



26 May 2022

## 2022 Annual General Meeting

**Nitro Software Limited (ASX:NTO)** ('Nitro' or the 'Company'), a global document productivity SaaS company driving digital transformation in organisations around the world, will today address Shareholders at its Annual General Meeting, commencing at 9:00 AEST.

Attached is a copy of the presentation and address to be delivered by the Chairman, Mr Kurt Johnson, and the Chief Executive Officer, Mr Sam Chandler.

### Ends

Authorised for release to the ASX by the Board of Directors.

# ENQUIRIES

## Investors

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## Registered Office

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# ABOUT NITRO

Nitro is a global document productivity SaaS company accelerating digital transformation in a world that demands the ability to work from anywhere, anytime, on any device. As a global player in the eSign and workflow productivity market, Nitro enables organisations to drive better business outcomes through 100% digital document processes and fast, efficient workflows. The Nitro Productivity Platform offers comprehensive SaaS business solutions, including highly secure eSigning and eID, powerful PDF productivity and industry-leading analytics, all supported by a superior customer success team. Nitro has over 3 million licensed users and 13,000+ business customers in 157 countries, including over 67% of the Fortune 500 and three of the Fortune 10. Nitro is headquartered in San Francisco with nine global hubs.

For more information on Nitro, please visit:

- Nitro: <https://www.gonitro.com>
- Connective: <https://connective.eu>
- Investors: <https://ir.gonitro.com/Investor-Centre/>

**Nitro Software**  
**2022 Annual General Meeting**  
**Chairman's Address**

Dear Shareholders,

Last year was an exciting time for Nitro and one of the most dynamic years in our history as we purposefully scaled to drive even stronger growth in the years to come. With two transformative acquisitions and a successful capital raising that delivered us a comprehensive product platform, opened up new market opportunities, and provided us with the financial strength to achieve our ambitious growth goals, we are now well placed to capitalise on the enormous opportunities that lie ahead in the journey of digital transformation.

Across 2021, we significantly expanded our product offering and addressable market with the two game-changing acquisitions of PDFpen and Connective NV driven by the desire to add technical capabilities to the Nitro Productivity Platform. With these strategic investments, we took a significant leap forward in our journey to become an end-to-end document lifecycle platform.

Together with our 13,000+ business customers and proven go-to-market abilities, these acquisitions gave Nitro the ability to meet virtually every customer need in workflow productivity and eSigning, and we experienced strong support from both new and existing customers. As we head into 2022, we continue to see customers around the world choosing Nitro to accelerate their business processes, make people more productive, reduce compliance costs, enhance the security of their signing workflows, and much more. It is truly inspiring to see the level of confidence and trust that companies of all sizes have placed in our productivity solutions.

As demonstrated by our big logo wins and key financial highlights from 2021, we continued to successfully deliver high growth rates at increasing levels of scale and reached important

scaling milestones – surpassing US\$50 million in revenue and over 1 million in active subscription licenses.

Annual Recurring Revenue or ARR at year end including Connective was US\$46.2 million, up 62% year-over-year. ARR excluding Connective was US\$40.1 million, representing an increase of 41% year-over-year. Nitro completed the year with total revenue of US\$50.9 million, up 27% compared to 2020, and subscription revenue increased by 59% year-over-year.

Due to strong execution during the year on both revenue and costs, our Operating EBITDA loss of US\$7.6 million was in line with upgraded guidance. We finished the year with over US\$48 million in cash and in a strong position for continued growth.

To ensure we have the right talent to execute on our growth strategy and build sustainable value for shareholders, we continued to invest in growing our workforce this past year. In 2021, we increased our global team to more than 350, welcoming almost 140 new Nitronauts across our nine global hubs in the US, Canada, Europe, and Australia. We have an ongoing commitment to evolving the team and structure to ensure Nitro remains well-positioned to meet its growth ambitions.

