



Results Presentation 2020

24 February 2021

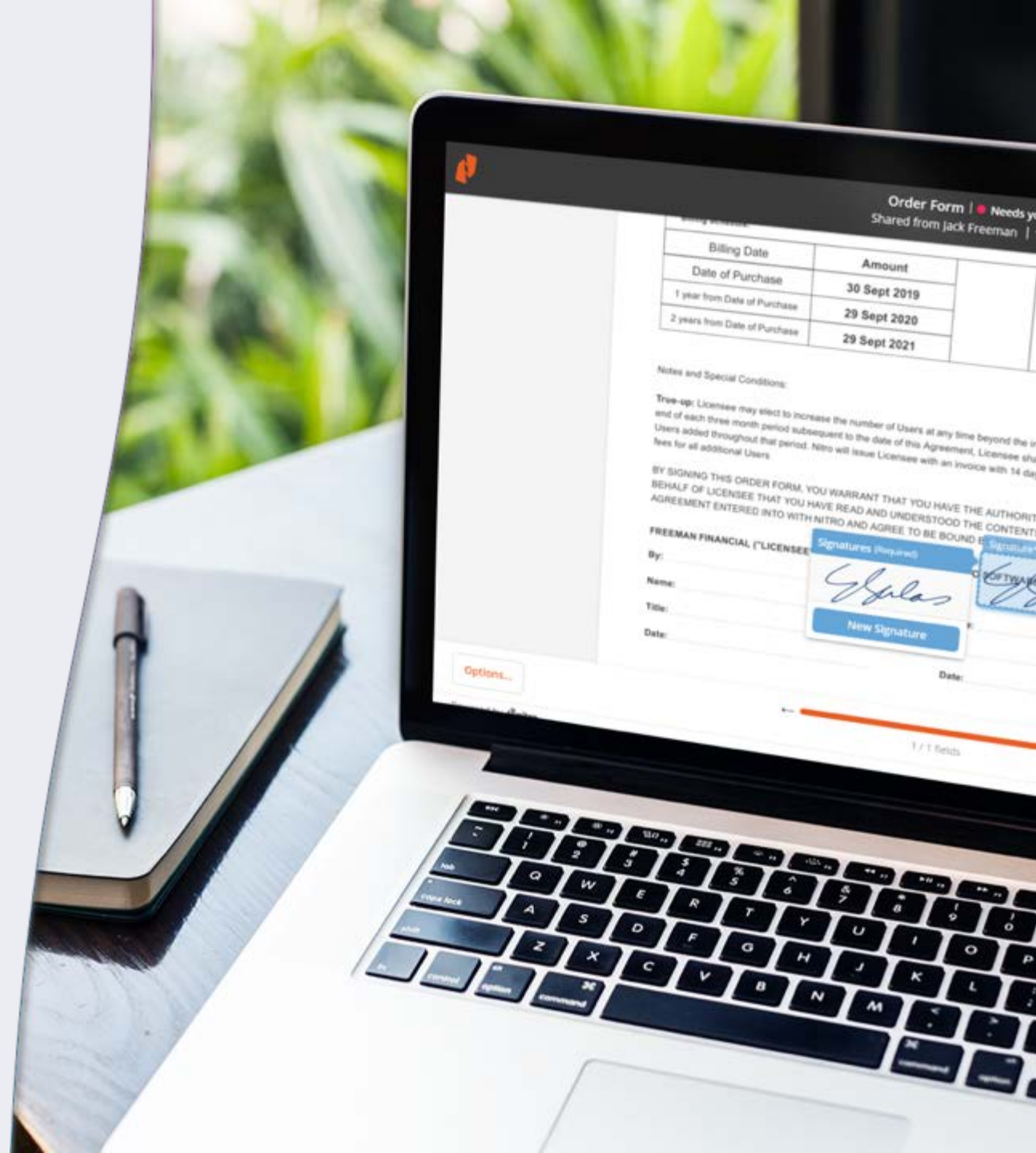
Today's Speakers



Sam Chandler
Co-Founder & CEO



Ana Sirbu
CFO



Agenda

24 February 2021

1. Business Overview & Financial Highlights
2. Financial Results
3. Business Strategy & Outlook
4. Q&A





2020 Business Overview & Financial Highlights

Sam Chandler
Co-Founder & CEO



We're a global leader in document
productivity and digital transformation

68%

OF THE
Fortune 500
ARE NITRO CUSTOMERS ¹



11,700
Business Customers



154
Countries

¹Percentage of the 2019 Fortune 500 with paid Nitro licences. As of 31 December 2020.



Nitro Snapshot



High-growth, recurring B2B SaaS revenue model



Large and growing TAM



Evolving as broader productivity software platform



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



Experienced leadership team



The Nitro Solution Today

A trusted platform of products that delivers productivity, eSigning, and intelligence to the most critical documents in your enterprise



Nitro Pro

PDF Productivity



Create, edit and collaborate



Document conversion



Eliminate printing



Nitro Sign

eSigning



Secure eSigning, any device



Process digitisation

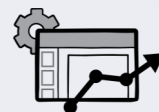


Remote collaboration



Nitro Analytics

Insights & Intelligence



Measure adoption



Benchmark performance



Prove ROI



Customer Success

Best-in-Class Service



Onboarding and adoption



24/7 support team



Training and enablement



2020 Financial Highlights

Delivering rapid ARR and subscription revenue growth efficiently

\$27.7 million
Ending ARR

114% of prospectus plan



ARR
Up **64%** YoY

\$40.2 million
Revenue

99.3% of prospectus plan



Subscription Revenue
Up **61%** YoY

(\$2.4 million)
Operating EBITDA ¹

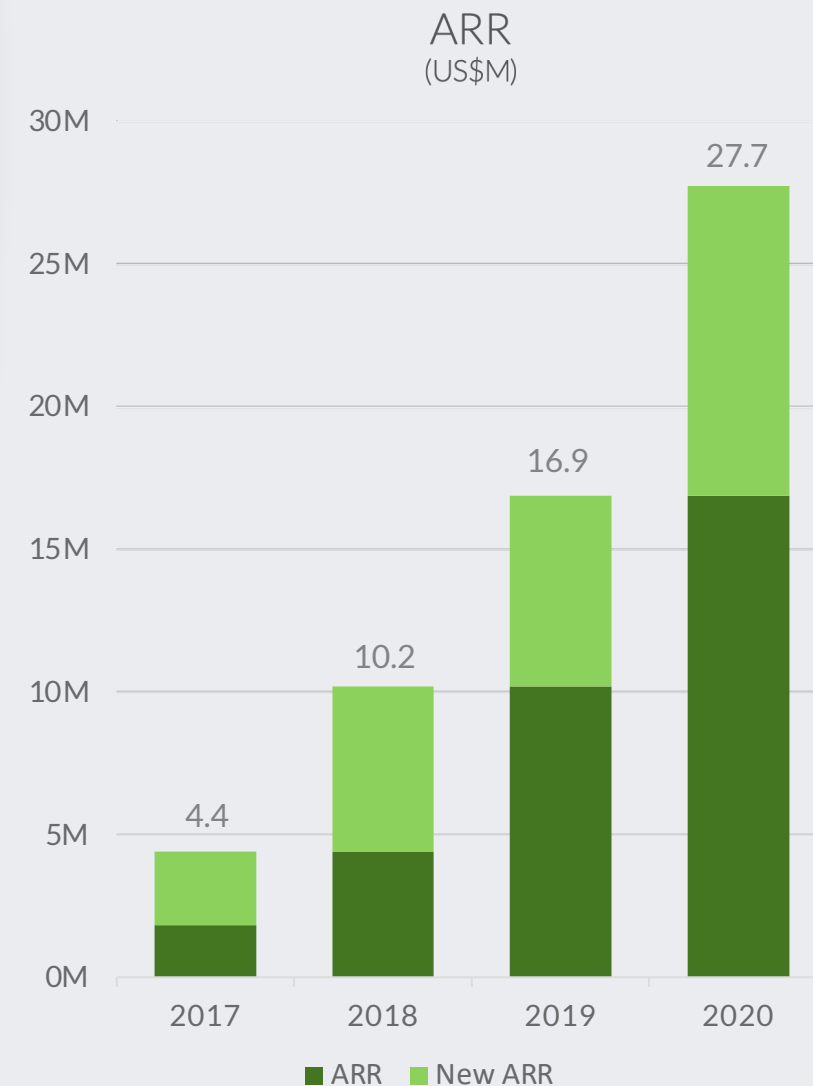
+\$1.6M to prospectus plan

\$43.7 million
Ending Cash

+\$5.8M to prospectus plan

\$ in USD

¹ Operating EBITDA excludes stock-based payments and foreign exchange gains and losses.



2020 Product Highlights

Delivering customer value at scale



>2.2 Billion
Documents Opened



>1 Million
eSignatures

2020 Increased Demand &
Usage

881%

Increase in Nitro Sign
business users

160%

Increase in total time spent
by Nitro Pro users



Nitro Usage is Truly Global for Both Pro and Sign

24-hour snapshot¹



¹For the 24 hours beginning 1 December 2020



FY2020: Building the Foundation for Continued Growth



Leadership buildout



Nearing end of transition to subscription¹



New customer acquisition success across all segments



Launch of Nitro Sign as a standalone product



Go-to-Market transformation

¹ Nearing end of transition to subscription in Nitro's Business sales channel, where sales are executed by Nitro's sales team, and excludes online/eCommerce sales via Nitro's web site.



