



Goldman Sachs

4th Annual Virtual Tech Forum



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CFO

Agenda

1. Business Overview & Financial Highlights
2. 1H 2020 Financial Results
3. Business Strategy & Outlook
4. Q&A



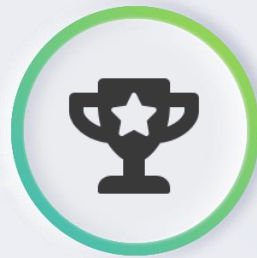


Nitro is a document productivity software company focused on the most critical and prevalent documents in the enterprise



Key Capabilities

- PDF productivity
- Electronic signatures
- Document and workflow intelligence



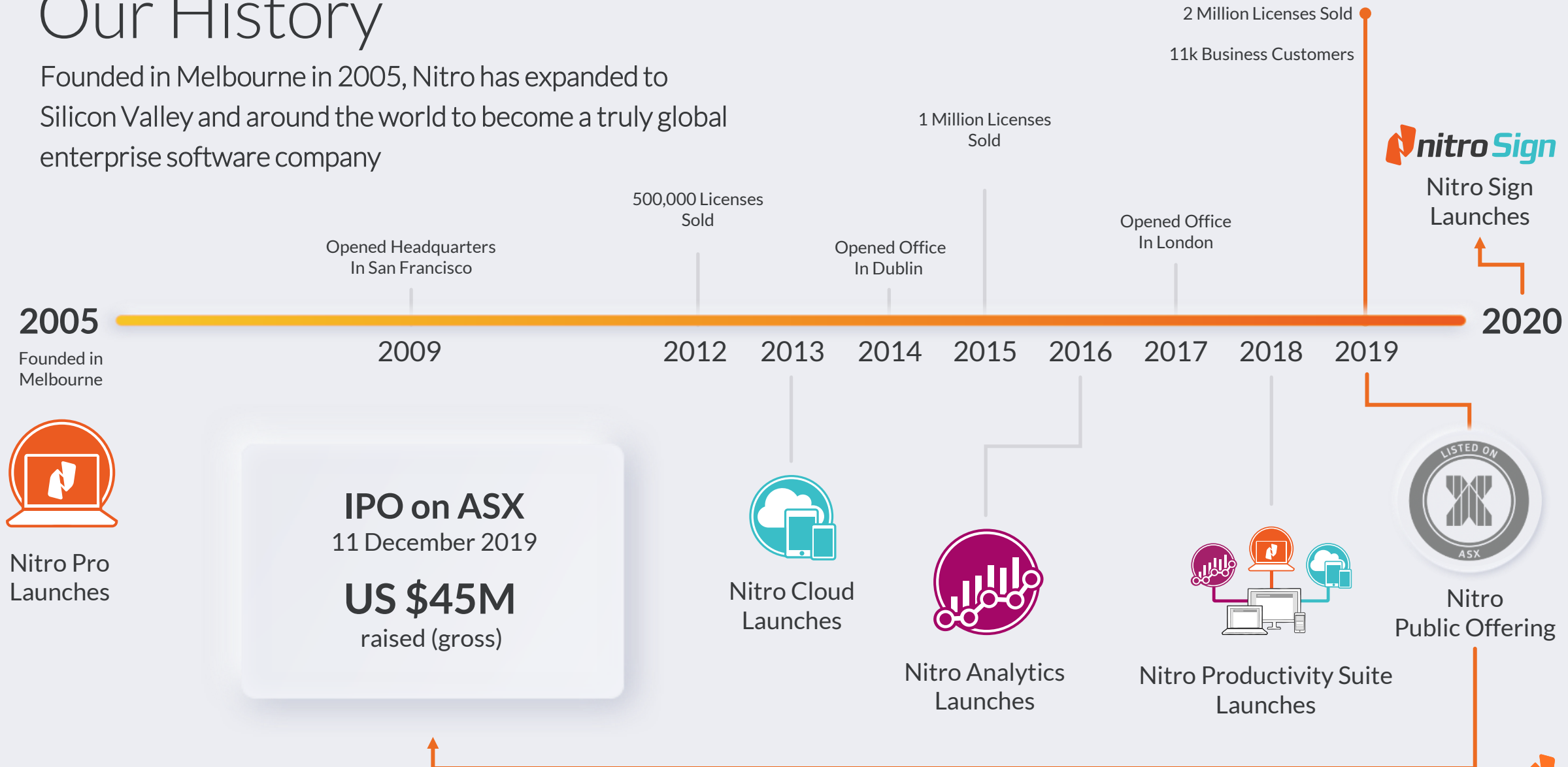
Key Results

- 100% digital document workflows
- Business process acceleration and optimization
- Productivity anywhere – including remote

