓ PDF SDK/API
- ✓ eSign API
- ✓ Identity Hub API
- ✓ Smart Docs API



## Analytics & Insights

- ✓ PDF Analytics
- ✓ Printing Analytics
- ✓ eSign Analytics

## M&A WAS AN IMPORTANT ACCELERANT IN 2021

- ✓ Nitro features before acquisitions.
- ✓ Features added through acquisitions during 2021 (PDFpen and Connective).



2021 REVIEW

# HIGHLIGHTS

- ✓ US\$51M revenue
- ✓ US\$46M ARR<sup>1</sup>
- ✓ Largest deals ever for new customer and expansion

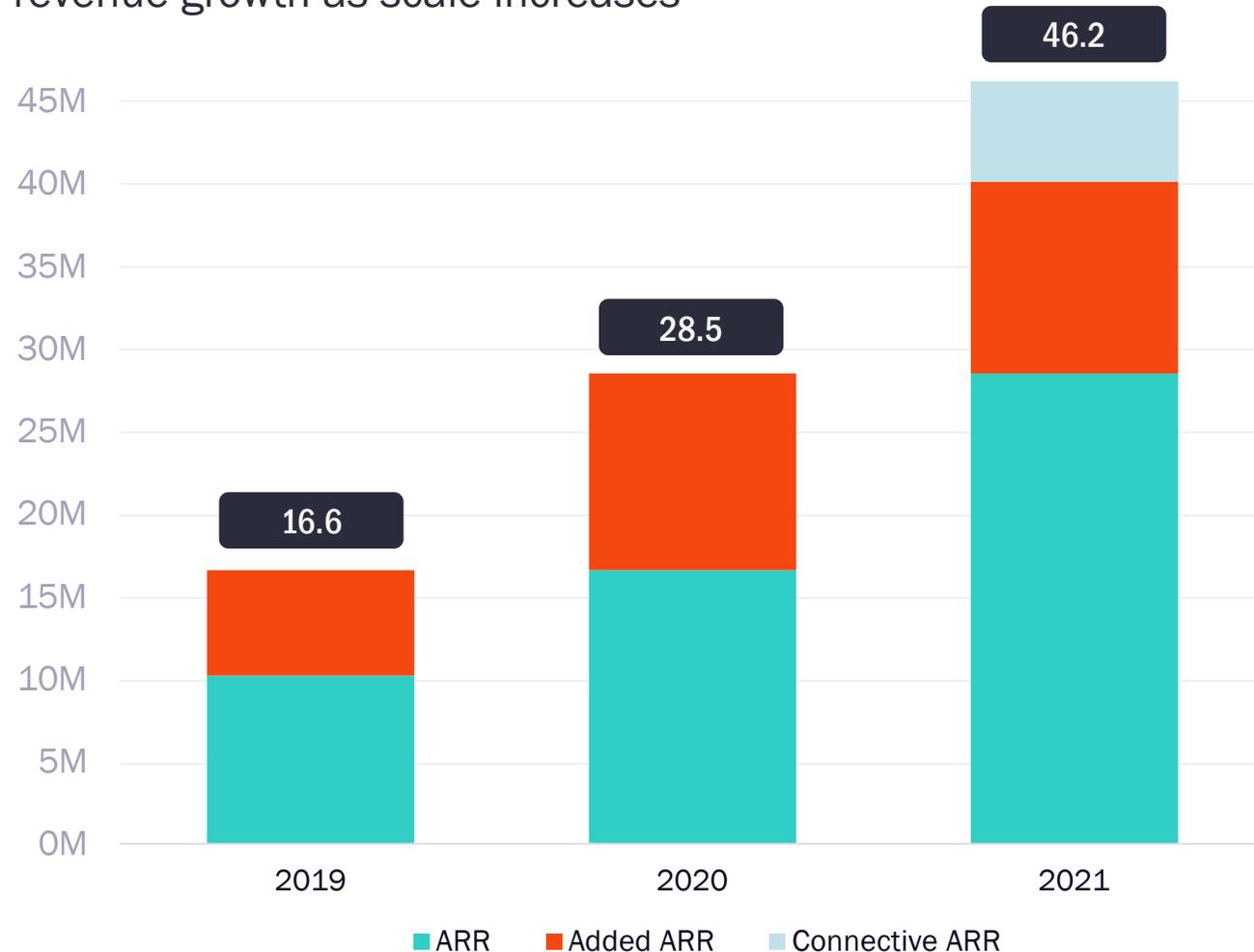
**300+**  
**NITRONAUTS** in **14**  
**COUNTRIES**



<sup>1</sup> \$40M excluding Connective.

# 2021 FINANCIAL HIGHLIGHTS

Delivering rapid ARR and subscription revenue growth as scale increases



## BY THE NUMBERS

**\$46.2 million**

ENDING ARR

  
Up 62% YoY  
ARR

**\$50.9 million**

REVENUE

  
Up 59% YoY  
SUBSCRIPTION REV

**(\$7.6 million)**

OPERATING EBITDA<sup>1</sup>

**\$48.2 million**

ENDING CASH

<sup>1</sup> Operating EBITDA excludes stock-based payment, foreign exchange gains and losses, and one-time expenses related to M&A.

**\$ IN USD**

Note: Financials inclusive of Connective.

# 2021 PRODUCT HIGHLIGHTS

Delivering customer value at scale



DOCUMENTS OPENED

> **3** BILLION

37% INCREASE YOY



ESIGNATURES

> **22** MILLION

UP FROM 1 MILLION  
ESIGNATURES IN 2020<sup>1</sup>

INCREASED  
DEMAND & USAGE

**70%**

Increase in total activity by  
Nitro Pro users

**>100%**

Increase in Nitro Sign business  
users<sup>2</sup> and eSignature requests,  
before Connective acquisition

<sup>1</sup> 22 million includes 2 million Nitro Sign, and 20 million Connective eSignatures.

<sup>2</sup> Increase in Nitro Sign business users (exclusive of Connective) measured as average number of monthly eSignature requesters during 2021 vs 2020.



# NITRO + CONNECTIVE

Connective enables Nitro to serve entire **US\$17B** eSign market



- ✓ Simple eSigning (SES)
- ✓ Simple integrations

Simple eSigning

**\$6B** USD TAM



- ✓ Advanced and Qualified eSignatures (AES, QES)
- ✓ Powerful integrations
- ✓ Powerful API
- ✓ More eID integrations than any other eSign solution
- ✓ Powerful workflow engine

Enterprise eSigning

**\$11B** USD TAM

+

**\$17B** USD TAM



Nitro Sign

eSigning  
Document Workflow  
Automation

**\$11B** USD TAM



Nitro PDF Productivity

PDF Productivity  
PDF Document Services  
Document Insights & Intelligence



Adecco



\$ IN USD

Nitro PDF Productivity and Nitro Sign Total Addressable Market (TAM) calculated by estimating the total number of companies worldwide across our SMB, Mid-Market, Growth and Enterprise segments using LinkedIn data and applying an Average Contract Value (ACV) per segment for each product. Nitro PDF Productivity ACVs are based on Nitro's typical ACVs per segment achieved today, and Sign ACVs are based on typical eSigning contract values per segment currently achieved by market leaders, but discounted to reflect Nitro pricing and packaging. Nitro estimates that the Simple eSigning TAM is approximately one-third of the total eSigning TAM, and Enterprise eSigning is two-thirds of the total.