We also commenced a Board renewal program last year, informed by a review of the Director skills and experience required to continue achieving our purpose and strategic objectives for Nitro's next phase of growth. In August 2021, Craig Scroggie, one of Australia's most successful technology entrepreneurs, joined the Board as an independent Non-Executive Director. In February of 2022, we announced the appointment of former DocuSign Chief Human Resources Officer, Peter Navin, as an independent Non-Executive Director and Chair of the Remuneration and Nomination Committee.

As we continue to expand our capabilities and offerings to create value for our customers and shareholders, we also understand the importance of having a sustainable business model that benefits all stakeholders. To that end, we conducted an environmental, social and governance ('ESG') assessment in 2021 to identify key ESG issues that may impact our business and our ability to support sustainability practices relative to industry standards. The next steps in our

sustainability journey will be to determine which of these ESG issues are most material to our business and key stakeholders, and then set and measure base line metrics for our most material topics. We look forward to sharing our ESG progress with shareholders in future sustainability disclosures.

Turning now to 2022, we were pleased to announce strong Q1 results, with continued high revenue growth and record cash receipts. ARR, including Connective, was up 61% year-on-year, and was driven by the continued success of our Nitro Productivity Platform and the Connective eSign offering.

In parallel with this sales success, we saw record cash receipts of US\$17 million, up 42% from Q1 2021. Those cash flows, combined with the strong balance sheet that we started the quarter with, put us in a strong financial position as we entered Q2. We have over US\$42 million in cash and no debt.

Another key milestone for the quarter was subscription revenue reaching 72% of total revenue. While our subscription business started very small, it is now overwhelmingly dominant. Since beginning our subscription and enterprise focus in 2016, we have built a high-growth, high-quality SaaS business with compound annual growth rates in both subscription licenses and revenue of around 100%.

With a strong start to 2022, Nitronauts around the globe continue to focus on delivering our product vision, while taking that vision to market, directly and via our channel partners. We will continue to strive for ways to expand and grow, drive performance and execution, operate with increased efficiency, and meet or exceed customer and stakeholder expectations. Our goal, very simply, is to build a truly substantial enterprise software company, and that desire drives our investment and operating philosophies.

Our ambition for the coming year is clear: to continue scaling our PDF productivity footprint and to consolidate our position as a top three global player in the fast-growing enterprise SaaS eSigning market, and in the process, deliver long-term sustainable returns to our shareholders.

Between Nitro and Connective, there is a US\$28 billion global market opportunity before us, and we know we are only in the early stage of achieving our greatest potential.

Nitro's continued growth and outstanding achievements are a testament to our people, who are at the core of our business and competitive advantage. Like everyone at Nitro, I'm immensely proud of our achievements to date and excited about our potential in the years ahead. However, none of our success would be possible without the support of our customers, our partners, our passionate team of Nitronauts, my fellow Directors and, of course, you, our shareholders. On behalf of everyone here at Nitro, I thank you for your continued support. We look forward to updating you on our further success in the future.

Sincerely yours,

A handwritten signature in blue ink, appearing to read 'K. Johnson', with a long horizontal flourish extending to the right.

**Kurt Johnson**

Chairman

**Nitro Software**  
**2022 Annual General Meeting**  
**CEO's Address**

Dear Shareholders,

As we meet today, the lingering effects of the COVID-19 pandemic continue to change the world in ways that were unimaginable two years ago. For Nitro and our industry, it is now clear that years of digital transformation were compressed into months as organisations were forced to adapt to a new work-from-anywhere environment. Following the major strategic developments in 2021 and the large and fast-growing market opportunity ahead of us, we are focusing our investments in the areas that all scaling software companies do – in product, in go-to-market, and, most importantly, in our people.

Since our humble beginnings as a desktop productivity software company, we have expanded our offering significantly to become a multi-product platform encompassing everything from eSigning and workflow automation to industry-leading intelligence and analytics. With the acquisition of PDFpen in the first half of last year, we added native Mac and iOS capabilities, enabling us to serve virtually every PDF productivity use case in the enterprise. And with the acquisition of Connective, we added not only enterprise and high-trust eSigning capabilities, but the most comprehensive electronic identity offering of any eSign vendor, a powerful set of APIs, and document generation and automation capabilities. This expanded platform is supported by what is undoubtedly the best customer success team in the market today, supporting deployments of up to tens of thousands of end users at the largest companies in the world.