2020 Leadership Buildout

Game-changing leadership additions enable us to significantly accelerate execution



Ana Sirbu
CFO

BlueVine

Google

SILVERLAKE



Maria Robinson
CMO

imperva

intuit

CITRIX®

LogMeIn®



Sam Thorpe
CPO

FLOW KANA

CoreLogic®



Mark Flanagan
SVP, Global Sales

Marketo™

vistatec

pfh

VPs

- Product Marketing
- Design + UX
- Global Channel & Alliances
- FP&A

Directors

- Revenue Ops
- Customer Success
- Inside Sales
- Sales Development



Subscription Sales Dominate

We will finalise our transition to subscription in Business sales¹ in 2021

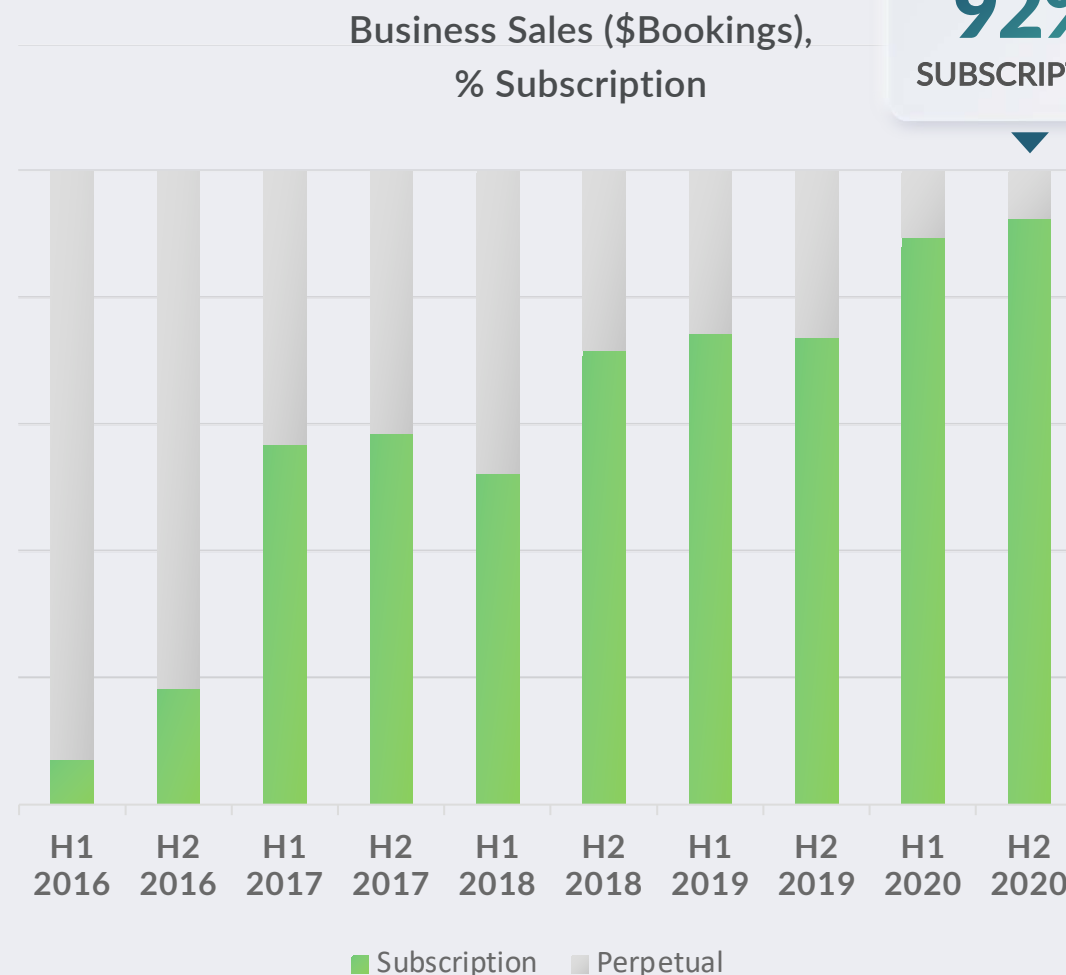
2016
<15%



2020
>90%

Business sales (Bookings) are approaching
100% subscription

96%
of deals >\$10K ACV in
2020 were subscription²



¹Business sales excludes self-serve online/eCommerce sales via Nitro's web site.

²As measured by deal count (number of deals).



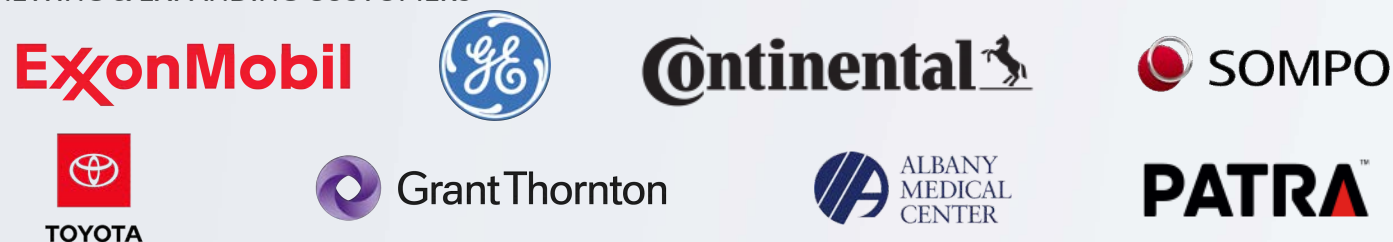
Major Enterprise Wins

Nitro serves 11,700 business customers, including some of the world's largest companies

NEW CUSTOMERS¹



RENEWING & EXPANDING CUSTOMERS¹



68%
OF THE
Fortune 500
ARE NITRO CUSTOMERS²

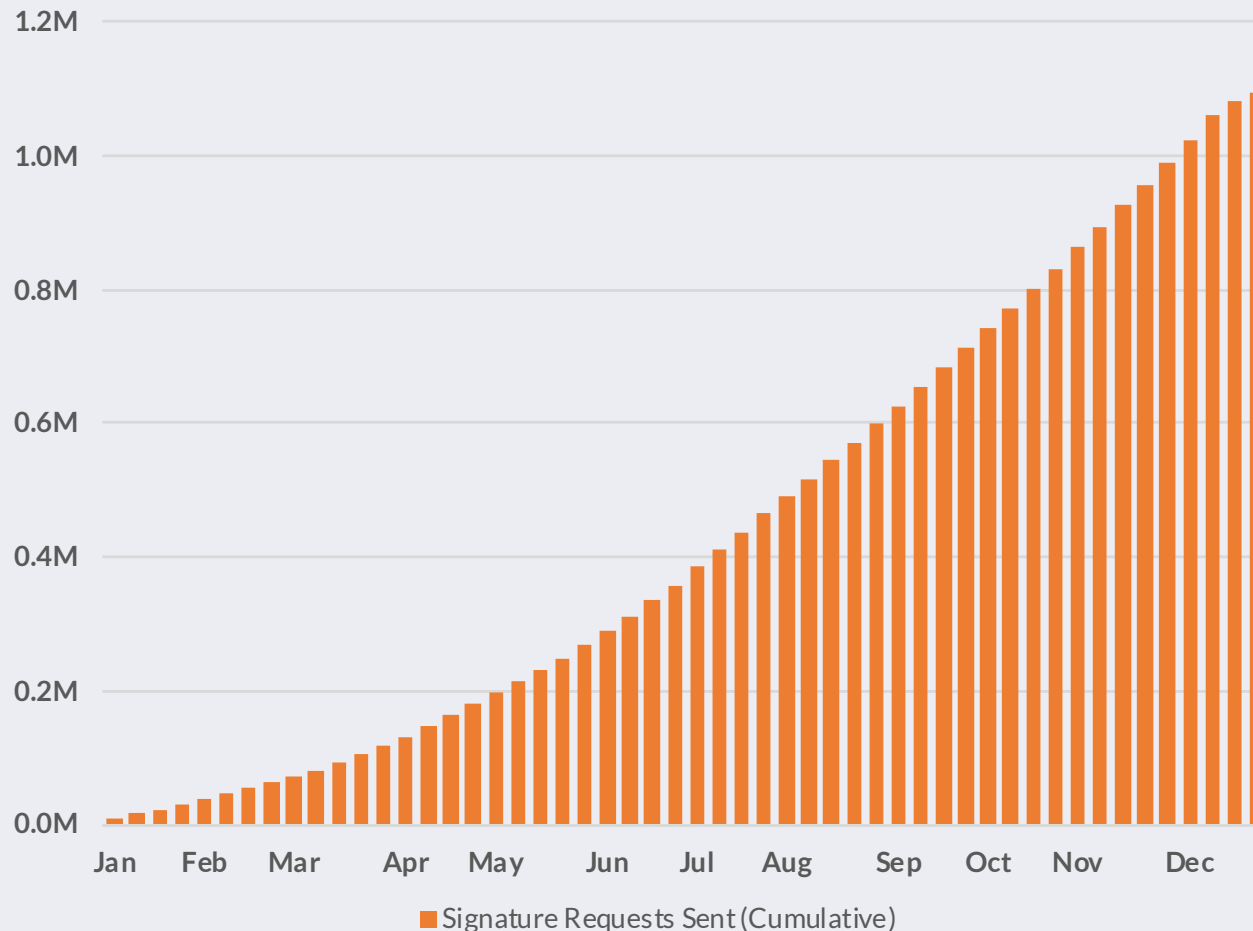
¹ New and renewing/expanding customers in 2020.

² Percentage of the 2019 Fortune 500 with paid Nitro licences.