# ESIGNING IS A RAPID GROWTH MARKET...

Spending on eSigning solutions globally is expected to grow at a **29% CAGR<sup>1</sup>** over the next decade

**Global eSign Spend, 2020-2030**



# ...AND HIGH-TRUST SIGNING IS BECOMING THE NEW STANDARD

High-trust signing is common in Europe and for many high-value transactions worldwide as customers demand better security, compliance, and higher levels of legal assurance

eID adoption is forecasted to grow at 44% CAGR through 2025 making high-trust signing one of the fastest-growing forms of eSigning



Sweden is a leader in eID adoption and has experienced 50% growth in high-trust eSigning volumes in 2021 compared to 2020.



Sources:

1. Juniper Research Ltd.

2. BankID Comparison period September 2021 vs September 2020.

<sup>1</sup> Source: Prescient & Strategic Intelligence: Global Digital Signature Market Report (psmarketresearch.com).

# THREE PHASES



**PHASE 1**  
Immediate

**Monetise acquired products and utilise all cross-sell opportunities**

Operate products in combination and monetise immediately



**PHASE 2**  
6 – 12 Months

**Full product integration and customer data migration**

Merge best-in-class elements into common set of application services, begin platform standardisation



**PHASE 3**  
12 – 24 Months

**Drive global growth through a singular, differentiated product, branded as Nitro Sign**

Deliver a best-of-breed, integrated eSign platform to consolidated customer base

# MAJOR ENTERPRISE WINS

Nitro serves 13,000+ Business Customers,  
including some of the world's largest companies

## NEW CUSTOMERS

Deutsche Bank 

Johnson  
Controls 

**P&G**

 **MetLife**

## RENEWING AND EXPANDING CUSTOMERS

**REDFIN**

**ICON**



 **MOTOROLA SOLUTIONS**

**CHUBB®**



 **ninet.**

**SUNPRO** 

**DSV**

# Nitro PDF Pro

## VALUE OF STANDARDIZATION

# Nitro becomes global standard as Fortune 500 customer doubles in size through acquisition

- Initial purchase of over 15,000 Nitro licenses in 2018
- Large acquisition by customer in 2021 doubled revenue and global employee headcount
- Acquired company was heavy user of competing PDF solution, but customer wanted to achieve global standardization
- Acquired organization participated in a Nitro Pilot to assess product and partner fit. Based on user feedback and Pilot survey results, Nitro selected as preferred PDF solution
- Expanded to 20,000 licenses in 2021 with expected growth to nearly 30,000 licenses by end of 2023
- eSigning expansion opportunity in 2022 made possible by Connective acquisition

**Fortune 500 provider of outsourced development services to the pharmaceutical, biotechnology and medical device industries**

<b>INDUSTRY</b>	<b>EMPLOYEES</b>
Pharmaceutical	38,000
<b>CUSTOMER SINCE</b>	<b>INCUMBENT</b>
2018	Adobe

# Nitro Sign

INCREASED EFFICIENCY AND REDUCED FRAUD RISK

## Fast and user-friendly KYC and eSigning leveraging electronic identities

- Previously, customer dealt with slow and cumbersome online service requests with labour-intensive manual risk assessments
- End-to-end and high-trust digital KYC flow implemented using Connective eSignatures and Smart Documents (now Nitro Sign Enterprise)
- Company now signs documents with multiple digital identities including iDIN, itsme® and others
- Usage scaled to nearly 70,000 eSignatures in 2021
- Approval cycle reduced from 5 days to real-time
- Back-office costs substantially reduced: manual review of contracts reduced to 1 in 10 contracts
- Fraud risk significantly reduced, including contract disputes

✓ **Top 20 Global Bank**

✓ **Top 4 EU Bank**

<b>INDUSTRY</b>	<b>EMPLOYEES</b>
Financial Services	197,000
<b>CUSTOMER SINCE</b>	<b>INCUMBENT</b>
2020	None



BETTER BY DESIGN

# THE NITRO DIFFERENCE



## PRODUCTIVITY & WORKFLOW

- ✓ One vendor, multiple solutions
- ✓ Any end user, any device, any workflow
- ✓ Better for IT, better for teams, better for end users
- ✓ The leader in high-trust workflows



## ANALYTICS

- ✓ Measure, prove and tell your digital transformation story
- ✓ Completely unique in market
- ✓ Evolving toward even deeper, richer insights and reporting



## CUSTOMER EXPERIENCE

- ✓ Unparalleled sales and service experience



RESULTS PRESENTATION FY2021

# FINANCIAL RESULTS

Ana Sirbu

CFO



# FINANCIAL RESULTS

Execution of GTM strategy & product roadmap  
headline strong performance

- ARR at 31 December 2021 excluding Connective increased 40.1% to US\$40.1M; ARR including Connective increased 62% to US\$46.2M
- Revenue excluding Connective increased 26% to US\$50.7M, doubling our growth rate from 13% the prior year; Revenue including Connective was US\$50.9M
- Subscription revenue increased by 59% YoY, driven by the success of Nitro's subscription products with both new and existing customers
- Perpetual revenue reduced by 10% YoY as successful subscription shift continued
- S&M expenses increased from 50% to 58% of revenue – a 45% YoY spend increase, reflecting significant investments in Nitro's go-to-market initiatives as ARR and subscription revenue scale
- R&D expenses increased from 23% to 27% of revenue – a 44% YoY spend increase, primarily driven by headcount, reflecting Nitro's commitment to innovation and evolution of its Productivity Platform
- G&A expenses increased by 25% YoY, and was steady at 23% of revenue, as Nitro pursues economies of scale in supporting functions

## ABRIDGED STATEMENT OF COMPREHENSIVE INCOME<sup>1</sup>

US\$M	2021	2020	Change compared to 2020	
<b>Revenue</b>			(US\$M)	(%)
Subscription	33.8	21.2	12.5	59%
Perpetual	17.1	18.9	(1.9)	-10%
<b>Total Revenue</b>	<b>50.9</b>	<b>40.2</b>	<b>10.7</b>	<b>27%</b>
Cost of Sales	(4.0)	(3.8)	(0.2)	6%
<b>Gross Profit</b>	<b>46.9</b>	<b>36.4</b>	<b>10.4</b>	<b>29%</b>
<b>Operating Expenses</b>				
Sales & Marketing	(29.4)	(20.2)	(9.2)	45%
Research & Development	(13.5)	(9.4)	(4.1)	44%
General & Administrative	(11.6)	(9.2)	(2.3)	25%
<b>Operating EBITDA<sup>2</sup></b>	<b>(7.6)</b>	<b>(2.4)</b>	<b>(5.2)</b>	<b>214%</b>
Share Based Payments	(7.6)	(3.0)	(4.7)	157%
Foreign Exchange Costs	(1.5)	(0.6)	(0.9)	169%
M&A Costs	(1.9)	(0.0)	(1.9)	NM <sup>3</sup>
<b>EBITDA</b>	<b>(18.6)</b>	<b>(6.0)</b>	<b>(12.7)</b>	<b>213%</b>
Depreciation & Amortisation	(2.4)	(1.7)	(0.7)	39%
Other	(0.7)	0.1	(0.8)	NM <sup>3</sup>
<b>Net Income</b>	<b>(21.7)</b>	<b>(7.5)</b>	<b>(14.1)</b>	<b>188%</b>
<b>ARR</b>	<b>46.2</b>	<b>28.5</b>	<b>17.7</b>	<b>62%</b>

<sup>1</sup> Totals may not add due to rounding errors caused by the figures being rounded to the nearest tenth of million dollars.