The acquisition of Connective was a truly transformative transaction for Nitro. It gave us a complete spectrum of eSigning capabilities, established us as a global leader in high-trust signing, and allows us to compete successfully in enterprise signing around the world. We are thrilled to report that Nitro was identified as a leader and a 'fast mover,' and ranked as a top



three global eSign vendor in a recent report by the respected technology research firm GigaOm<sup>1</sup>.

We continue to focus on integrating Connective to ensure we deliver on the full benefits of this acquisition and the game-changing technology and team it brings. Since closing the acquisition in December last year, we have been working hard to integrate the products and team, and are pleased to report that we have hit our key Q1 integration milestones.

Thanks to the incredible product offering we now have, and the extremely capable team behind it, we are excited about our ability to attack the market opportunity in front of us. When we think about how Nitro is positioned, both in our core product categories today and those adjacent and beyond, we believe the opportunity is extremely compelling. With our PDF productivity and eSigning solutions, and Productivity Platform more broadly, Nitro delivers against all five of the top enterprise IT priorities in 2022<sup>2</sup>. And, as customers increasingly demand fewer vendors who can do more, in powerful and integrated ways, across more product categories, Nitro is well positioned to succeed in our current core categories and, over time, scale into multiple adjacent categories. There is a multi-decade opportunity here and we are fortunate to have multiple levers of growth as we look to the years ahead.

In 2022, we will continue to scale the Productivity Platform in specific areas of product and go-to-market. In product, we are expanding and strengthening our competitive position in PDF productivity, completely transforming our competitive position in eSigning, and continuing to further our differentiation with Nitro Analytics. We also launched data residency support in Q1 2022 for the US and Australia to ensure data resides in specific jurisdictional locations for security, privacy, and compliance, as required in certain highly regulated industries like financial services, healthcare and government.

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<sup>1</sup> *GigaOm Radar for E-Signature Solutions*, GigaOm, March 2022

<sup>2</sup> *IT Drivers and Technology Priorities – IT Enterprise Insights 2022*, OMIDA, October 2021

In go-to-market, we are driving up-sell and cross-sell of Nitro Sign/Connective along with other new plans, features and products, expanding our channel strategy, and winning new customers in new regions and verticals while renewing and expanding our current customers. One key development in 2022 will be the growth of the solutions integrator partner ecosystem, based on bringing Connective's 110+ solutions integrators into the Nitro partner program to provide integration, implementation and account management services as we execute larger and more complex deployments in enterprise workflow.

Through 2022, Nitro will continue to focus on the integration of Connective as well as its platform product strategy to drive increased adoption of the Company's PDF productivity, eSigning and analytics solutions across new and existing customers in the enterprise, mid-market and SMB segments.

Given its ability to realise greater investment efficiencies while maintaining its robust growth strategy in the US\$28 billion global PDF productivity and eSigning software markets, Nitro has made changes to its operating plan for 2022. As previously announced, these changes reflect enhanced business efficiencies and are expected to deliver the following results for 2022:

- Operating EBITDA loss outlook improved to be between US\$15 million and US\$18 million (previously between US\$18 million and US\$21 million).
- Ending ARR outlook unchanged between US\$64 million and US\$68 million, representing 39% to 47% growth vs 2021.
- Revenue outlook unchanged between US\$65 million and US\$69 million, representing 29% to 36% growth vs FY2021.

We have entered 2022 well positioned to continue scaling our document productivity and workflow platform, and to cement our status as a leading global player in enterprise eSigning at a time when high-trust solutions are in growing demand.

We are enormously grateful to have every single one of you on the journey with us and thank you for your support.

Sincerely yours,

A handwritten signature in black ink, appearing to be 'S. Chandler', with a stylized flourish at the end.