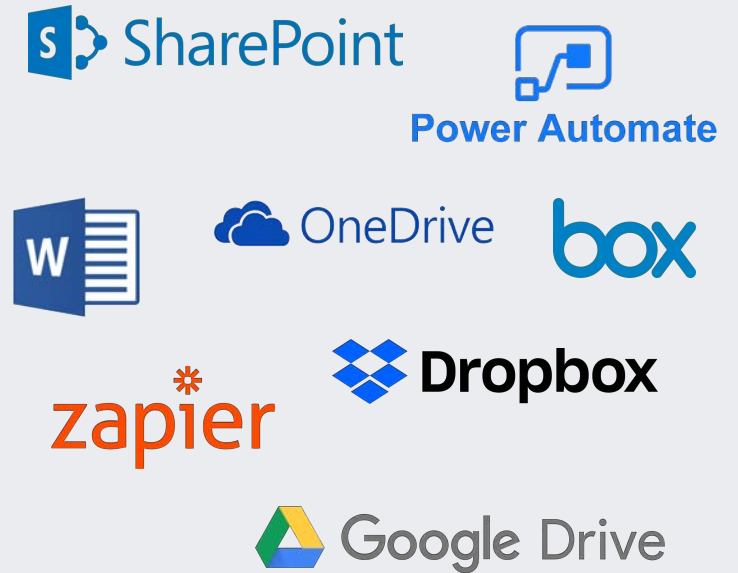


Nitro Sign Launch

Nitro Sign launched as a standalone product in 2020 and will be priced and sold separately starting in 2021



Nitro Sign Integrations



>1,000,000
Signatures

881% increase
in Business Users



Go-To-Market Transformation

We launched multiple foundational initiatives to evolve our go-to-market strategy and operations



Sales restructure
specialized by role



Account-based strategy
across all activities



Refocused customer
segmentation



Customer Success
strategy across
customer lifecycle



CUSTOMER SPOTLIGHT

Nitro Accelerates Digital Transformation Amid Shift to Remote Work

- Initial purchase of 10,000 licences in June 2019 to replace Acrobat; Upsold account to a total of 11,500 Nitro Pro users in first 12 months
- COVID-19 accelerated and increased demand for remote collaboration and signing tools; customer started using Nitro Sign in May 2020 to address eight initial eSigning use cases, including project approval processes and change requests
- Significant account expansion expected in 2021 for both PDF productivity and eSigning use cases

“*Being able to use Nitro has been a massive help in maintaining employee productivity now that we're working from home.*”

-Office of the CIO

Leading European Railway Network

INDUSTRY
Transportation

INCUMBENT
Adobe

EMPLOYEES
42,000

CUSTOMER SINCE
2019



CUSTOMER SPOTLIGHT

Growing Demand for Digitising Signature Workflows Leads to Nitro Sign Enterprise Customer

- Successful pilot showcased Nitro Sign's intuitive UI and ease of use; selected initially to digitise and streamline signing workflows for HR and Claims departments
- First use cases included improving billing approval processes and HR personnel workflows where speed, user experience, and security (audit trail) capabilities were paramount
- Nitro subsequently helped identify additional use cases, including IT asset tracking for remote physicians
- Delivered immediate results, including 90% productivity increase through significant reduction in turnaround time for new hire onboarding documents, and shortened billing contract generation time from days to minutes

US Health Care Organisation


INDUSTRY
Health Care

INCUMBENT
Adobe

EMPLOYEES
5,500

CUSTOMER SINCE
2020



A large, light blue circular graphic with a thick green ring on the right side, framing the central text.

FY2020 Financial Results

Ana Sirbu
CFO



Financial Results: FY2020 vs. FY2019

FY2020 ARR was \$27.7M, up 64% from \$16.9M in FY2019

- Subscription revenue grew 61%, driven by the success of the Nitro Productivity Suite
- Perpetual revenues reduced by 16% as Nitro's subscription strategy accelerated
- Gross margin increased to 91% due to the increase in subscription revenue, which has a lower cost of sales
- S&M expenses reduced from 53% to 50% of revenue while spend increased 7% YoY. Revenue growth significantly outpaced the increased S&M investment
- R&D expenses increased from 20% to 23% of revenue while spend increased 30% YoY, primarily driven by headcount, as Nitro continues to invest in product innovation
- G&A expenses increased from 20% to 23% of revenue, while spend increased 31% YoY, primarily as a result of increased costs as a public company and investments ahead of anticipated growth and scale. G&A costs are expected to normalize to lower levels in 2021

\$ in USD

Abridged Statement of Comprehensive Income vs FY2019

US\$M	FY2020 ¹	FY2019 ¹	Change compared to FY2019	
Revenue				
Subscription	21.2	13.2	8.1	61%
Perpetual	18.9	22.5	(3.5)	-16%
Total Revenue	40.2	35.7	4.5	13%
Cost of Sales	(3.8)	(3.7)	(0.1)	3%
Gross Profit	36.4	32.0	4.4	14%
<i>Gross Margin</i>	91%	90%		
Operating Expenses				
Sales & Marketing	(20.2)	(18.9)	(1.3)	7%
Research & Development	(9.4)	(7.2)	(2.1)	30%
General & Administrative	(9.2)	(7.0)	(2.2)	31%
Operating EBITDA	(2.4)	(1.1)	(1.3)	110%
IPO Costs	(0.0)	(3.0)	3.0	-100%
Share Based Payments	(3.0)	(0.8)	(2.1)	254%
Foreign Exchange Costs	(0.6)	1.1	(1.7)	-151%
EBITDA	(6.0)	(3.9)	(2.1)	55%
Depreciation & Amortization	(1.7)	(2.0)	0.3	-15%
Other	0.1	(2.1)	2.2	-106%
Net Income	(7.5)	(7.9)	0.4	-5%
ARR	27.7	16.9	10.9	64%
				20

¹ Audited consolidated statement of comprehensive income for both years ended 31 December 2019 and 31 December 2020. Both years include IT reallocation across departments.



Financial Results: FY 2020 vs. Prospectus Forecast

FY2020 ARR was \$27.7M, \$3.3M higher than prospectus forecast of \$24.4M

- Subscription sales accelerated ahead of prospectus forecast and drove subscription revenue outperformance of 5%
- Perpetual revenue reduced 6% faster than forecast as the shift to a SaaS business model neared completion for Business sales earlier than anticipated
- Gross margins exceeded plan at 91% due to the increase in subscription bookings, which have a lower cost of sale
- S&M expenses finished \$1.1M (5%) below forecast primarily due to COVID-adjusted spending, which was partially offset by increased advertising expenses
- R&D finished \$0.9M (9%) below forecast primarily due to hiring delays
- Total G&A expenses finished \$0.9m (-11%) above forecast, primarily as a result of hiring senior personnel and strategic investments made ahead of anticipated growth and scale

Abridged Statement of Comprehensive Income vs Prospectus

US\$M	FY2020 ¹	Prospectus	Actuals vs Prospectus	
Revenue				
Subscription	21.2	20.2	1.0	5%
Perpetual	18.9	20.2	(1.3)	-6%
Total Revenue	40.2	40.5	(0.3)	-1%
Cost of Sales	(3.8)	(4.5)	0.8	-17%
Gross Profit	36.4	35.9	0.5	1%
<i>Gross Margin</i>	91%	89%		
Operating Expenses				
Sales & Marketing	(20.2)	(21.3)	1.1	-5%
Research & Development	(9.4)	(10.3)	0.9	-9%
General & Administrative	(9.2)	(8.3)	(0.9)	11%
Operating EBITDA	(2.4)	(4.0)	1.6	-40%
IPO Costs	(0.0)	-	(0.0)	0%
Share Based Payments	(3.0)	(1.3)	(1.7)	125%
Foreign Exchange Costs	(0.6)	-	(0.6)	0%
EBITDA	(6.0)	(5.3)	(0.6)	12%
Depreciation & Amortization	(1.7)	(1.8)	0.1	-5%
Other	0.1	0.1	(0.0)	-4%
Net Income	(7.5)	(7.0)	(0.6)	8%
ARR	27.7	24.4	3.4	14%

\$ in USD

¹ Audited consolidated statement of comprehensive income for year ended 31 December 2020. Includes IT reallocation across departments.



Revenue and EBITDA Performance

Nitro scaled subscription revenue substantially through FY2020, while operating close to EBITDA breakeven

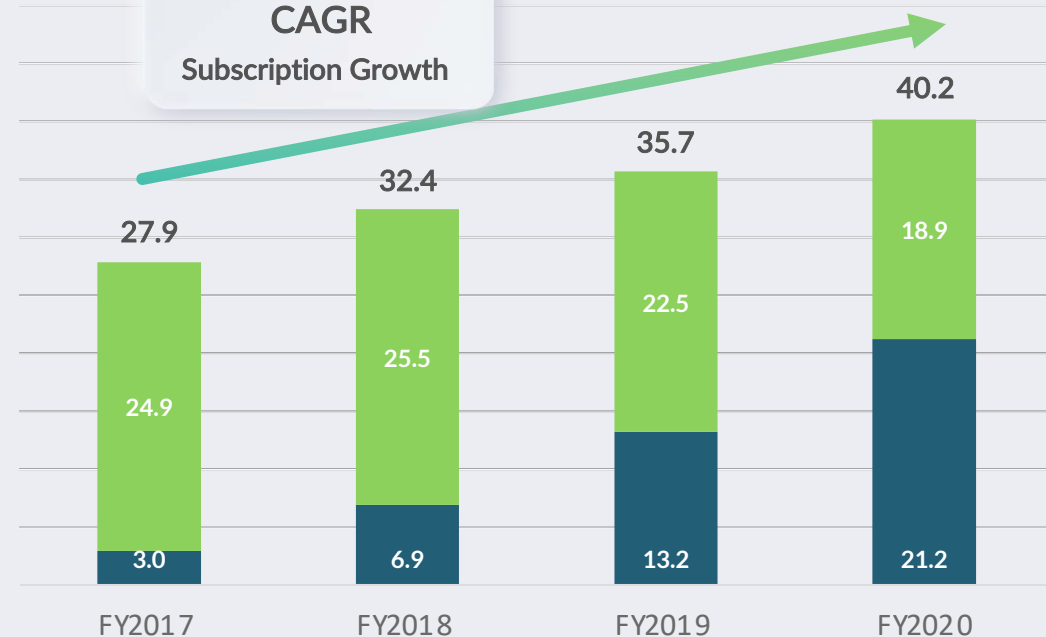
Revenue (FY2017 – FY2020)

US\$M

93%

CAGR

Subscription Growth



Subscription rev.
as % of total rev.