<sup>2</sup> Operating EBITDA excludes stock-based payments, foreign exchange gains and losses, and one-time expenses related to M&A.

<sup>3</sup> NM = Not Meaningful.

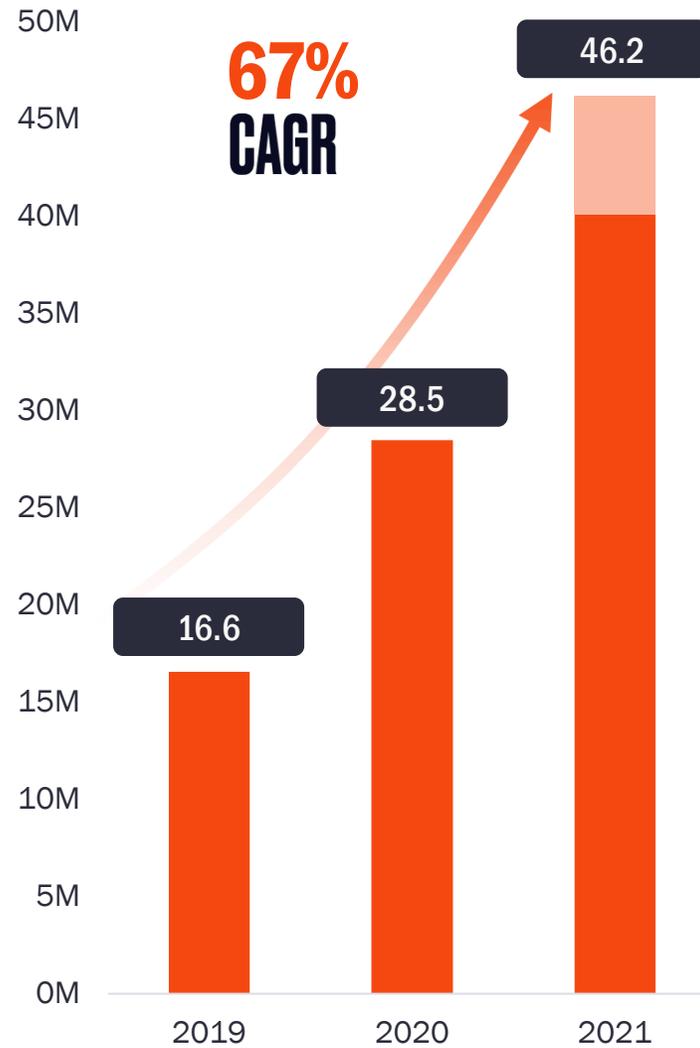


# ARR AND REVENUE

Strong ARR and subscription revenue growth reflect Nitro's successful subscription strategy and increasing scale



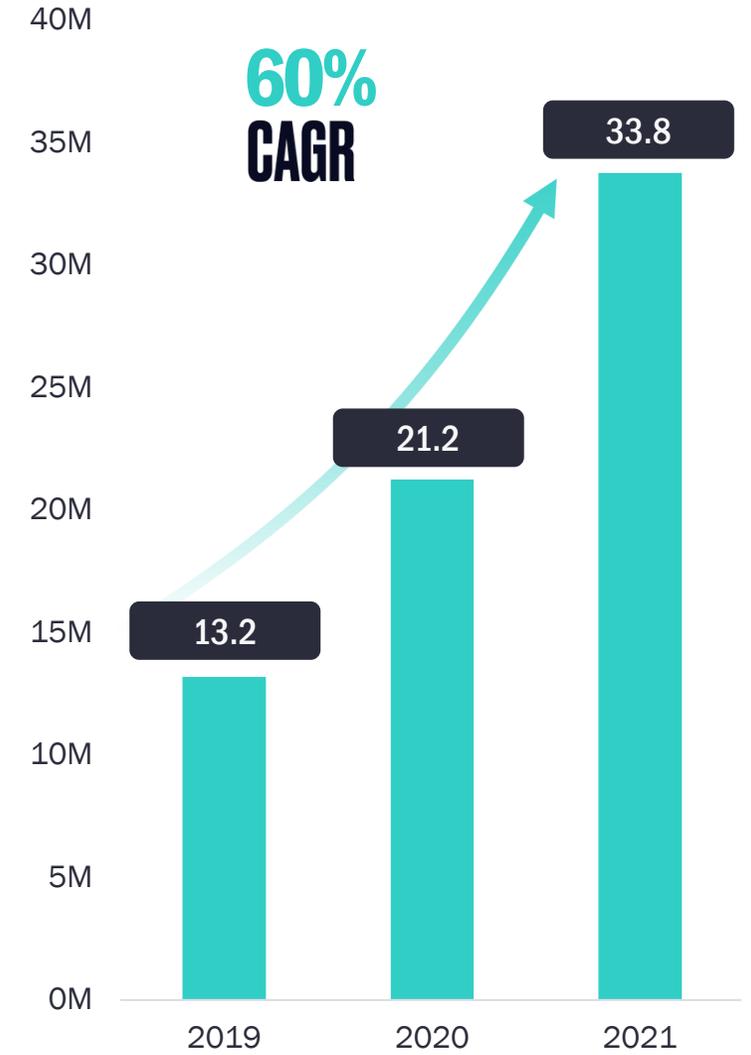
SUBSCRIPTION ARR (US\$M)



- Subscription ARR at end of financial reporting period
- 2021 inclusive of Connective ARR