**Sam Chandler**

Chief Executive Officer



FY2022

# ANNUAL GENERAL MEETING





# CHAIRMAN'S ADDRESS

**KURT JOHNSON**  
**CHAIRMAN**

# BOARD OF DIRECTORS



**Kurt Johnson**

Chairman



**Sam Chandler**

Co-Founder & CEO



**Peter Navin**

Remuneration & Nomination  
Committee Chair, Director



**Sarah Morgan**

Audit & Risk Committee  
Chair, Director



**Lisa Hennessy**

Lead Independent Director



**Craig Scroggie**

Director



**Michael Brown**

Director





# 2021 SNAPSHOT

A YEAR OF SIGNIFICANT ACHIEVEMENT



High-growth, recurring B2B SaaS revenue model became dominant



Expanded into larger eSigning TAM with acquisition of Connective



Significantly broadened eSigning product offering, adoption and usage



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



Executed strategic M&A as key lever in product roadmap acceleration (Connective, PDFpen)

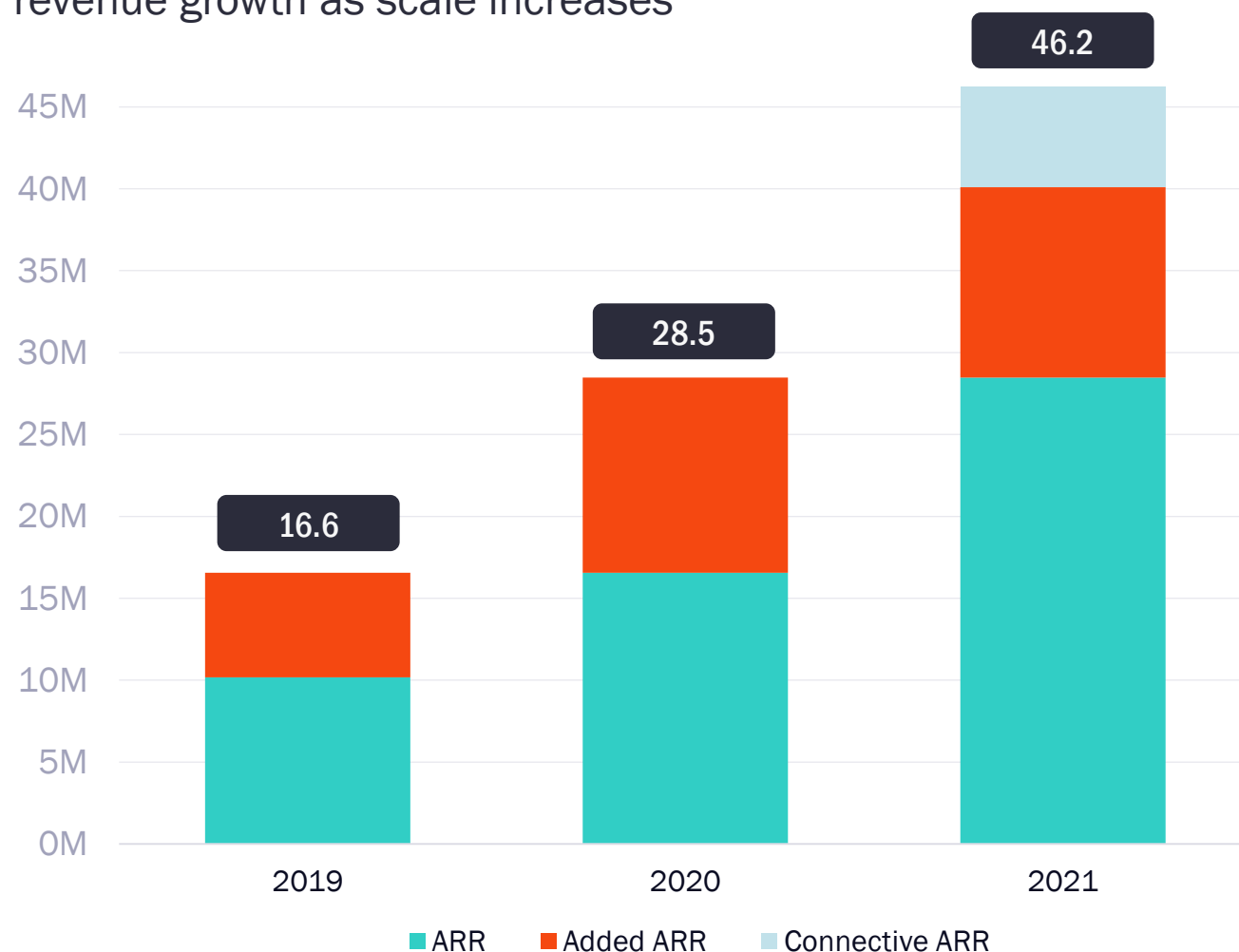


Continued to build global leadership team



# 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.



# A STRONG START TO 2022

Leveraging an evolved product platform in a large and growing document productivity market



Integration of Connective progressing well and on schedule, with key milestones for GTM and product achieved



Launched data residency support for US and Australia



Best-of-breed suite of products able to meet virtually any customer requirement



Named top three global vendor for eSign Solutions<sup>1</sup>