11%

21%

37%

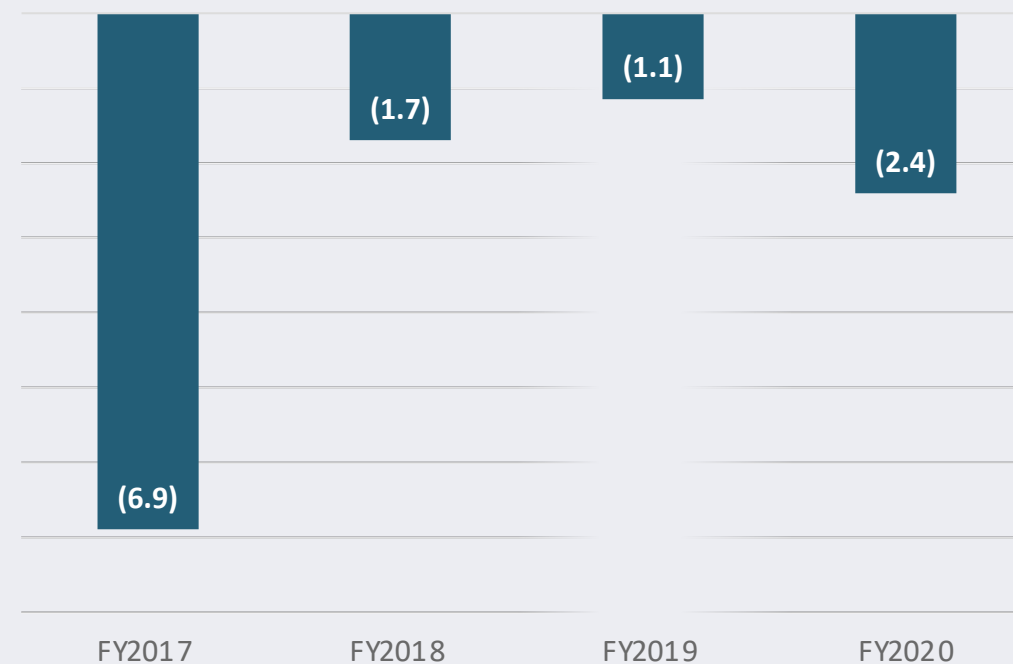
53%

■ Subscription

■ Perpetual (inc. Maintenance & Support)

Operating EBITDA (FY2017 – FY2020)

US\$M



EBITDA
margin

FY2017

(25%)

FY2018

(5%)

FY2019

(3%)

FY2020

(6%)

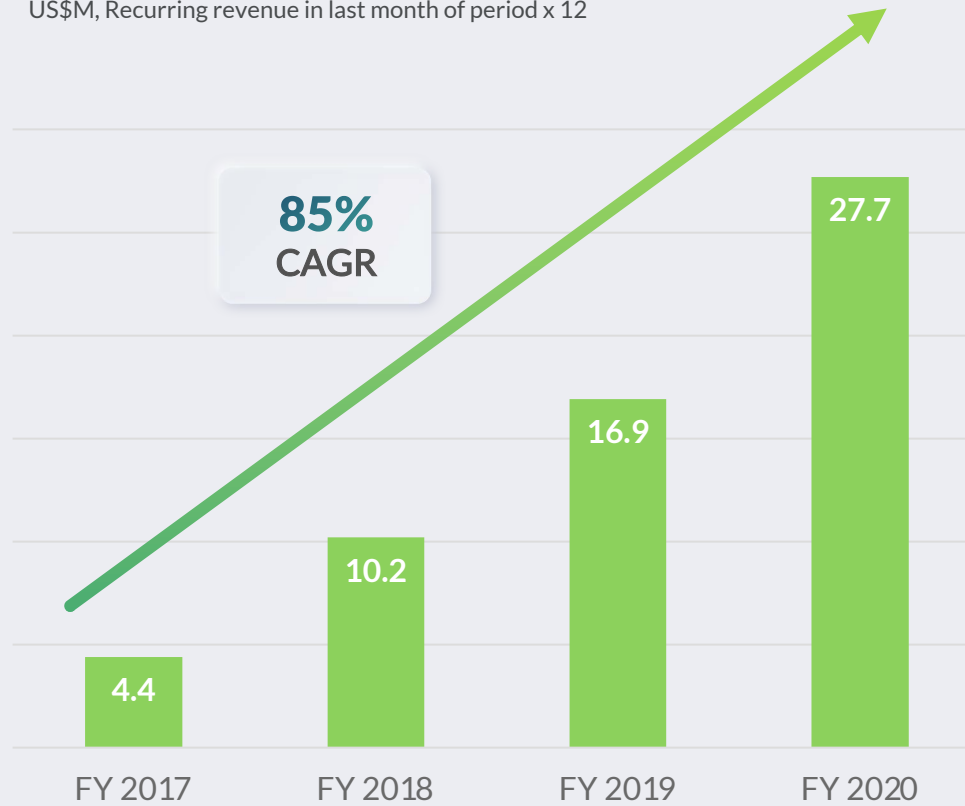


Subscription ARR and New ARR Added

Subscription ARR is Nitro's #1 financial metric, with consistently strong growth in ending ARR and ARR added

Subscription ARR

US\$M, Recurring revenue in last month of period x 12



Subscription ARR at end of financial reporting period

New Subscription ARR Added

US\$M



Incremental Subscription ARR added during financial reporting period

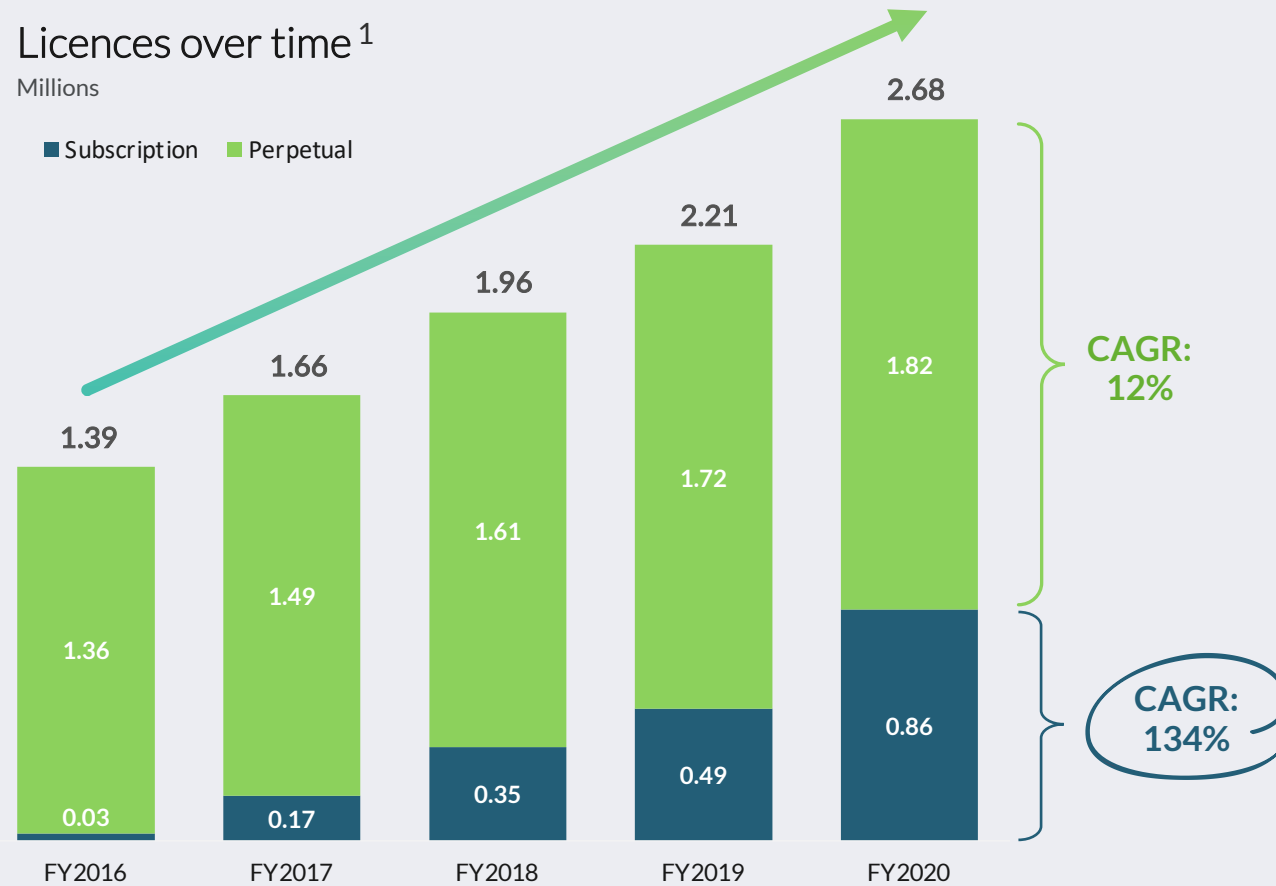


Subscription Customers & Licences

Nitro has delivered five years of strong subscription customer growth with a 153% CAGR

