



2 March 2023

# Recommended Potentia Takeover Offer

**Nitro Software Limited (ASX: NTO)** ('Nitro' or the 'Company') refers to its announcement dated 23 February 2023, as well as Potentia Capital's (**Potentia**) Ninth Supplementary Bidder's Statement dated 23 February 2023.

## Potentia Takeover Offer

The cash consideration under the Potentia Takeover Offer is A\$2.17 per Nitro Share (**All-Cash Consideration**).

Nitro Shareholders may also elect to receive HoldCo<sup>1</sup> Scrip for 25%, 50%, 75% or 100% of the consideration received for their Nitro Shares accepted into the offer (**Scrip Consideration**).

Potentia will further increase the consideration paid to accepting Nitro Shareholders to:

- A\$2.20 per Nitro Share if during the Offer Period<sup>2</sup> Potentia obtains a relevant interest in at least 75.0% of Nitro Shares; and
- A\$2.25 per Nitro Share if:
  - i) during the Offer Period, Potentia obtains a relevant interest in at least 75.0% of Nitro Shares; and
  - ii) at the end of the Offer Period, the elections by accepting Nitro Shareholders to receive Scrip Consideration represent in aggregate at least 25.0% of the total number of Nitro Shares accepted into the Potentia Takeover.

The Potentia Takeover Offer was only conditional on a unanimous recommendation of the Nitro Board, which has now been satisfied. Once the Potentia Takeover Offer is formally declared 'unconditional' by Potentia, Nitro Shareholders who validly accept the Potentia Takeover Offer will receive their consideration within 10 Business Days.<sup>3</sup>

---

<sup>1</sup> Oak Ridge Software Limited (ACN 664 474 999), an unlisted Australian public company, controlled by Potentia.

<sup>2</sup> The Potentia Takeover Offer is open for acceptance until 7:00pm (AEDT) on 31 March 2023 (unless extended or withdrawn).

<sup>3</sup> Nitro Shareholders who have already accepted the Potentia Takeover Offer will receive their consideration within 10 Business Days from the date the Potentia Takeover Offer is formally declared 'unconditional' by Potentia.

All Nitro Shareholders who accept the Potentia Takeover Offer will receive any subsequent uplift in the consideration.

The Potentia Takeover Offer is currently open for acceptance until 7:00pm (AEDT) on 31 March 2023 (unless extended or withdrawn).

As at the date of this announcement, Potentia has a relevant interest in Nitro Shares of 24.72%.

### Change in Nitro Board Recommendation

The Nitro Board has determined that the All-Cash Consideration under the Potentia Takeover Offer of A\$2.17 per Nitro Share is superior to the Alludo Takeover Offer of A\$2.15 cash per Nitro Share.

The Nitro Board unanimously recommends that Nitro Shareholders promptly **ACCEPT the All-Cash Consideration of A\$2.17 per Nitro Share under the Potentia Takeover Offer** in the absence of a superior proposal. Accordingly, all conditions under the Potentia Takeover Offer have now been satisfied.

The Nitro Board makes no recommendation in relation to the Scrip Consideration<sup>4</sup>. For those Nitro Shareholders who are considering making an election to receive the Scrip Consideration, the Nitro Board recommends reading Potentia's Third Supplementary Bidder's Statement dated 23 December 2022, including the risks associated with accepting such consideration.

The Potentia Takeover Offer has been declared '*best and final*', in the absence of a superior proposal. At the time of this announcement, the Nitro Board is not aware of any competing proposal that is likely to emerge. Nitro also notes that the Alludo Takeover Offer of A\$2.15 cash per Nitro Share is '*best and final*', meaning Alludo is legally precluded from increasing its offer.

### Alludo Takeover Offer

As at the date of this announcement, Alludo has a relevant interest in Nitro Shares of 13.14%.

---

<sup>4</sup> As set out in Nitro's Second Supplementary Target's Statement dated 28 December 2022, the Nitro Board determined the All-Cash Consideration to be superior to the Scrip Consideration available under the Potentia Takeover Offer.