■ ARR ■ Connective ARR

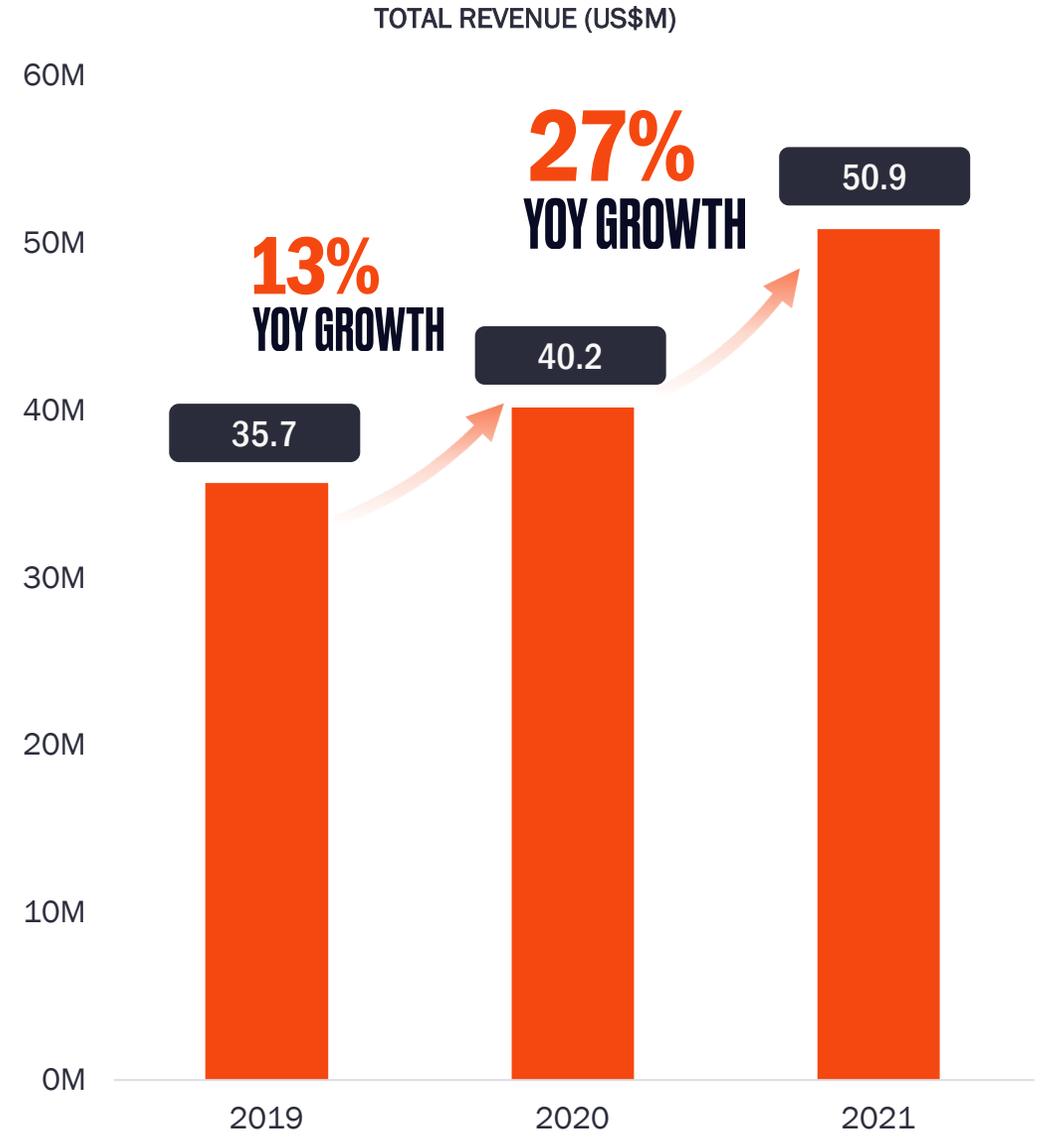
SUBSCRIPTION REVENUE (US\$M)



- Subscription revenue during financial reporting period
- 2021 inclusive of Connective revenue (12 days)

# TOTAL REVENUE

As subscription sales dominate, Nitro's total revenue growth is accelerating



- Revenue during financial reporting period
- 2021 inclusive of Connective revenue (12 days)

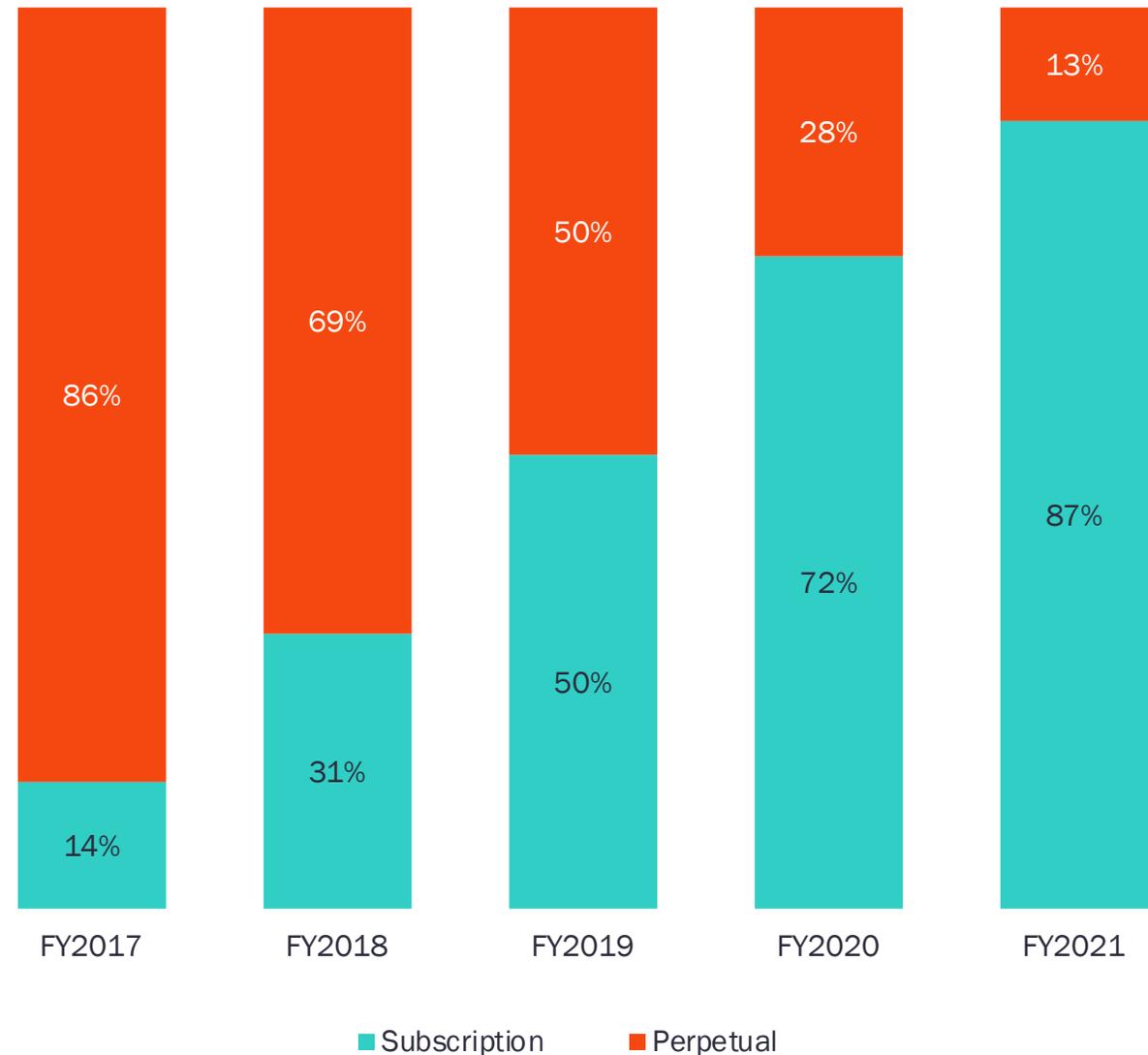


# TRANSITION TO SUBSCRIPTION

Transition to subscription in Business sales effectively completed in FY2021

- In the Business sales channel, subscription revenue increased to 87% of revenue in FY2021, up from 72% in FY2020
- The Business sales channel generates the majority of Nitro's revenue and constituted 76% of total revenue in FY2021

