



31 August 2022

Nitro Board unanimously rejects unsolicited, highly conditional and non-binding indicative proposal from Potentia Consortium

Nitro Software Limited (ASX:NTO) ('Nitro' or the 'Company') confirms that on 30 August 2022 it received an unsolicited, highly conditional and non-binding indicative proposal from private equity firm, Potentia Capital Management Pty Ltd, together with its co-investor HarbourVest Partners, LLC (**Potentia Consortium**), to acquire 100% of the issued share capital of Nitro at A\$1.58 cash per Nitro share (**Indicative Proposal**).

The Indicative Proposal is subject to several conditions, including satisfactory completion of due diligence over a minimum 6-week timeframe, onerous exclusivity requirements, Nitro Board approval and entry into transaction documentation subject to a range of conditions (including obtaining various third party and regulatory consents).

The Potentia Consortium has advised Nitro that it has acquired a combined relevant and economic interest in more than 41.4m Nitro shares, which represents 17.0% of the issued share capital in Nitro.

Following careful consideration, including advice from its external advisers, the Nitro Board has concluded the Indicative Proposal significantly undervalues Nitro and unanimously rejects the Indicative Proposal as not being in the best interests of shareholders.

In particular, the Nitro Board notes the Indicative Proposal:

- Is highly opportunistic and comes at a time of significant share market volatility and cyclical weakness in global technology company valuations, as reflected in the Company's current share price;
- Does not adequately compensate shareholders for Nitro's position as one of only two software companies worldwide with a proven enterprise-grade SaaS PDF productivity and eSigning platform, and a uniquely powerful and differentiated solution offering in a fast-growing global market worth US\$28 billion;

- Represents a 61% discount to Nitro's 52-week high trading price of A\$4.00 per share on 17 November 2021;
- Represents an 18% discount to the 12-month VWAP to 29 August 2022 of A\$1.93 per share; and
- Represents a 19% discount to the median broker target price of A\$1.95 per share¹.

The Board of Nitro remains committed to maximising shareholder value and is willing to engage with the Potentia Consortium or other qualified third parties in relation to proposals that more appropriately compensate shareholders and reflect the fundamental value of Nitro on a control basis.

Nitro shareholders do not need to take any action in relation to the Indicative Proposal.

Nitro has appointed UBS Securities Australia Limited and Allens as financial and legal adviser, respectively, and Cadence Advisory as independent adviser to the Board.

Ends

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

¹ Based on current broker research as at 30 August 2022

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ABOUT NITRO

Nitro is a global leader in document productivity and eSigning, offering comprehensive SaaS solutions to support the acceleration of digital transformation, and driving better business outcomes for organisations around the world through fast and efficient digital workflows. Nitro's Productivity Platform includes powerful PDF productivity tools, highly secure eSigning and digital identity capabilities, and industry-leading analytics, all supported by a best-in-class customer success team. With more than 3 million licensed users and 13,000+ business customers across 175 countries, Nitro serves 67% of the Fortune 500, including many of the world's best-known companies at scale.

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