The Nitro Board unanimously recommends that Nitro Shareholders **REJECT** the Alludo Takeover Offer. To do this, Nitro Shareholders should **TAKE NO ACTION** in relation to the Alludo Takeover Offer. The Alludo Takeover Offer is expected to lapse at 7:00pm (AEDT) on 3 March 2023 (unless extended or withdrawn).

Following the Nitro Board's determination to unanimously recommend the Potentia Takeover Offer, Nitro has terminated the Alludo Implementation Deed and must now pay Alludo a Break Fee of A\$5.0 million.

### **Fourth Supplementary Target's Statement**

Nitro's Fourth Supplementary Target's Statement dated 2 March 2023 is attached to this ASX announcement and provides the key reasons for the Nitro Board's recommendation to promptly accept the Potentia Takeover Offer. Nitro Shareholders are encouraged to read the Fourth Supplementary Target's Statement in full.

### **Further Information**

For further information, Nitro Shareholders may 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 Nitro Board.

# Fourth Supplementary Target's Statement

## 1. Fourth Supplementary Target's Statement

This document is a supplementary target's statement under section 644 of the Corporations Act 2001 (Cth) (**Corporations Act**). It is the fourth supplementary target's statement (**Fourth Supplementary Target's Statement**) issued by Nitro Software Limited (ACN 079 215 419) (**Nitro**) in relation to the off-market takeover bid made by Potentia Capital Management Pty Ltd (**Potentia Capital**) – via Technology Growth Capital LLC – for all the Nitro Shares in which Potentia Capital (and its Associates) do not hold a Relevant Interest. This Fourth Supplementary Target's Statement has been prepared in response to the ninth supplementary bidder's statement lodged by Potentia Capital on 23 February 2023 (**Ninth Supplementary Bidder's Statement**), in which Potentia Capital has stated that it will vary the Potentia Takeover Offer from A\$2.00 to A\$2.17 per Nitro Share and declare the Potentia Takeover Offer unconditional, subject only to the Nitro Board unanimously recommending that Nitro Shareholders accept the All-Cash Consideration in the absence of a superior proposal. This document supplements, and should be read together with, Nitro's target's statement dated 23 November 2022 (**Target's Statement**), Nitro's first supplementary target's statement dated 12 December 2022 (**First Supplementary Target's Statement**), Nitro's second supplementary target's statement dated 28 December 2022 (**Second Supplementary Target's Statement**) and Nitro's third supplementary target's statement dated 8 February 2023 (**Third Supplementary Target's Statement**).

## 2. Reasons to accept the All-Cash Consideration under the Potentia Takeover Offer

The Nitro Board has unanimously determined that the All-Cash Consideration of A\$2.17 per Nitro Share under the Potentia Takeover Offer is superior to the Alludo Takeover Offer. Nitro Shareholders are encouraged to promptly accept the All-Cash Consideration under the Potentia Takeover Offer for the following reasons:

- The Nitro Board has determined that the All-Cash Consideration under the Potentia Takeover Offer of A\$2.17 per Nitro Share is superior to the Alludo Takeover Offer of A\$2.15 cash per Nitro Share;
- The Nitro Board has changed its recommendation and now unanimously recommends that Nitro Shareholders ACCEPT the All-Cash Consideration under the Potentia Takeover Offer in the absence of a superior proposal. Accordingly, Potentia Capital will now declare the Potentia Takeover Offer 'unconditional';
- The All-Cash Consideration under the Potentia Takeover Offer delivers certainty and immediate value for Nitro Shareholders;