BUSINESS<sup>1</sup> REVENUE: % SUBSCRIPTION VS. % PERPETUAL

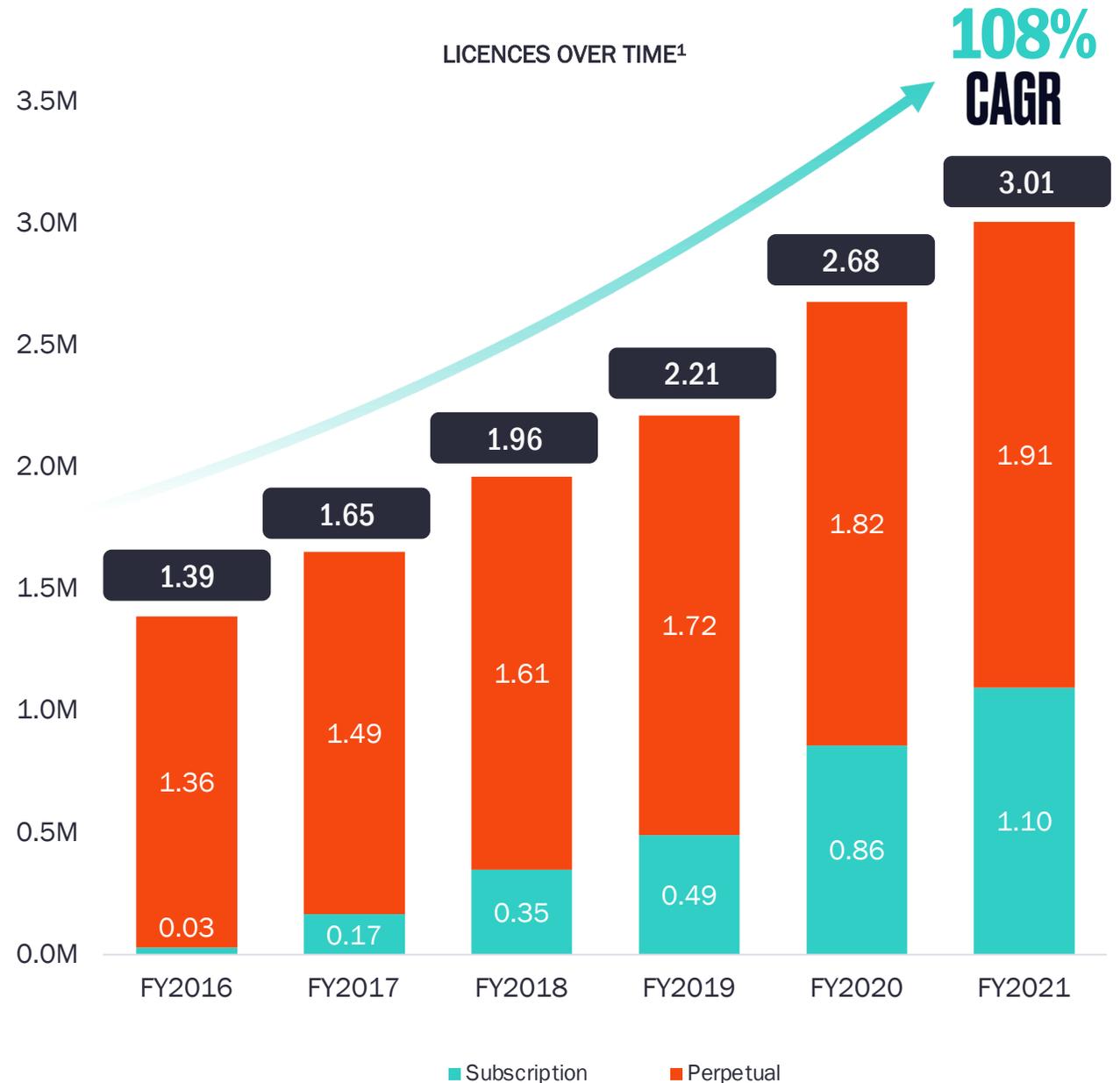


<sup>1</sup> Nitro's Business sales comprise sales executed by Nitro's sales team and exclude online/eCommerce sales via Nitro's website and Connective.

# GREATER THAN 3M LICENCES SOLD

(>1M SUBSCRIPTIONS)

Since launching its subscription offering in 2016, Nitro has delivered over five years of strong subscription licence growth with a 108% CAGR and achieved a milestone of over 1 million active subscriptions in 2021



<sup>1</sup> Licences over time reflects all perpetual licences sold (cumulative), plus active subscription licences.



# KEY SAAS METRICS

High-growth, high-quality ARR underpinned by compelling unit economics and strong expansion performance



**94%**

Gross Retention Rate



**113%**

Net Retention Rate

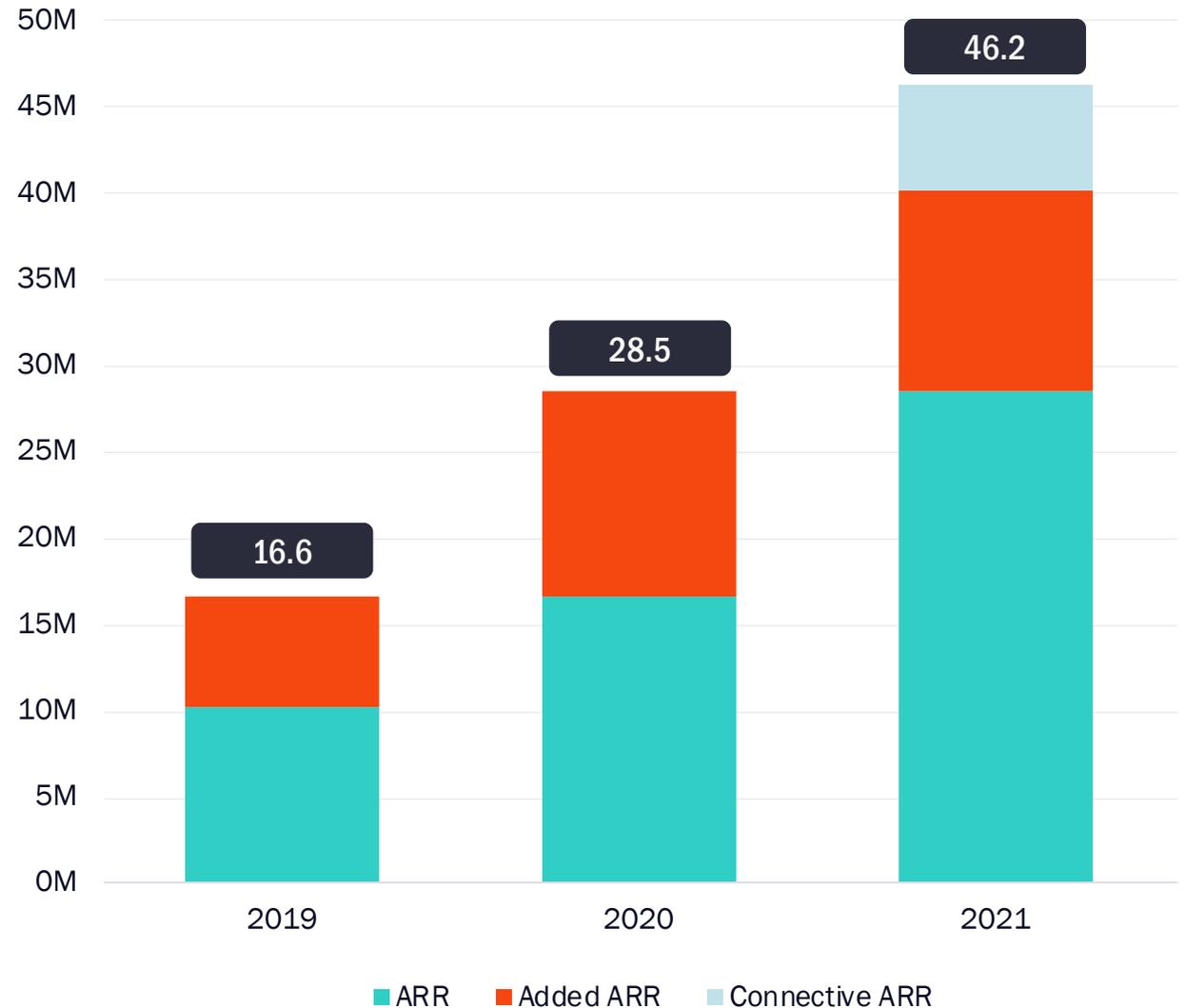


**4.7**

LTV / CAC

Note: SaaS Metrics presented excluding Connective.

