



7 February 2023

# POTENTIA PROPOSAL

**Nitro Software Limited (ASX:NTO)** ('Nitro' or the 'Company') received a proposal from Potentia Capital (**Potentia**) on 6 February 2023 AEDT (**Potentia Proposal**).

## Potentia Proposal

Potentia has indicated that it would like to engage with Nitro in relation to gaining access to due diligence, with a view to potentially increasing its A\$2.00 per Nitro Share off-market takeover offer (**Potentia Takeover Offer**).

Potentia has stated that subject to the performance of satisfactory due diligence on Nitro it may be in a position to increase the Potentia Takeover Offer to A\$2.20 to A\$2.30 per Nitro Share. Potentia has stated that due diligence could be completed within three weeks.

Nitro Shareholders are cautioned that there is no certainty Potentia will ultimately increase its offer for Nitro above A\$2.00 per Nitro Share, particularly given due diligence remains at Potentia's sole discretion. To date, Potentia has not provided any tangible evidence that it has in fact secured the funding from external parties necessary for an increase in its offer above A\$2.00 per Nitro Share.

Nitro Shareholders are also reminded that the Alludo Takeover Offer is scheduled to expire on 3 March 2023, and there is no guarantee this date will be extended. Providing Potentia with due diligence access, no matter how limited in time, is likely to adversely impact acceptances into the Alludo Takeover Offer and the ability to meet the offer's 50.1% minimum acceptance condition, and ultimately the chance for Nitro Shareholders to secure a certain and currently superior price of A\$2.15 cash per Nitro Share under the Alludo Takeover Offer.

The Nitro Board is currently seeking advice from its external financial and legal advisers, to determine whether this latest Potentia Proposal is, or could reasonably be considered to become, a Superior Proposal to the Alludo Takeover Offer, as defined in the Alludo Implementation Deed.

## Nitro Board Recommendation

The Potentia Takeover Offer of A\$2.00 per Nitro Share is not currently affected by the Potentia Proposal and remains inferior to the Board recommended Alludo Takeover Offer of A\$2.15 cash per Nitro Share.

Alludo has stated that its offer price of A\$2.15 cash per Nitro Share under the Alludo Takeover Offer is *'best and final'* and will not be increased (even if a Superior Proposal emerges).

The Nitro Board continues to unanimously recommend that all Nitro Shareholders promptly **ACCEPT the Alludo Takeover Offer**, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Alludo Takeover Offer is fair and reasonable.

## Comparison of Offers

The below table seeks to summarise the key features of the Alludo Takeover Offer, Potentia Takeover Offer and the Potentia Proposal:

Item	Alludo Takeover Offer	Potentia Takeover Offer	Potentia Proposal
<b>Consideration<sup>1</sup></b>	A\$2.15 <sup>2</sup>	A\$2.00	A\$2.20 - A\$2.30
<b>Key Conditions<sup>3</sup></b>	<ul style="list-style-type: none"> <li>50.1% minimum acceptance condition</li> <li>No Prescribed Occurrences</li> <li>No Material Adverse Change</li> </ul>	<ul style="list-style-type: none"> <li>No Prescribed Occurrences</li> <li>Majority Nitro Board recommendation</li> </ul>	<ul style="list-style-type: none"> <li>Due diligence to Potentia's satisfacton</li> <li>No Prescribed Occurrences</li> <li>Majority Nitro Board recommendation</li> </ul>
<b>Offer Lapse<sup>4</sup></b>	3 March 2023	31 March 2023	n/a
<b>Relevant Interest</b>	12.53%	19.31%	19.31%
<b>Recommendation<sup>5</sup></b>	<b>ACCEPT</b>	<b>REJECT</b>	<b>Take NO ACTION</b>

<sup>1</sup> Cash consideration per Nitro Share. Potentia also has an 'opt in' Scrip Alternative as part of their broader offer consideration.

<sup>2</sup> Alludo has stated that its offer price of A\$2.15 cash per Nitro Share under the Alludo Takeover Offer is *'best and final'* and will not be increased (even if a Superior Proposal emerges).

<sup>3</sup> The status of the Alludo Takeover Offer Conditions were set out in Alludo's Second Supplementary Bidder's Statement of 6 February 2023.

<sup>4</sup> Unless extended or withdrawn by the respective bidder.

<sup>5</sup> Nitro Board recommendation: Accept the Alludo Takeover Offer in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude the Alludo Takeover Offer is fair and reasonable.

### **Further Information**

Capitalised terms used but not defined in this announcement have the meaning given in the Transaction Booklet dated 21 December 2022 (**Transaction Booklet**).

Nitro Shareholders may also contact the Nitro Shareholder Information Line on 1300 381 572 (within Australia) or +61 2 9066 4082 (outside Australia) between 9:00am and 5:00pm (AEDT) Monday to Friday.

### **Ends**

Authorised for release to the ASX by the Chairman.

# ENQUIRIES

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# ABOUT NITRO

Nitro is a global SaaS leader in PDF software, document management and electronic signatures. Nitro's Productivity Platform includes powerful PDF tools, digital workflows, highly secure eSigning and identity verification capabilities. Its industry-leading business intelligence and analytics product measures ROI and quantifies sustainability efforts, all supported by a best-in-class customer success and change management support team. With more than 3 million licensed users and 13,000+ business customers across 157 countries, Nitro serves 68% of the Fortune 500.

For more information on Nitro, please visit:

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