Continued execution on growth strategy, with strategic investments in key areas



Q1 2022 major enterprise wins, renewals and expansions



<sup>1</sup> GigaOm Radar for E-Signature Solutions, March 2022

# MAJOR ENTERPRISE WINS

Nitro serves 13,000+ Business Customers<sup>1</sup>,  
including some of the world's largest companies

## Q1 2022 NEW CUSTOMER WINS, RENEWALS, AND EXPANSIONS

subsea 7

PIONEER  
NATURAL RESOURCES

bp

Continental

RSM

Colliers  
INTERNATIONAL



nrg

SANDVIK

SolAero  
TECHNOLOGIES

Exelon



BLUE ORIGIN



LLOYDS BANK

sacyr



<sup>1</sup> A Business Customer has 10 or more licensed Nitro users or a premium Nitro Sign offering.

# Q1 2022 FINANCIAL HIGHLIGHTS



Strong ARR Growth<sup>1</sup>

Up 40%

EXCLUDING CONNECTIVE

Up 61%

INCLUDING CONNECTIVE



Subscription Revenue Dominant<sup>2</sup>

72% Subscription Rev  
Q1 2022

COMPARED TO  
61% Subscription Rev  
Q1 2021



Record Cash Receipts from Customers<sup>3</sup>

\$17.0 million  
CASH RECEIPTS

Up 42%  
CASH RECEIPTS



Strong Financial Position

\$42.1 million  
CASH

\$0  
DEBT<sup>4</sup>

<sup>1</sup> Represents Annual Recurring Revenue growth at the end of Q1 2022, compared to end of Q1 2021.

<sup>2</sup> Subscription Revenue as a percentage of Total Revenue.

<sup>3</sup> Represents cash receipts in the Q1 2022 period compared to cash receipts in Q1 2021.

<sup>4</sup> Excluding Leases covered under AASB 16.