ARR GROWTH (US\$M)



# BALANCE SHEET

Strong balance sheet positions us well for continued high growth

- Cash balance of US\$48.2 million with no debt<sup>1</sup>
  - Successfully completed a A\$140.0 million capital raise through the combination of an institutional placement and a retail entitlement offer
  - Successfully completed the €70.0 million acquisition of Connective, which closed on 20 December 2021
- Intangible assets and goodwill includes the acquisition of PDFpen and Connective

US\$M	2021	2020
Cash and cash equivalents	48.2	43.7
Receivables	11.6	6.7
Current tax receivables	0.0	0.1
Other current assets	3.9	2.9
<b>Current assets</b>	<b>63.7</b>	<b>53.3</b>
Property, plant and equipment	0.7	0.5
Intangible assets	89.6	0.0
Deferred tax assets	-	0.0
Right of use assets	2.5	1.8
Other non-current assets	6.2	4.3
<b>Non-current assets</b>	<b>99.0</b>	<b>6.6</b>
Trade payables	6.4	3.1
Deferred revenue	26.2	21.0
Lease liability	1.2	1.1
Employee benefits	4.6	2.9
Other current liabilities	1.4	0.8
<b>Current liabilities</b>	<b>39.9</b>	<b>28.9</b>
Deferred revenue	0.7	1.2
Deferred tax liability	6.6	-
Lease liability	1.3	0.6
<b>Non-current liabilities</b>	<b>8.6</b>	<b>1.7</b>
<b>Net assets</b>	<b>114.3</b>	<b>29.3</b>
Contributed equity	189.2	90.3
Other reserves	12.9	5.0
Retained earnings	(87.7)	(66.1)
<b>Equity</b>	<b>114.3</b>	<b>29.3</b>

<sup>1</sup> Except for lease liabilities recognised under AASB 16.

RESULTS PRESENTATION FY2021

# BUSINESS STRATEGY & OUTLOOK

Sam Chandler

Co-Founder & CEO



DIGITAL TRANSFORMATION

# THE OPPORTUNITY IS VAST & GROWING

**\$28B** USD TAM<sup>1</sup>

**\$17B** USD TAM



**Nitro Sign**

eSigning  
Document Workflow  
Automation

**\$11B** USD TAM



**Nitro PDF Productivity**

PDF Productivity  
PDF Document Services  
Document Insights & Intelligence



<sup>1</sup> Nitro Productivity Suite and Nitro Sign Total Addressable Market (TAM) calculated by estimating the total number of companies worldwide across our SMB, Mid-Market, Growth and Enterprise segments using LinkedIn data and applying an Average Contract Value (ACV) per segment for each product. Productivity Suite ACVs are based on Nitro's typical ACVs per segment achieved today, and Sign ACVs are based on typical eSigning contract values per segment currently achieved by market leaders, but discounted to reflect expected Nitro pricing and packaging.

# PERFECTLY POSITIONED FOR TODAY AND THE FUTURE

Digital Transformation (DX) is a multi-decade trend creating significant opportunities for Nitro in core and adjacent markets...

## KEY IT PRIORITIES FOR ENTERPRISES IN 2022

1. Security, Identity, and Privacy
2. Creating Digital Capability
3. Building the Modern Workplace
4. Modernize Legacy Systems
5. Adopt Cloud Services

\*SOURCE: OMDIA (Formerly OVUM)

**DX** Digital Transformation

## Document Productivity & Workflow

eSigning

PDF Productivity

Identity

Document Generation

Analytics

Future Categories

...and Nitro's solutions perfectly reflect the top enterprise technology trends



FY2022

# LOOKING AHEAD TO A YEAR OF CONTINUED GROWTH & SCALE

Nitro is well positioned to benefit from a very large TAM, sector tailwinds, and multiple growth levers in FY2022



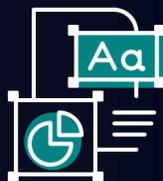
## Hiring

Primarily in engineering, product management and go-to-market roles



## Expanding Document Productivity Platform

Execution on product vision and roadmap in the areas of productivity, workflow, analytics and more



## Scaling Go-to-Market Machine

Execution in sales, marketing, channel, partnerships and customer success

# BUILDING AND SCALING THE NITRO PRODUCTIVITY PLATFORM IN 2022

## ***PRODUCT***

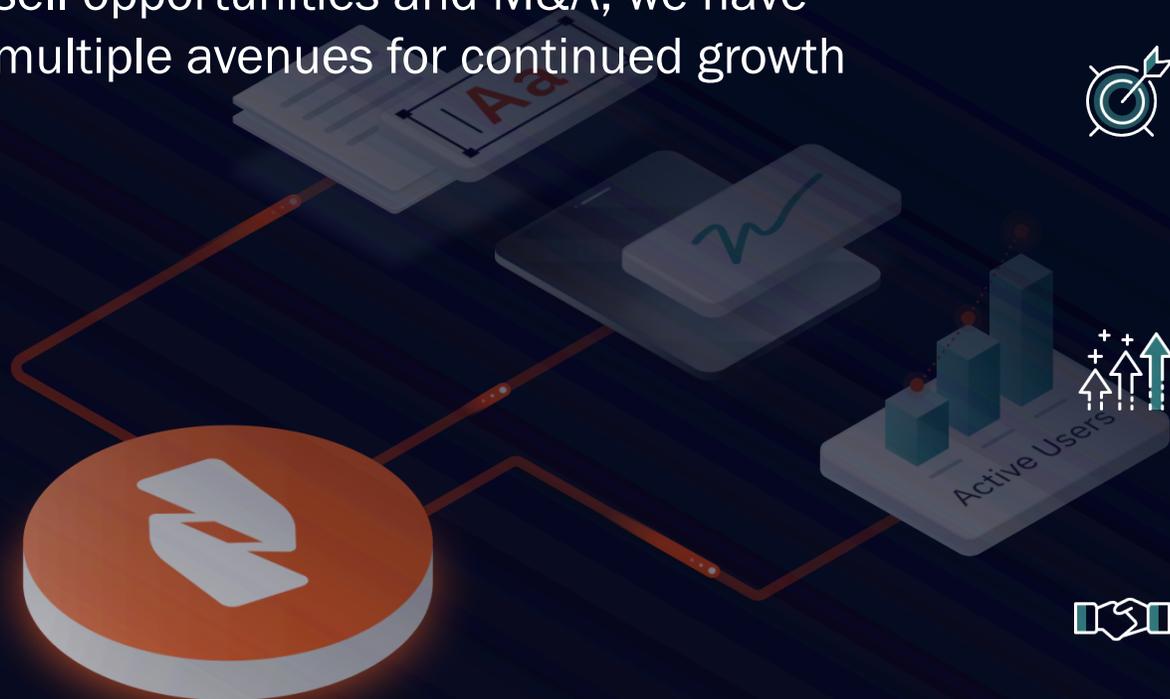
- ✓ Expand our competitive position in PDF productivity
- ✓ Transform our competitive position in eSigning
- ✓ Further our differentiation in analytics
- ✓ Deliver a platform of connected apps and a unique set of APIs and integrations