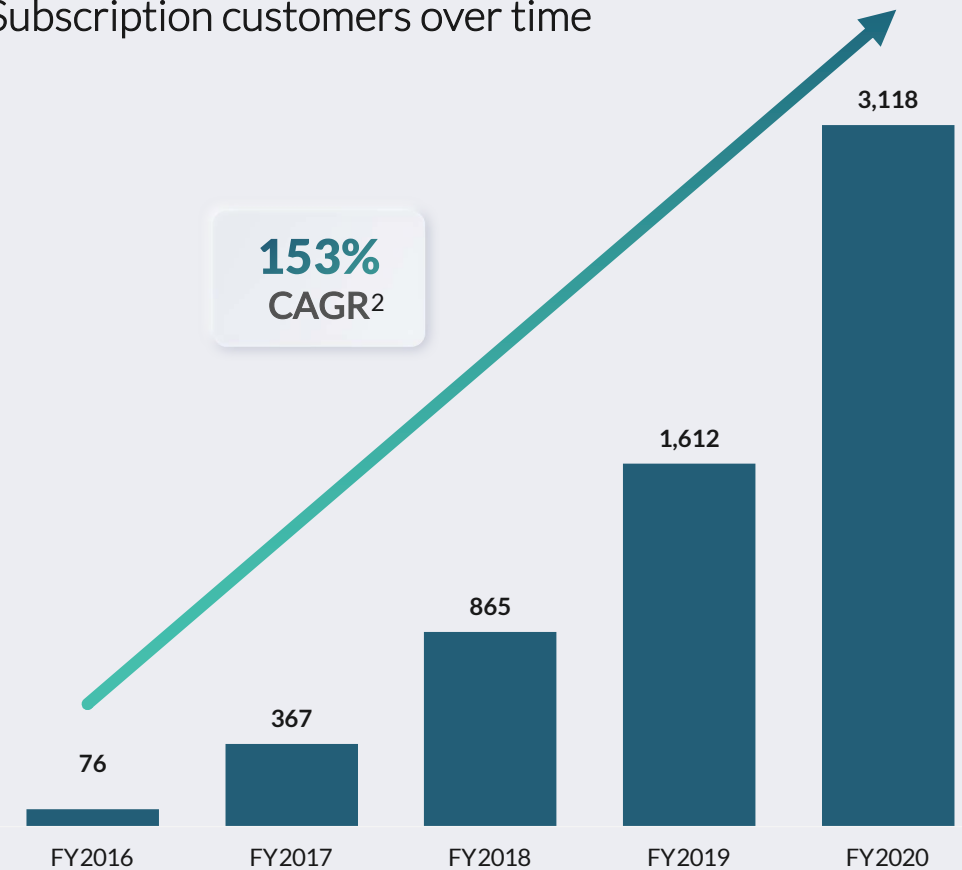
Licences over time¹

Millions



Subscription customers over time

#



¹ Licenses over time reflects all perpetual licences sold (cumulative), plus active subscription licences. A prior version of this chart may have used cumulative subscription licences sold, but the Company believes active subscription licences is a more relevant and useful metric.

² FY2016-FY2020.



Key SaaS Metrics

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



85%
Renewal Rate



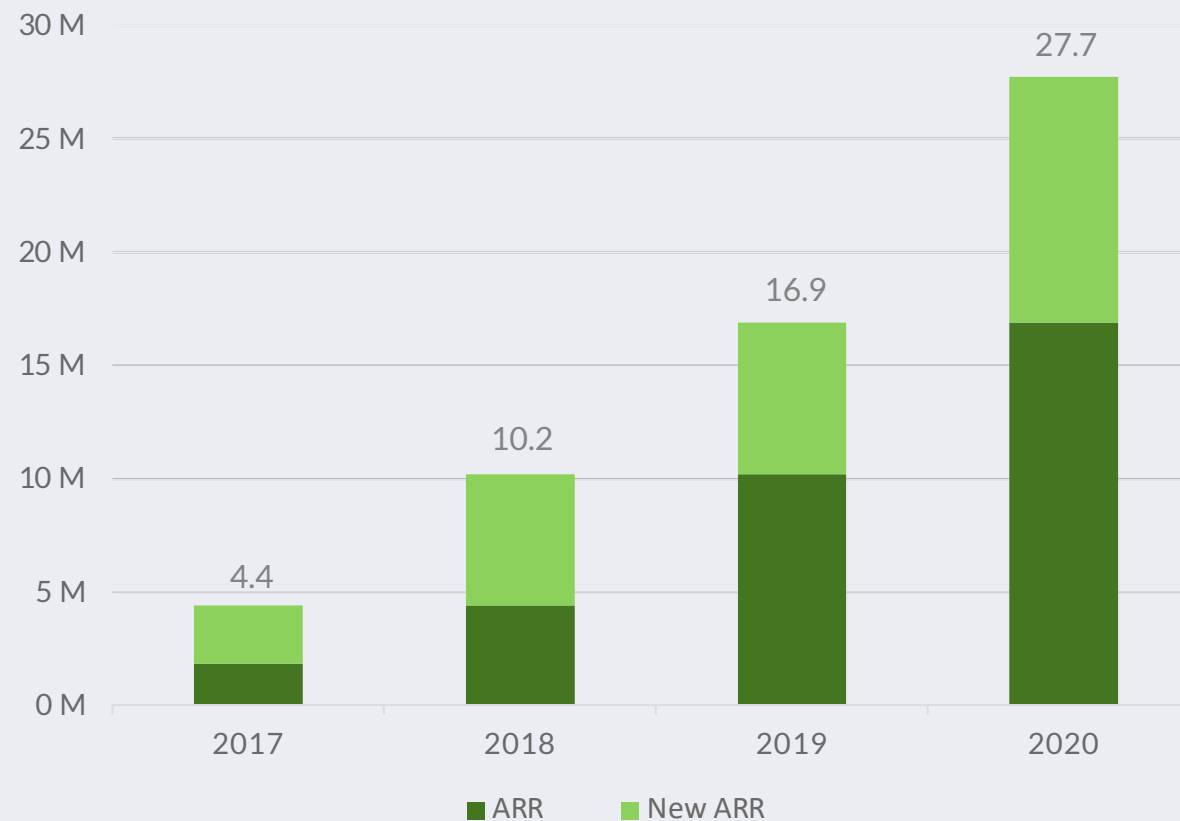
117%
Net Revenue Retention



3.1
LTV / CAC

ARR Growth

US\$M



Balance Sheet: FY2020 vs. FY2019

Strong balance sheet positions us well to continue the Company's strong growth

- Cash balance of \$43.7M with no debt¹
- Cash balance closed \$5.8M ahead of prospectus forecast of \$37.9M and provides substantial resources to support working capital requirements and growth, including acquisitions
- No material impact on cash flows or receivables/collections observed during FY2020 despite macroeconomic environment

¹ Except finance leases covered under AASB 16.

² Audited consolidated statement of financial position for both years ended 31 December 2019 and 31 December 2020.

³ Restated in relation to unbilled receivables as disclosed in note 3 of the financial statements for the year ended 31 December 2020.

\$ in USD

Statement of Financial Position

US\$M	Statutory 31 Dec 2020 ²	Statutory 31 Dec 2019 ^{2,3}
Cash and cash equivalents	43.7	47.0
Receivables	6.7	4.8
Current tax receivables	0.1	0.1
Other current assets	2.9	1.9
Current assets	53.4	53.8
Property, plant and equipment	0.5	0.6
Intangible assets	0.0	0.1
Deferred tax assets	0.0	0.2
Right of use assets	1.8	3.1
Other non-current asset	4.3	3.0
Non-current assets	6.6	6.9
Trade payables	2.7	2.3
Deferred revenue	21.0	16.4
Lease liability	1.1	1.4
Employee benefits	2.9	2.1
Other current liabilities	1.2	1.2
Current liabilities	29.0	23.4
Deferred revenue	1.2	2.0
Deferred tax liability	-	0.3
Lease liability	0.6	1.5
Non-current liabilities	1.7	3.9
Net assets	29.3	33.4
Contributed equity	90.3	90.2
Other reserves	5.0	1.7
Retained earnings	(66.1)	(58.5)
Equity	29.3	33.4





Business Strategy & Outlook

Sam Chandler
Co-Founder & CEO



The way we work has transformed forever



Virtual-first is the
new normal

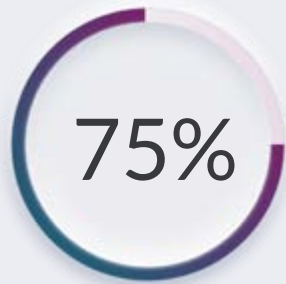


Digital tools went
from nice-to-have to
must-have



All regions,
demographics and
cultures transformed

PDFs are Still the Most Common Document Denominator in Every Business



of the documents
knowledge workers
encounter are PDFs

Procurement

- Purchase orders
- Statements of work
- Master agreements
- RFP signoff
- Supplier compliance