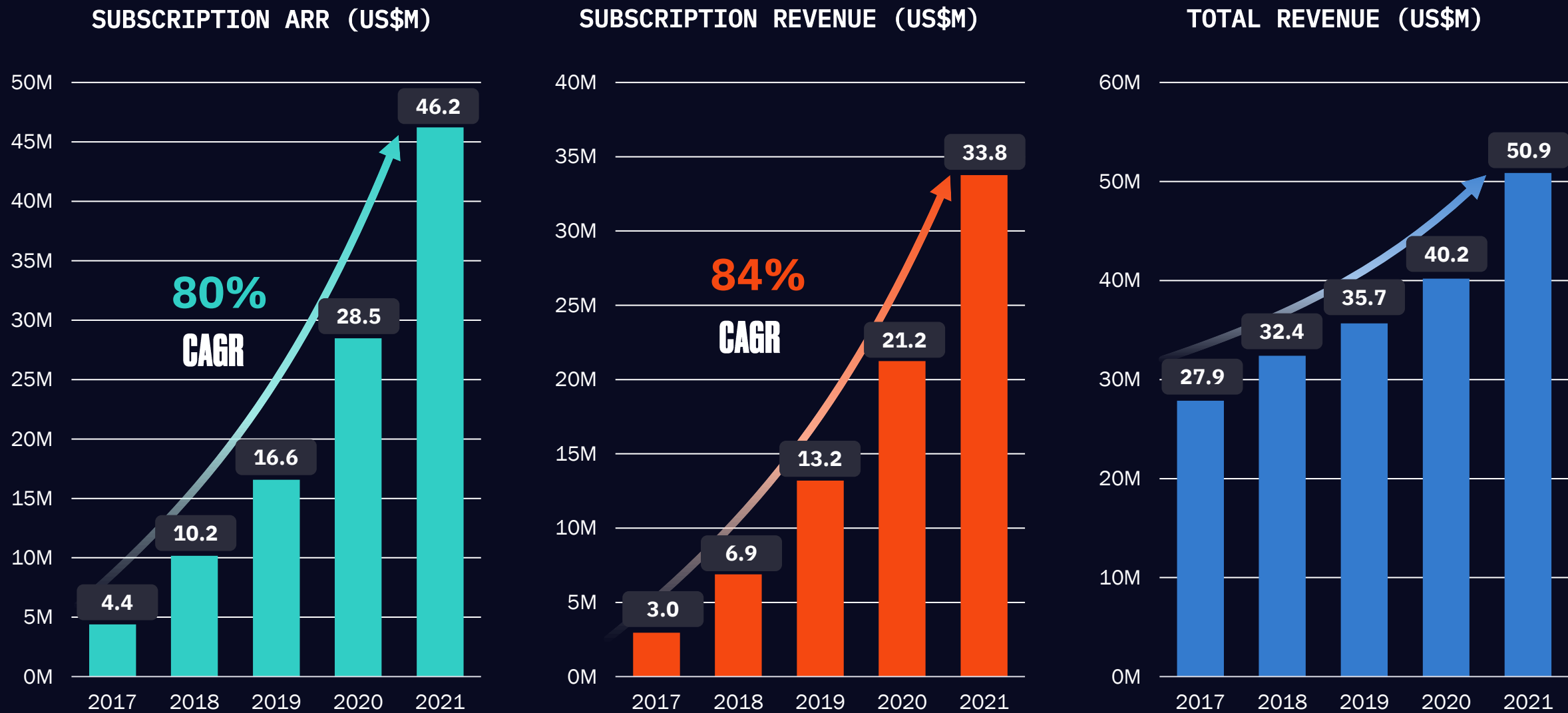
\$ IN USD



# CEO'S ADDRESS

**SAM CHANDLER**  
**Co-FOUNDER & CEO**

# 5 YEARS OF SIGNIFICANT GROWTH & INCREASING SAAS SCALE





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).