## ***GTM***

- ✓ Scale and fully integrate GTM machine
- ✓ Drive Nitro Sign / Connective cross-sell
- ✓ Expand channel strategy to Solutions Integrators (SIs) and other partners
- ✓ Equal focus on new customer acquisition, expansion and retention

# MULTIPLE LEVERS FOR GROWTH

From new customers and products, to cross-sell opportunities and M&A, we have multiple avenues for continued growth



## EXPANSION WITHIN EXISTING CUSTOMERS

Cross-sell between Nitro and Connective customers

Customer Account Executives focused on expansion, including Pro upsell and Sign cross-sell



## WINNING NEW CUSTOMERS

Account Executives leveraging established big wins to penetrate new accounts, regions and verticals



## FOCUS ON CHANNEL

Scale partner strategy through the addition of Connective's 110+ Solution Integrators and other partners to provide integration, implementation and managed services

## NEW PRODUCT DEVELOPMENT

Continued innovation across Nitro Pro, Sign and Analytics while adding new products and features in line with platform vision



## MERGERS & ACQUISITIONS

Product-led strategic M&A to accelerate roadmap and unlock even greater cross-sell potential

# FY2022 GUIDANCE

A year of continued growth and scale  
in large and high-growth markets



## ENDING ARR

**\$64 - \$68 million**

39-47% Growth on FY2021

## REVENUE

**\$65 - \$69 million**

29-36% Growth on FY2021

## OPERATING EBITDA<sup>1</sup>

**(\$18) - (\$21) million**

\$ IN USD

<sup>1</sup> Operating EBITDA excludes stock-based payments, foreign exchange gains and losses, and one-time expenses related to M&A.



RESULTS PRESENTATION FY2021

# Q&A



RESULTS PRESENTATION FY2021

# APPENDIX



# THE NITRO DIFFERENCE

Delivering unmatched productivity gains at scale across the enterprise



## Unique Offering from One Vendor

Only Nitro offers PDF productivity, eSigning, and analytics to uniquely drive forward your digital transformation



## Delivering Value at Scale

Lower price point and attractive licensing model allows significant cost savings and expanded deployments



## ROI You Can See

Actionable analytics deliver unique insights to show, measure and prove your productivity gains



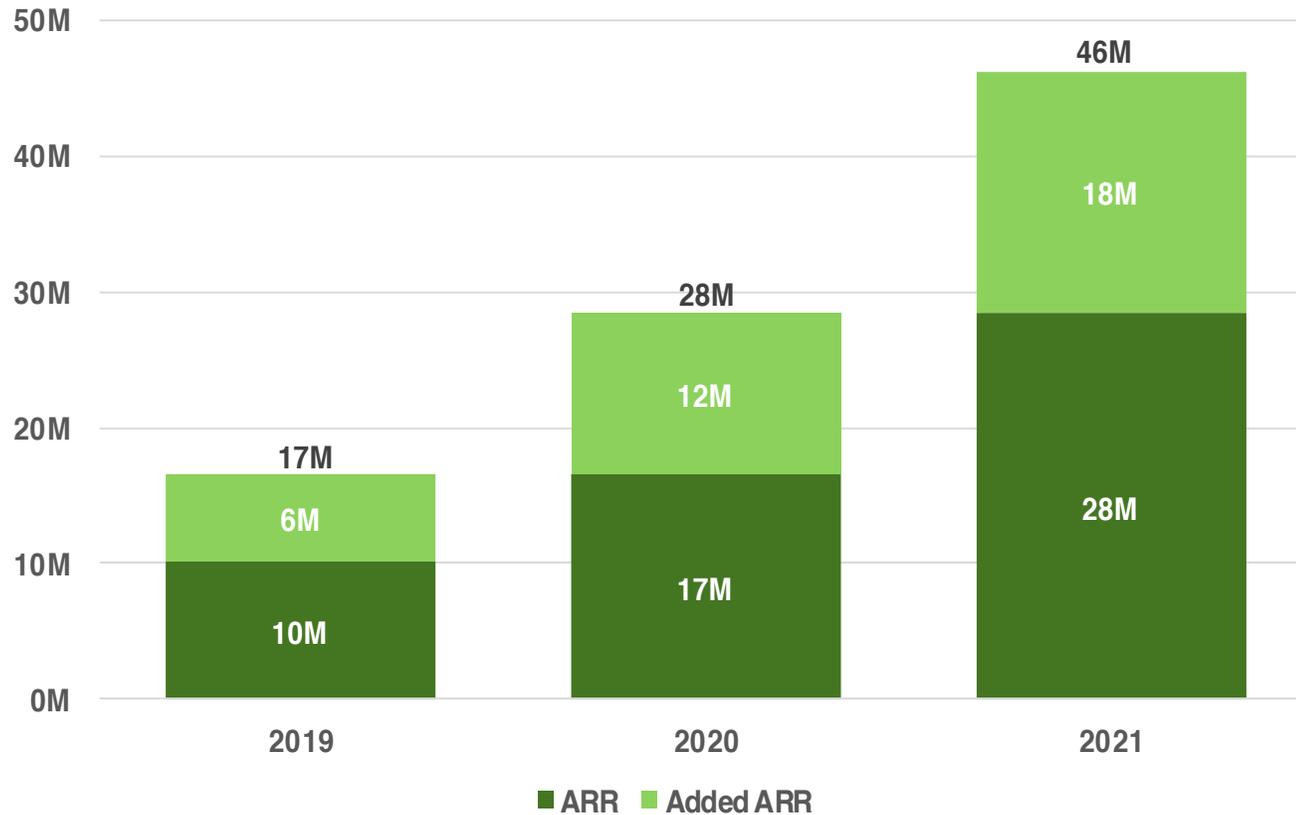
## Immediate Productivity

Easier to deploy, easier to manage, and easier for individuals and teams to use and self-serve