Support

- Account changes
- Service orders
- Term changes
- Compliance
- Cancel requests

Facilities

- Front desk sign-in
- Work orders
- License agreements
- Move requests
- Security access



work with PDFs
once or more a day

EX / HR

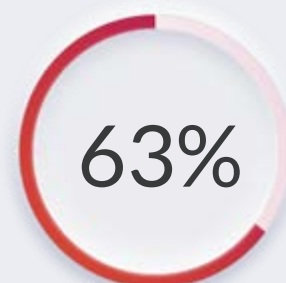
- New hire paperwork
- Policy acceptance
- Contractor docs
- Payroll & PTO forms
- Exit checklist

Marketing

- Event registration
- Comms approvals
- Brand compliance
- Asset approvals
- Vendor agreements

Sales

- Order processing
- Account provisioning
- Sales comp plans
- Reseller agreements
- Terms & conditions



work with more than
six documents a day

Finance

- Purchase orders
- Invoice processing
- Expense reporting
- Audit signoff
- Policy management

IT / Operations

- Asset tracking
- Change requests
- Order fulfillment
- Access management
- Authorization changes

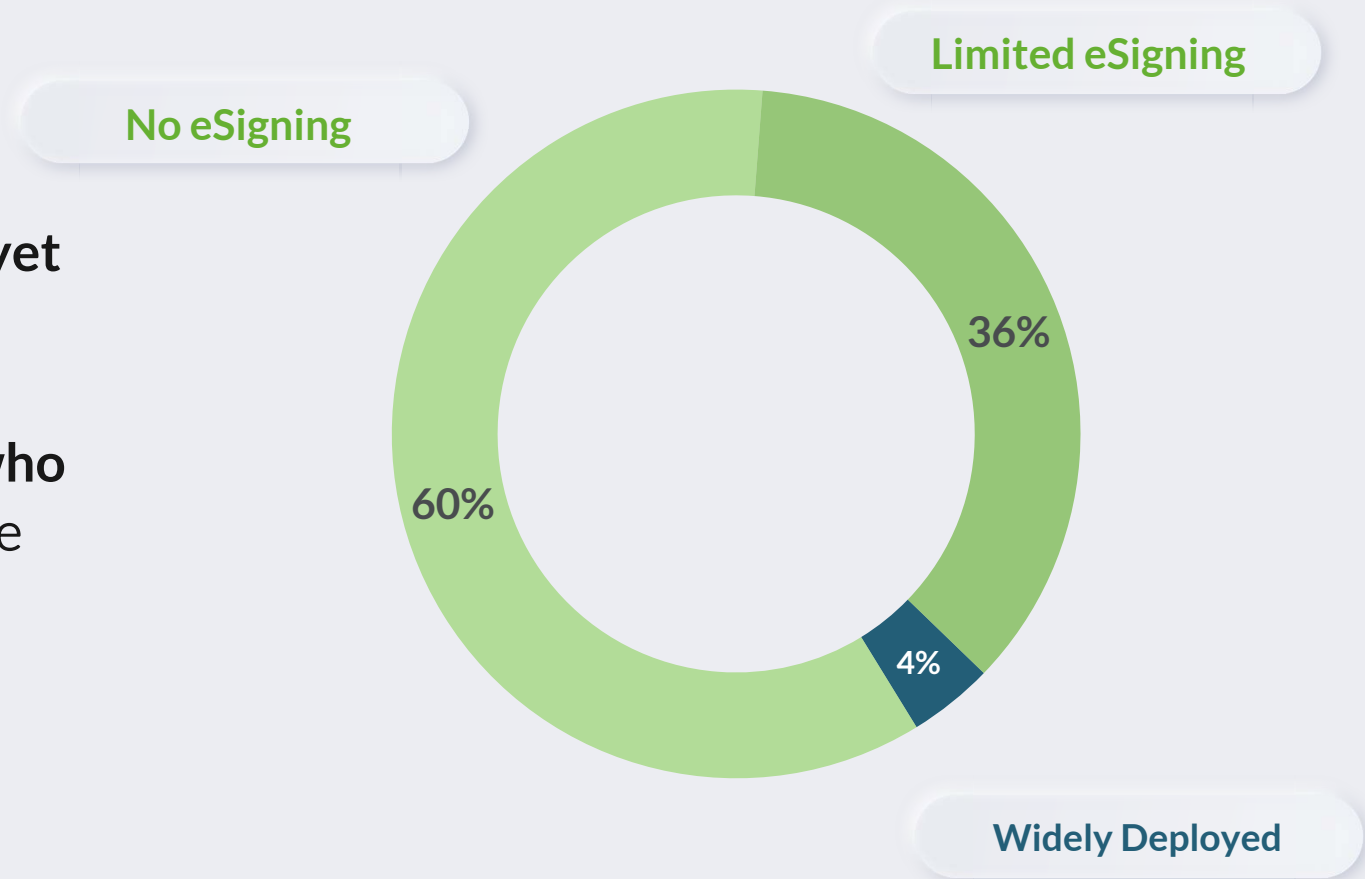
Legal

- NDAs
- Contracts
- Internal compliance
- Board documents
- Patent applications



US and Global eSigning Markets Still Represent Enormous Opportunity

- ▶ 60% of US organizations are **not yet** using eSignatures at all
- ▶ Of the 40% of US organizations **who are** using eSigning, only 1 in 10 are widely deployed
- ▶ Beyond the US, eSigning markets are even less mature



\$28B TAM¹

Digital transformation market opportunity is vast and growing



¹Nitro 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.



Multiple Levers for Growth

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



Focus on channel

Increased focus on channel to drive revenue and lay foundations for value-added platform future



Winning new customers

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



Expansion within existing customers

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



New product development

Continued innovation across Nitro Pro, Sign and Analytics while adding new products and features to deliver platform vision



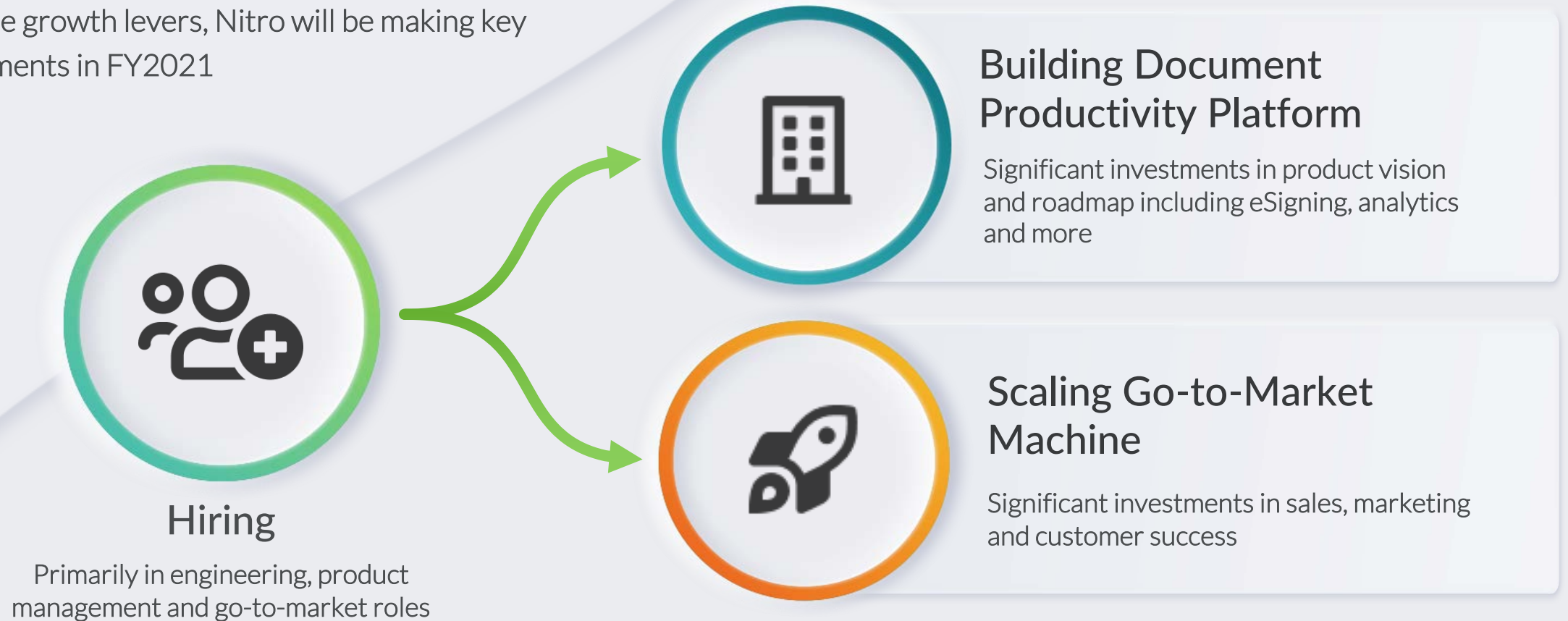
Mergers & acquisitions

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



FY2021: Investing for Continued Growth & Scale

With very large TAM, sector tailwinds, and multiple growth levers, Nitro will be making key investments in FY2021



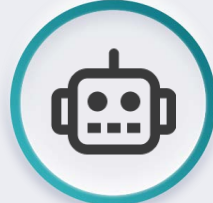
Nitro is building the world's first Document Productivity Platform



Productivity



Workflow



Automation



API/SDK



Analytical
Insights



Centralized
Licensing



Customer
Success



Past, Present and Future

1

Large Mature
Category



Nitro Pro
PDF Productivity



2

High-Growth SaaS
Categories



Nitro Pro
PDF Productivity



Nitro Sign
eSigning



Nitro Analytics
Insights & Intelligence



3

Digital-Transformation-
as-a-Service



**Nitro Productivity
Platform**

Partner Model

Perpetual Licensing

Subscription Licensing

Subscription Licensing + Services



FY2021 Guidance

A year of investment to accelerate both short and long-term growth

\$39-42 million
Ending ARR

\$45-49 million
Revenue

(\$11)-(\$13) million
Operating EBITDA ¹

\$ in USD

¹ Operating EBITDA excludes stock-based payments and foreign exchange gains and losses.