# 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



# SCALING THE NITRO PRODUCTIVITY PLATFORM IN 2022

## ***PRODUCT***

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

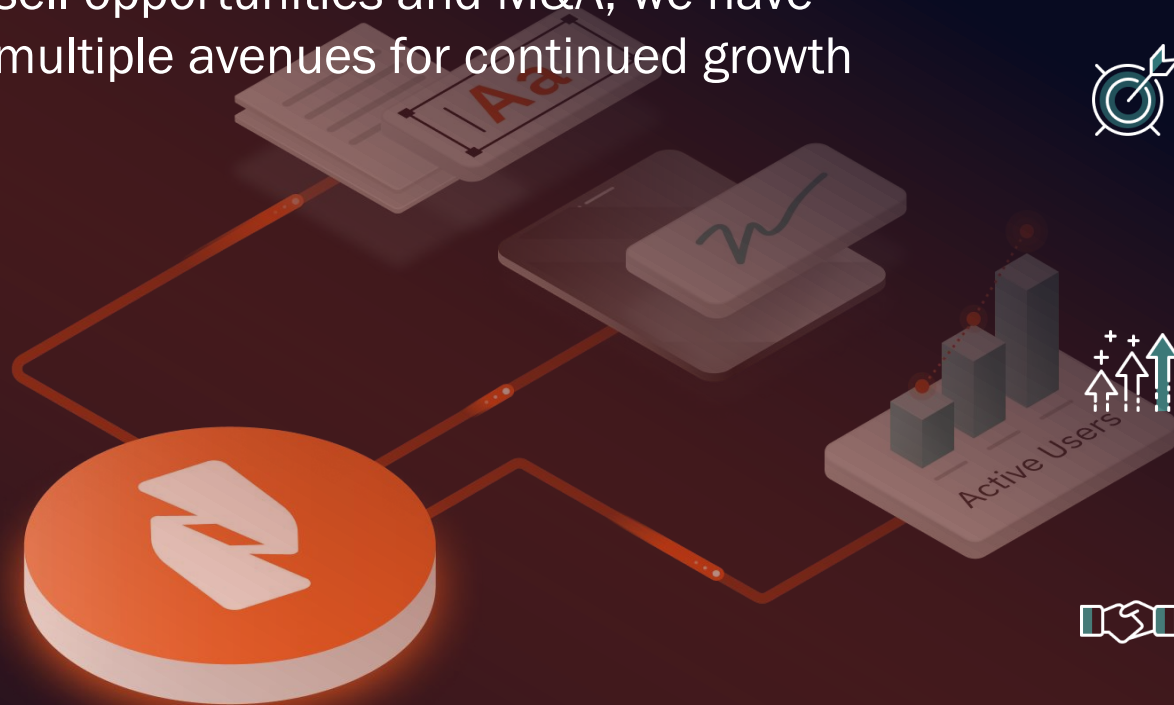
## ***GTM***

- ✓ 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

# CONNECTIVE INTEGRATION UPDATE

Key integration milestones achieved on schedule in Q1



Teams integrated



Launched data residency support for US and Australia



Named top three global leader for eSign solutions<sup>1</sup>

## EXPLOSIVE GROWTH

> **22** MILLION<sup>2</sup>

ESIGNATURES IN 2021

UP FROM

**1** MILLION

ESIGNATURES IN 2020

## TOTAL ESIGN TAM

**\$17B** USD TAM



**\$6B**

SIMPLE ESIGN

+

**\$11B**

ENTERPRISE ESIGN

<sup>1</sup> GigaOm Radar for E-Signature Solutions, March 2022.

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



# NAMED TOP 3 GLOBAL LEADER FOR E-SIGNATURE SOLUTIONS

GigaOm selects Nitro Sign as Fast Mover and Top 3 Leader in eSigning alongside DocuSign and Adobe

[Read the Full Report](https://www.gonitro.com/resources/gigaom-radar-report-for-esignatures)

<https://www.gonitro.com/resources/gigaom-radar-report-for-esignatures>

“Nitro Sign has emerged as a leader with its acquisition of Connective.”

2022 GIGAOM RADAR REPORT

FROM  
GIGAOM



## Nitro Leads with Customer Value

- ✓ Balances innovation and robust platform functionality
- ✓ Regional compliance
- ✓ Best-in-class security provisions
- ✓ Native support for Advanced and Qualified eSignatures (AES and QES)

# FY2022 GUIDANCE

UPDATED ON 29 APRIL 2022

Nitro expects improved FY2022 Operating EBITDA<sup>1</sup> based on lower OpEx, reflecting enhanced business efficiencies.

The Company expects to move toward a cash flow breakeven profile<sup>2</sup> in 2H 2023.

PREVIOUS OPERATING EBITDA<sup>1</sup>  
(\$18) – (\$21) million

\$ IN USD

ENDING ARR

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

39-47% Growth on FY2021

NO CHANGE

REVENUE

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

29-36% Growth on FY2021

NO CHANGE

OPERATING EBITDA<sup>1</sup>

**(\$15) – (\$18) million**

IMPROVED

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

<sup>2</sup> Cash flow breakeven profile refers to positive operating cash flows, after taking into account net working capital, capex, and any lease or tax payments.



**THANK YOU**

