



Tuesday, 16 November 2021

Entitlement Offer - Notification to Ineligible Retail Shareholders

Dear Shareholder,

On Wednesday, 10 November 2021, Nitro Software Limited (ACN 079 215 419) (**Nitro**) announced that it was conducting a fully underwritten A\$80 million institutional placement (**Institutional Placement**) and an approximately A\$60 million accelerated non-renounceable pro rata entitlement offer (**Entitlement Offer**) to eligible shareholders of 1 new ordinary share in Nitro (**New Shares**) for every 11.4 existing ordinary shares in Nitro (**Existing Shares**) held at 7:00pm (AEDT) on Friday, 12 November 2021 (**Record Date**) at a fixed price of A\$3.43 per New Share (**Offer Price**), to raise approximately A\$140 million (**Equity Raising**).

The proceeds of the Equity Raising will be used to fund the cash consideration payable for the acquisition by Nitro of Connective NV (**Connective**), as well as transaction and integration costs and general working capital requirements of the Company. More detail is provided in Nitro's Investor Presentation lodged on the Australian Securities Exchange (**ASX**) on Wednesday, 10 November 2021.

The Entitlement Offer comprises an institutional entitlement offer (**Institutional Entitlement Offer**) and a retail entitlement offer (**Retail Entitlement Offer**) to **Eligible Retail Shareholders** (as defined below) to participate on the same terms. The Institutional Entitlement Offer and Placement have already been completed, with the results announced to the ASX on Thursday, 11 November 2021.

This letter is to inform you about the **Retail Entitlement Offer** (as defined below) and to explain why you will not be able to subscribe for New Shares under the Retail Entitlement Offer. This letter is not an offer to issue entitlements or New Shares to you, nor is it an invitation for you to apply for entitlements or New Shares. **You are not required to do anything in response to this letter, but there may be financial implications for you as a result of the Entitlement Offer that you should be aware of.**

What is the Entitlement Offer?

The Entitlement Offer is being made by Nitro in accordance with Section 708AA of the *Corporations Act 2001* (Cth) (**Act**) as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*, meaning that no prospectus or other disclosure document needs to be prepared.

A retail offer booklet, which sets out further details in respect of the Retail Entitlement Offer (**Retail Entitlement Offer Booklet**), was lodged with the ASX and dispatched to Eligible Retail Shareholders today (Tuesday, 16 November 2021).

The Retail Entitlement Offer is an offer to **Eligible Retail Shareholders** (defined below) of an entitlement to subscribe for 1 New Share for every 11.4 Existing Shares on the Record Date, at the Offer Price.

Who is Eligible?

Shareholders who are eligible to participate in the Retail Entitlement Offer (**Eligible Retail Shareholders**) are those persons who:

- are registered as a holder of Existing Shares on the Record Date;
- have a registered address on the Nitro share register in Australia or New Zealand as at 7.00pm (AEDT) on the Record Date, or are a Shareholder not in Australia or New Zealand that Nitro has otherwise determined is eligible to participate;
- are not in the United States, and are not a person (including a nominee or custodian) acting for the account or benefit of a person in the United States (to the extent such person holds Existing Shares for the account or benefit of such person in the United States);
- were not invited to participate (other than as nominee, in respect of other underlying holdings) under the Institutional Entitlement Offer, and were not treated as an Ineligible Institutional Shareholder under the Institutional Entitlement Offer; and

- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered.

Nitro reserves the right to determine whether a shareholder is an Eligible Retail Shareholder.

Why am I not Eligible to Participate in the Retail Entitlement Offer?

Unfortunately, according to our records you do not satisfy the criteria for an Eligible Retail Shareholder. In compliance with ASX Listing Rule 7.7.1(b) and Section 9A(3) of the Act, this notice is to inform you that you are not entitled to participate in the Retail Entitlement Offer and, as such, you will not be offered any New Shares or Entitlements under the Retail Entitlement Offer. You will also not be sent a copy of the Retail Entitlement Offer Booklet.

Nitro has determined that, pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules and Section 9A(3)(a) of the Act, it would be unreasonable to make offers to shareholders in any country outside of Australia and New Zealand, having regard to:

- the relatively small number of shareholders in those other jurisdictions;
- the relatively low number and value of New Shares for which those shareholders would otherwise have been entitled to subscribe for; and
- the costs of complying with the legal and regulatory requirements in those jurisdictions.

The eligibility of investors for the purposes of the Retail Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Nitro and the Joint Lead Managers. Nitro and the Joint Lead Managers, and each of their respective affiliates and related bodies corporate and each of their respective directors, officers, partners, employees, advisers and agents, disclaim any liability in respect of any determination as to eligibility, to the maximum extent permitted by law.

As the Retail Entitlement Offer is non-renounceable, you will not receive any payment or value for entitlements that would have been offered to you if you were an Eligible Retail Shareholder. New Shares equivalent to the number of New Shares you would have been entitled to if you

were an Eligible Retail Shareholder will be allocated to the Joint Lead Managers (in their capacity as joint underwriters) or to persons from whom the Joint Lead Managers have procured subscriptions for New Shares, pursuant to the underwriting arrangements between Nitro and the Joint Lead Managers.

On behalf of the Nitro Board of Directors, we regret that you are unable to participate in the Entitlement Offer, but nonetheless, thank you for your continued support of Nitro.

Yours sincerely,



Kurt Johnson

Executive Chairman

Nitro Software Limited

Ends

Authorised for release to the ASX by the Board.

Further Information

If you have any questions, you should seek advice from your stockbroker, accountant or other independent professional adviser or Computershare Investor Services Pty Limited on 1300 556 161 (within Australia) or +61 3 9415 4000 (outside Australia) from 8:30am to 5:30pm (AEDT) on Monday to Friday, before the Retail Entitlement Offer closes at 5:00pm (AEDT) on Tuesday, 30 November 2021.

Disclaimer

This letter is issued by Nitro to inform you about the Retail Entitlement Offer. This letter is not a prospectus or offer document under Australian law or any other law. It is for information purposes only and does not constitute an offer, invitation or recommendation to subscribe for, retain or purchase any securities in Nitro in any jurisdiction. This letter does not constitute financial product advice and does not and will not form any part of any contract for the acquisition of Nitro shares. You are not required to do anything in response to this letter.

No action has been or will be taken to register, qualify or otherwise permit a public offering of the Entitlements and the New Shares under the Retail Entitlement Offer in any jurisdiction outside Australia and New Zealand. The materials relating to the Entitlement Offer may not be distributed in the United States. This letter does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or in any other jurisdiction in which such an offer would be illegal. The Entitlements and the New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (**U.S. Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be taken up or exercised by persons in the United States, and the New Shares may not be offered or sold, directly or indirectly, in the United States, unless such Entitlements or New Shares are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and the applicable securities laws of any state or other jurisdiction in the United States. The Entitlements and the New Shares to be offered and sold under the Retail Entitlement Offer may only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.