Note: FY2021 stock-based payments expected to be significantly higher than in FY2020 given leadership hires in 2H 2020 and early 2021





Results Presentation
2020

Q&A





Appendix



We operate as a strategic partner to the
Office of the CIO & Line of Business by enabling...



Increased
Productivity Across
Organisation



Lower Total Cost
of Ownership
(TCO)



Customer
Success +
Analytics

“All our teams are now working remotely with critical collaboration tools and document productivity apps, and Nitro is a central component of that effort.”

Gerard Ding, Head of IT, Australia & New Zealand, JLL



The Nitro Difference

Nitro Benefits vs Competitors

Unparalleled Offering from One Vendor

Only Nitro offers PDF productivity, eSigning, and analytics to partner in the digital transformation journey

Incomparable Value

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

Actionable Analytics

Unique insights to show, measure, prove and expand digital transformation ROI, including print reduction



Easier Deployment

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

A Trusted Partner

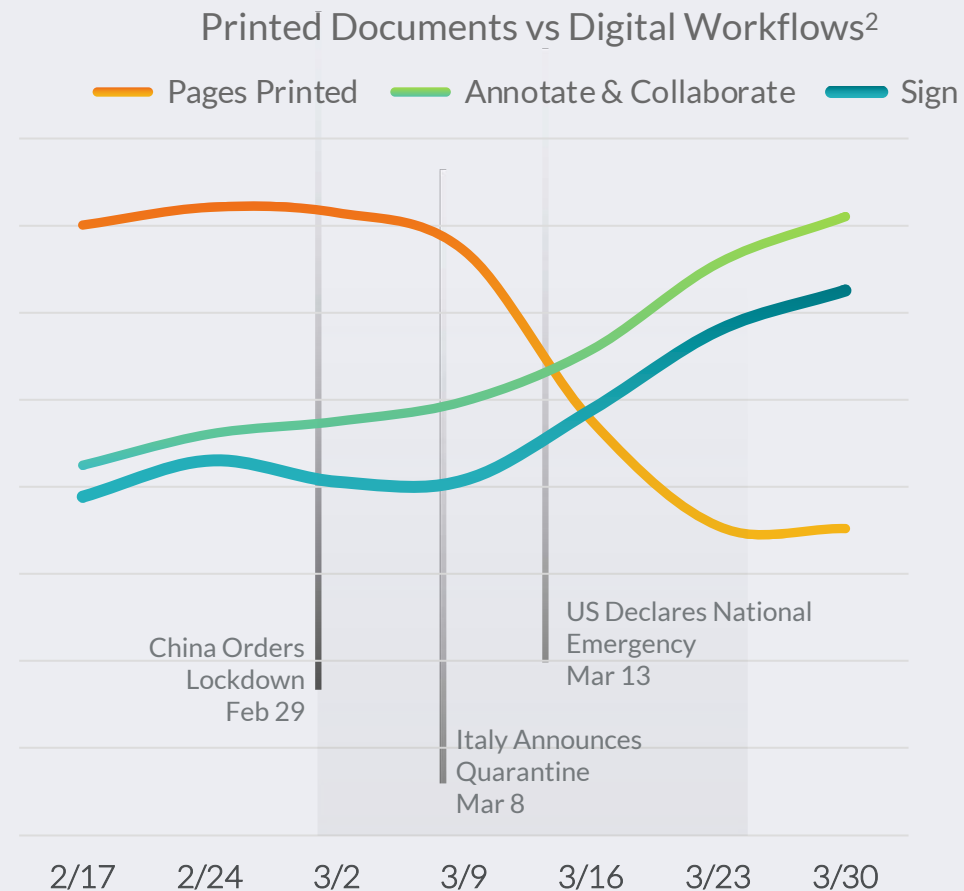
Customer Success program/team ensures change management and adoption success and business ROI

Proven in the Fortune and FTSE 100s

Exxon Mobil, UnitedHealth, Cigna, Experian, DirectLine, Caterpillar and more

Nitro Analytics Had a Front-Row Seat to Seismic Shifts in the Way We Work

Widespread changes to the way we work, and the tools we use, are here to stay¹



¹ McKinsey 10/2020; *How COVID-19 has pushed companies over the technology tipping point—and transformed business forever*

² Actual data from Nitro Analytics From 2/17/20 to 3/30/20

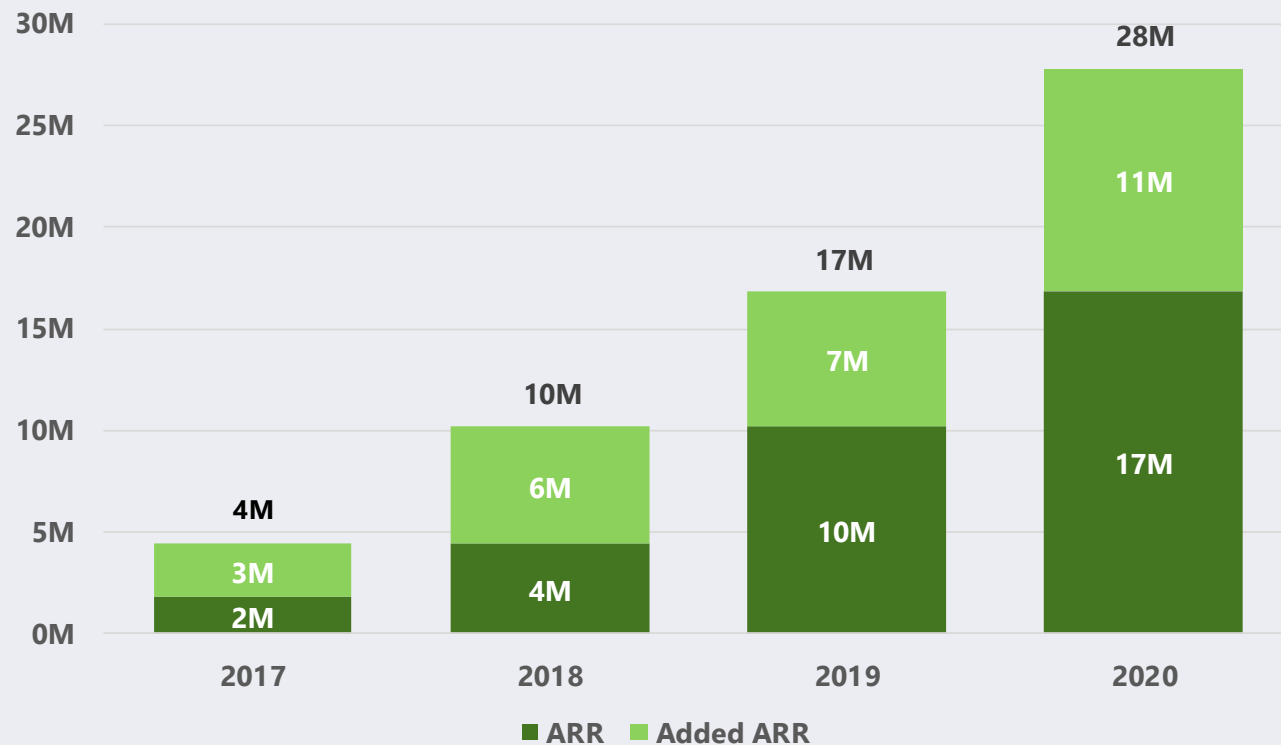


ARR Scaled to \$27.7M Mostly Through New and Expansion Bookings

Subscription bookings from the conversion of maintenance agreements constituted only a quarter of incremental subscription bookings in FY2020