# ARR Scaled to \$46.2M Mostly Through New and Expansion Bookings

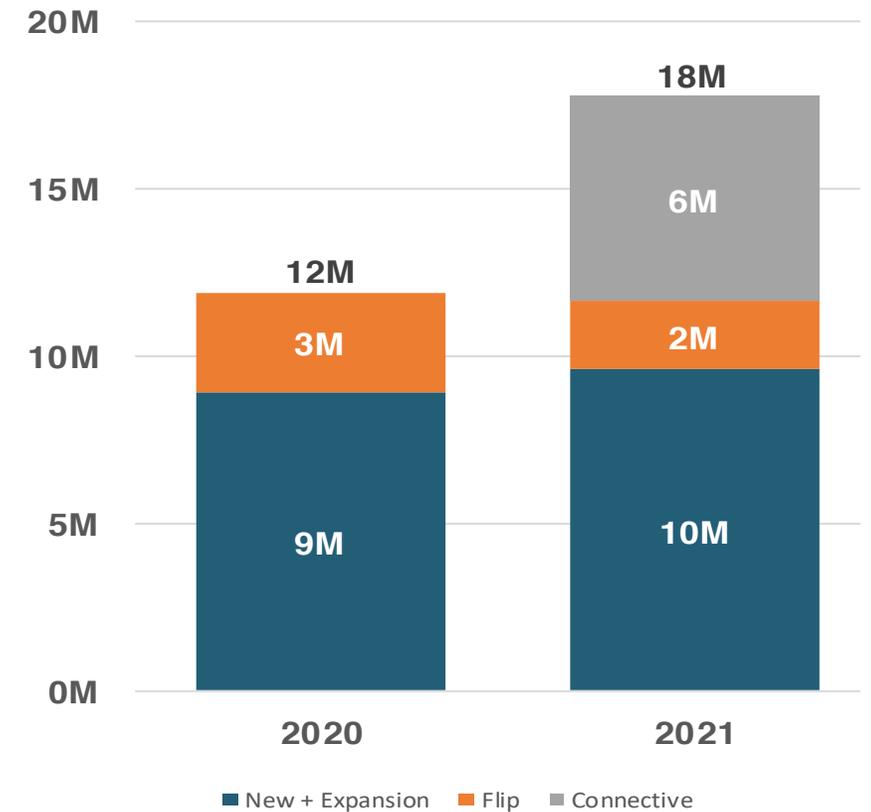
## Base ARR vs Added ARR

US\$M



## Added ARR<sup>1</sup>

US\$M



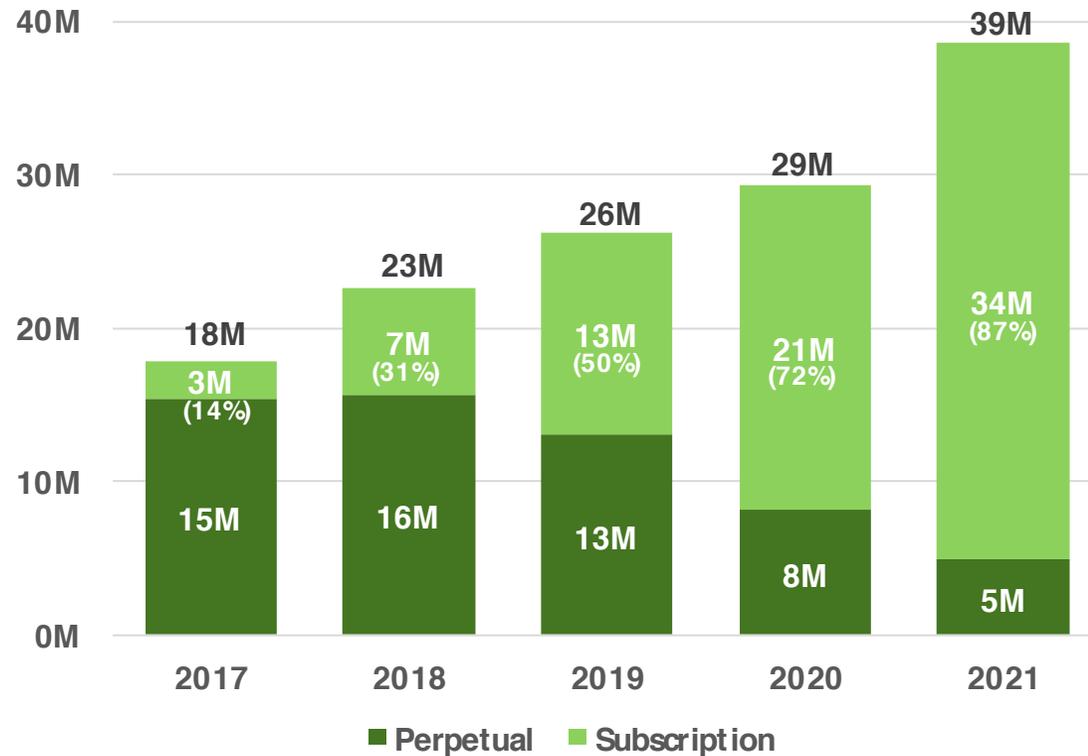
<sup>1</sup> Added ARR represents the sum of new, expansion and flip ARR in the period and is based on updated methodology during 2021. Connective ARR is included in 2021 added ARR.

# Transition to subscription in Business sales effectively completed in FY2021

Subscription revenue soared to 87% of Business revenue in 2021, up from 72% in 2020

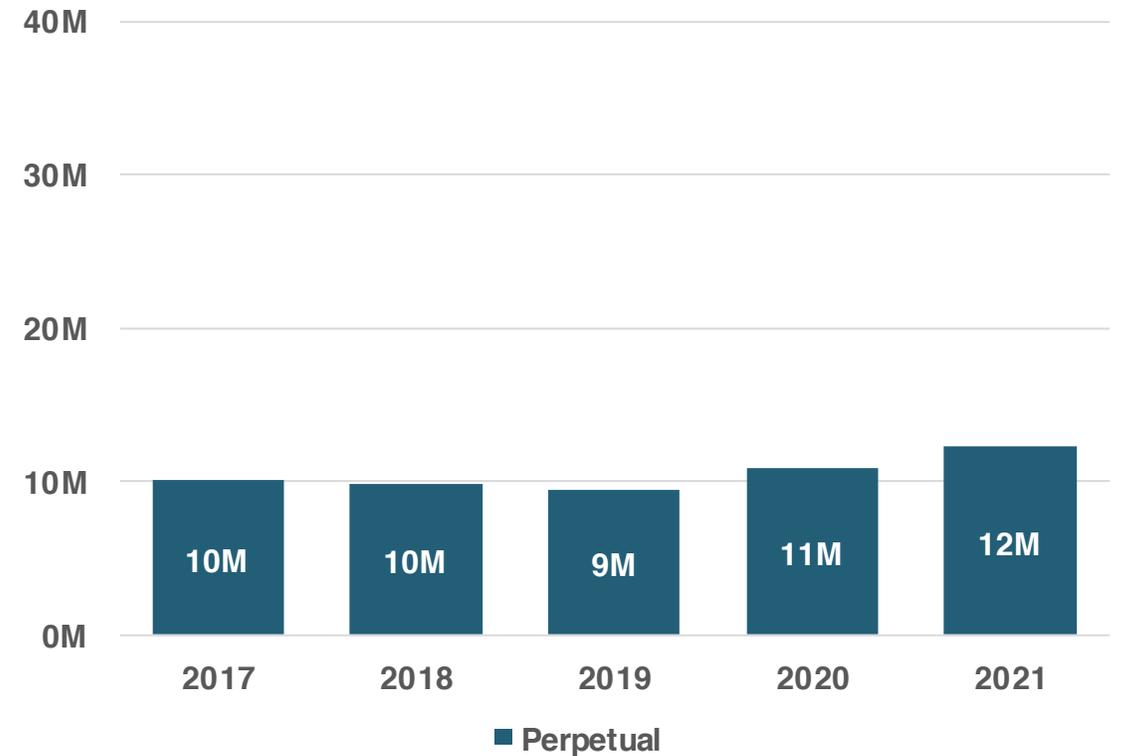
## Business<sup>1</sup> Revenue

US\$M



## Online<sup>2</sup> Revenue

US\$M



<sup>1</sup> Nitro's Business sales comprise sales executed by Nitro's sales team and excludes online/eCommerce sales via Nitro's website.

<sup>2</sup> Online reflects self-serve online/eCommerce sales, where purchases of <20 licenses are transacted via Nitro's website.



# THE STORY OF NITRO

Founded in Melbourne, Nitro has become a global document productivity company with over 3 million licenced users and 300+ employees around the world



RESULTS PRESENTATION FY2021

**THANK YOU**