- The consideration of A\$2.17 per Nitro Share under the All-Cash Consideration of the Potentia Takeover Offer is at the high end of the fair value range of A\$2.00 – A\$2.20 per Nitro Share determined by the Independent Expert;
- The Potentia Takeover Offer has been declared ‘*best and final*’ in the absence of a superior proposal. The Nitro Board is not aware of any competing takeover proposal that is likely to emerge for Nitro;
- The Alludo Takeover Offer of A\$2.15 cash per Nitro Share is ‘*best and final*’, which means that Alludo is legally precluded from increasing its offer;
- If the Potentia Takeover Offer does not proceed to compulsory acquisition, and no superior proposal emerges, Nitro’s share price may fall and Nitro Shareholders who do not accept the All-Cash Consideration under the Potentia Takeover Offer will continue to be exposed to risks associated with Nitro’s business by retaining a minority shareholding in an illiquid ASX-listed vehicle; and
- If Potentia Capital acquires more than 50% but less than 90% of the Nitro Shares and remains listed, Nitro may be required to seek new sources of funding, including raising new equity capital given the requirement to utilise large amounts of cash to continue to fund its business operations following the payment of the Target Break Fee and significant one-off transaction costs related to the Alludo Takeover Offer and the Potentia Takeover Offer.

The Nitro Board makes no recommendation in relation to the Scrip Consideration. For those Nitro Shareholders who are considering making an election to receive the Scrip Consideration, the Nitro Board recommends reading Potentia’s Third Supplementary Bidder’s Statement dated 23 December 2022, including the risks associated with accepting such consideration.

### **3. How to accept the Potentia Takeover Offer**

Full details on how to accept the Potentia Takeover Offer are set out in Section 2 of Potentia’s Bidder’s Statement dated 11 November 2022, which you should have already received. You should have received an acceptance form in the post with Potentia’s Bidder’s Statement.

If you did not receive or have lost the acceptance form, or if you have any questions about how to accept the Potentia Takeover Offer, you can call the Information Line (Potentia Takeover Offer) on 1300 101 297 (within Australia) or +61 2 9068 1929 (outside Australia) between 9:00am and 5:00pm (AEDT) Monday to Friday.

#### 4. Reasons not to Accept the Potentia Takeover Offer

Although the Potentia Takeover Offer is unanimously recommended by the Nitro Board and is considered to be in the best interests of Nitro Shareholders, factors that may lead you to not accept the Potentia Takeover Offer include:

- You may disagree with the Nitro Board's unanimous recommendation and consider that the Potentia Takeover Offer is not in your best interests;
- You may believe that there is potential for a superior proposal to be made in the future;
- You may wish to remain a Nitro Shareholder and realise the potential value of your Nitro Shares over the longer term; and
- You may want to sell your Nitro Shares on ASX if you expect the net proceeds to be higher or that you will be paid sooner than under the Potentia Takeover Offer.

#### 5. General

Unless otherwise specified, capitalised terms used but not defined in this Fourth Supplementary Target's Statement have the same meaning given to them in the Target's Statement, First Supplementary Target's Statement, Second Supplementary Target's Statement and/or Third Supplementary Target's Statement (as applicable). This Fourth Supplementary Target's Statement prevails to the extent of any inconsistency with the Target's Statement, the First Supplementary Target's Statement, the Second Supplementary Target's Statement or the Third Supplementary Target's Statement. A copy of this Fourth Supplementary Target's Statement is being lodged with ASIC today. Neither ASIC nor any of its officers take any responsibility for its contents. A copy of this Fourth Supplementary Target's Statement has also been provided to the ASX. Neither the ASX nor any of its officers takes any responsibility for the contents of this document. Please consult a legal, financial, or other professional adviser if the contents of this Fourth Supplementary Target's Statement are not fully understood.

#### 6. Authorisation

This Fourth Supplementary Target's Statement has been approved by a resolution passed by the Directors of Nitro Software Limited (ACN 079 215 419).




---

Kurt Johnson

Chairman

On behalf of the Board of Nitro Software Limited (ACN 079 215 419)

Dated 2 March 2023

# ENQUIRIES

## Investors

Nitro

Investor Relations

+1 650 507 4777

[InvestorRelations@gonitro.com](mailto:InvestorRelations@gonitro.com)

## Media

Cato & Clive

Clive Mathieson

+61 411 888 425

[clive@catoandclive.com](mailto:clive@catoandclive.com)

## Registered Office

Level 7, 330 Collins Street

Melbourne

Victoria 3000

Australia

# 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 1.3 million subscription licensed users and 14,000+ business customers across 179 countries, Nitro serves 62% 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/>