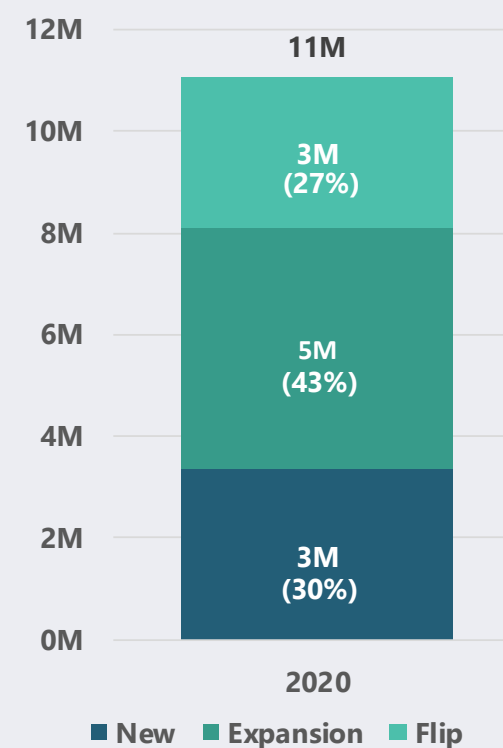
Base ARR vs Added ARR

US\$M



Added ARR

US\$M

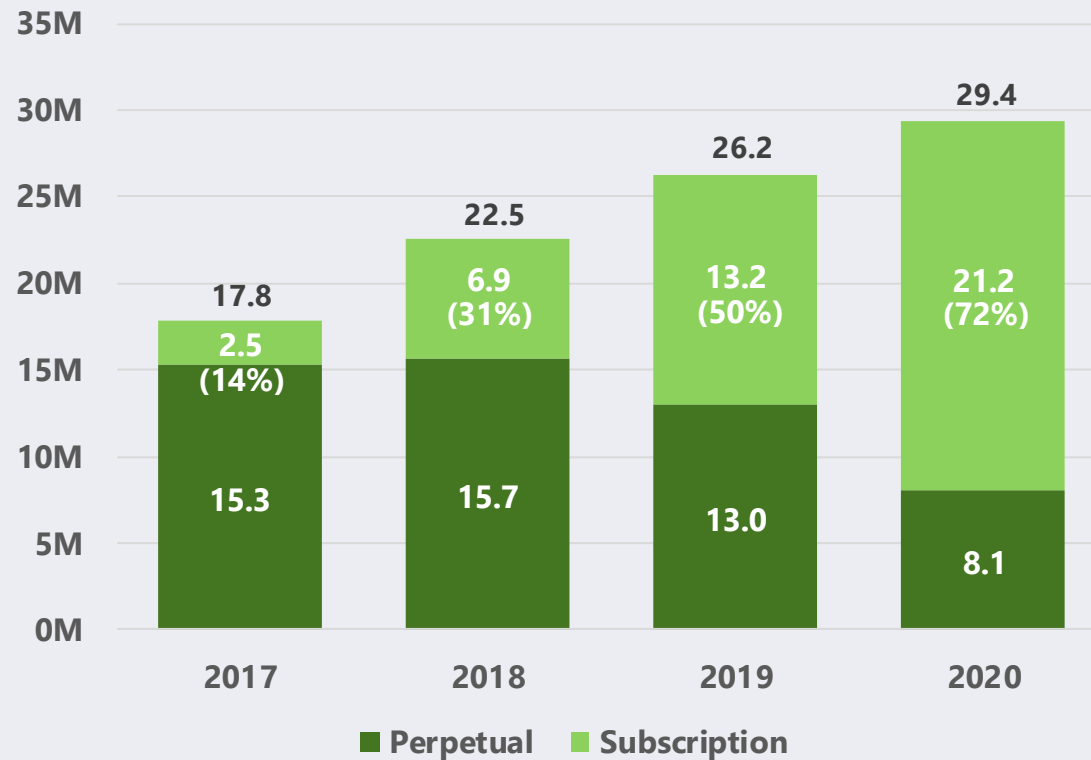


Business Sales Will Finalize Transition to Subscription in FY2021

Subscription revenue soared to 72% of Business revenue in 2020, up from 50% in 2019

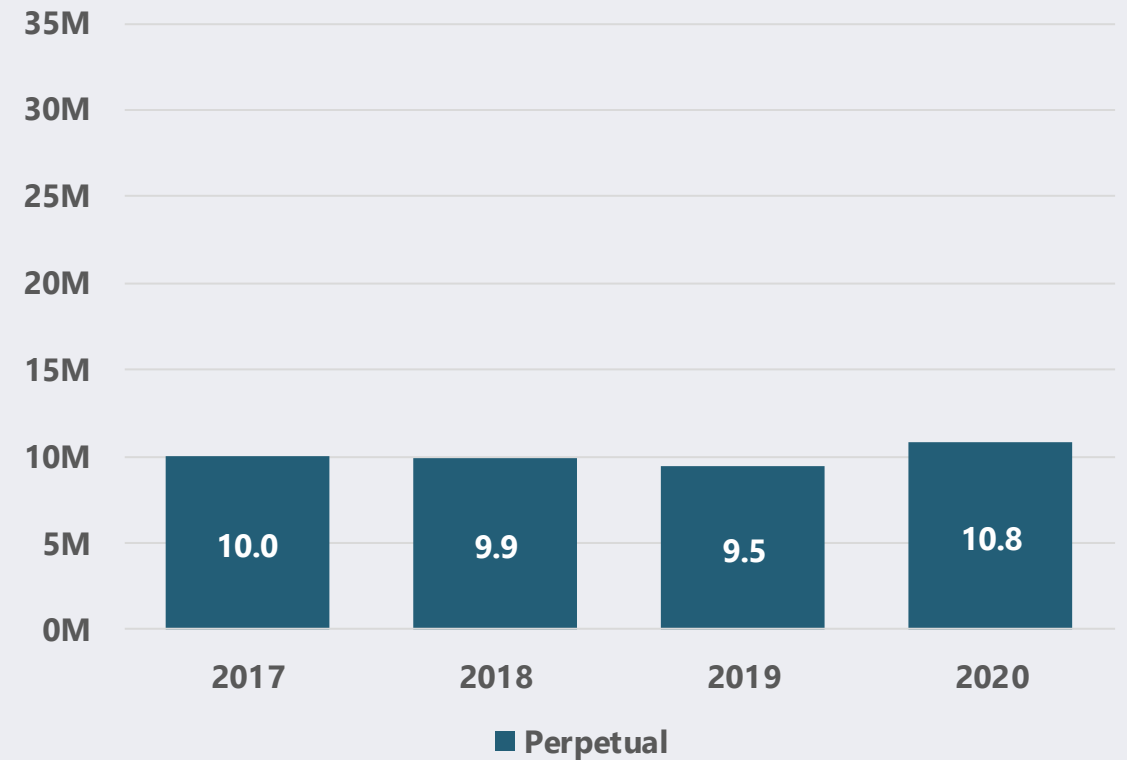
Business¹ Revenue

US\$M



Online² Revenue

US\$M



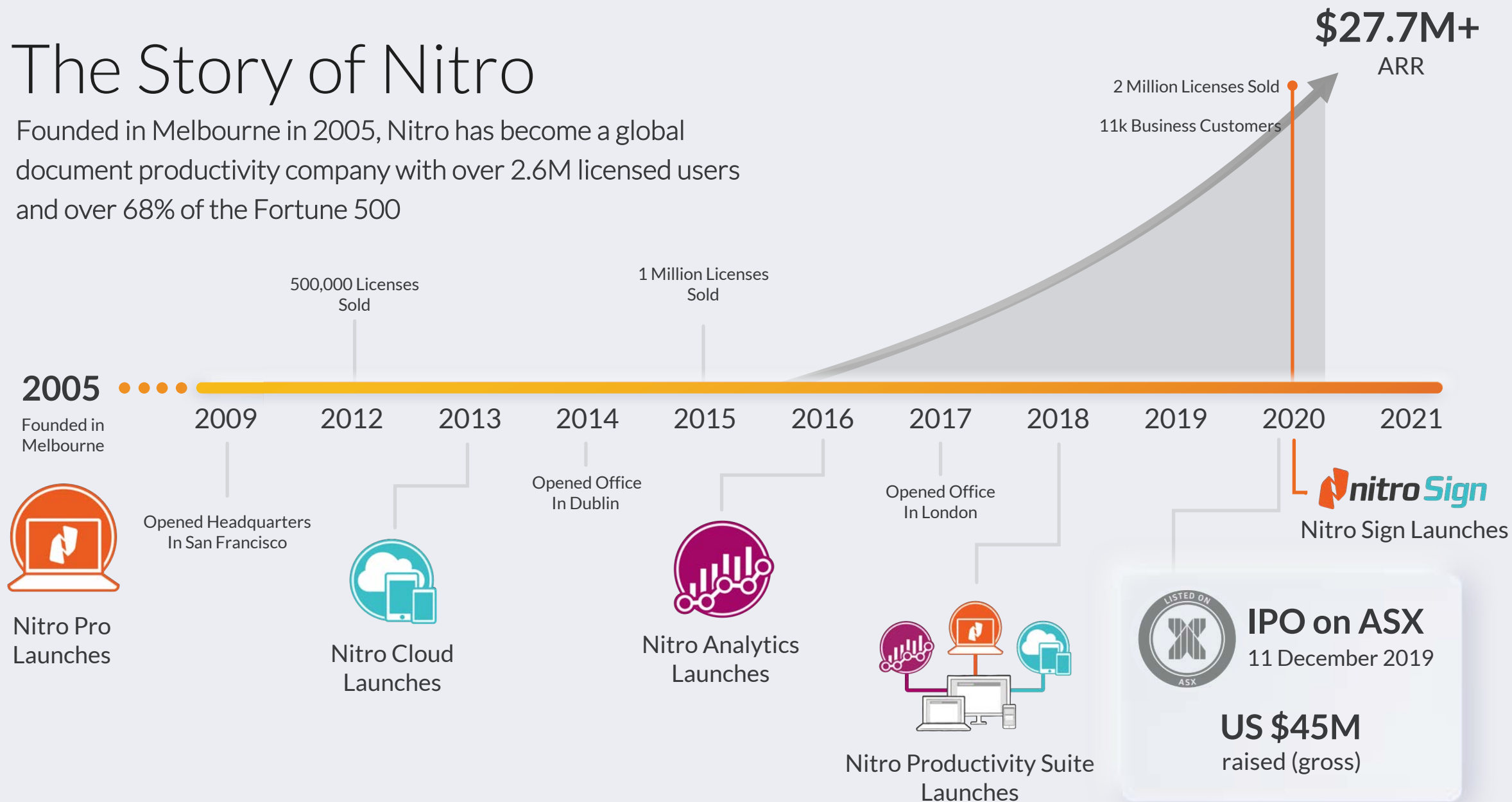
¹Nitro's Business sales comprises sales executed by Nitro's sales team and excludes online/eCommerce sales via Nitro's web site.

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



The Story of Nitro

Founded in Melbourne in 2005, Nitro has become a global document productivity company with over 2.6M licensed users and over 68% of the Fortune 500





Thank You