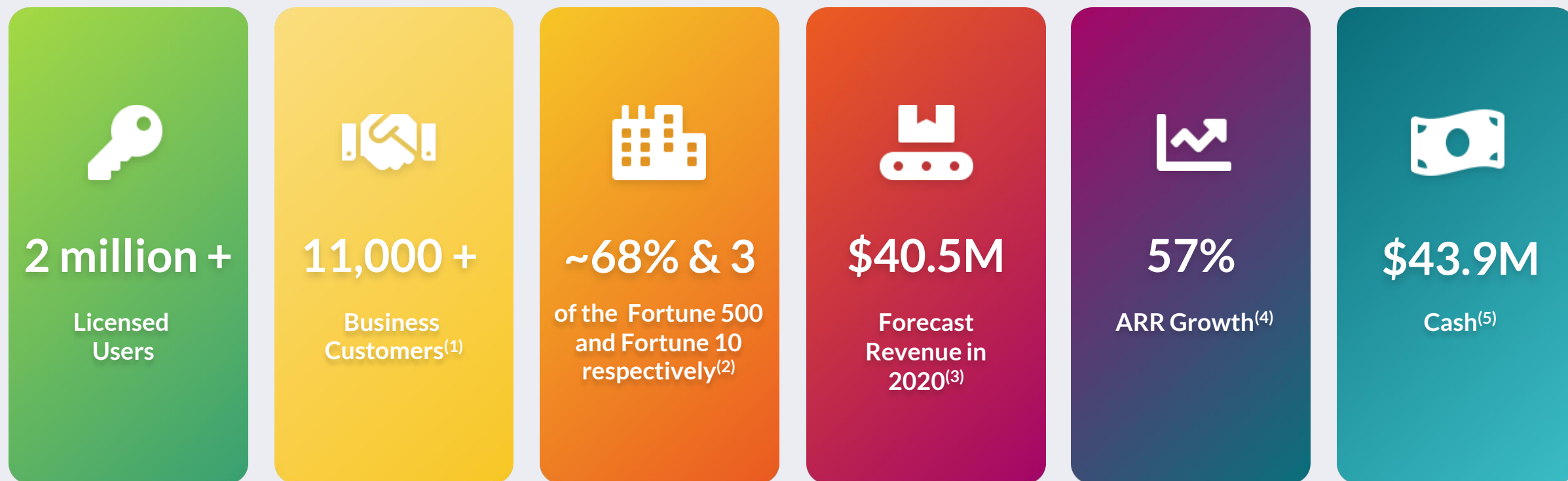


Our History

Founded in Melbourne in 2005, Nitro has expanded to Silicon Valley and around the world to become a truly global enterprise software company



Nitro by the Numbers



\$ in USD

¹ Based on ten or more user licenses being held within the organisation

² Based on Nitro licenses purchased by organisations appearing in the 2019 Fortune 500 as published by Fortune

³ Prospectus total revenue forecast for FY2020, in \$USD

⁴ Annual Recurring Revenue growth in the 12 months to June 30, 2020

⁵ Cash and cash equivalents as at June 30, 2020, in \$USD



The Digitisation Revolution is Only Beginning

Nitro's Forrester-assessed serviceable addressable market is **US\$5.5B** in PDF productivity and eSigning alone.



First Era **Digitisation**

Workflows shift to digital

Mostly “mechanical” workflows

Highly fragmented product categories

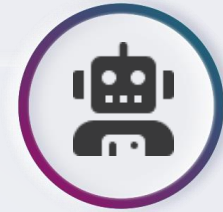


Second Era **Optimisation**

Focus shifts to digital speed, reliability, quality, security

The rise of “intelligent” workflows

Product rationalisation and consolidation begins



Third Era **Transformation**

Intelligent workflows dominant

Limited number of large vendors own productivity and workflow “stack”

True digital transformation

The Nitro Solution

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



Nitro Pro

PDF Productivity



View, create,
and edit PDFs



Document
Conversion



Manage Print
Cost



Nitro Sign

eSigning



Secure eSigning
Workflows



Process
Digitisation

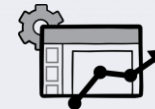


Remote
Collaboration



Nitro Analytics

Insights & Intelligence



User adoption
management



Workflow
monitoring



ROI
measurement



Customer Success

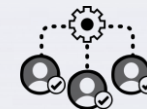
Best-in-class Service



24/7 support
team



Licence
management



User
management

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



A Trusted Partner

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



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



Incomparable Value

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



Proven in the Fortune and FTSE 100s

Exxon Mobil, UnitedHealth, Cigna, Experian, Lloyds, RBS/NatWest, GE, Caterpillar and more

CUSTOMER SPOTLIGHT

Enabling Users with Productivity Tools during COVID-19

- One of the world's largest banking and insurance companies, based in the UK
- Selected Nitro as >50,000 employees began working remotely due to COVID-19
- Nitro rollout completed in <45 days, ensuring business continuity for critical document workflows and enabling remote productivity
- Nitro Analytics quantified dramatic reduction in printing activity, supporting the bank's aggressive sustainability and environmental impact targets

“We have successfully replaced 99% of our Adobe estate with Nitro. This exceeds all of our expectations and is a fantastic outcome. Most importantly, the user feedback has been noise-free. Our CTO commented that the transition to Nitro has been seamless – and this is consistent with the message from our user base.”

Office of the CIO

A “Big Four” UK bank

INDUSTRY
Banking

INCUMBENT
Adobe

EMPLOYEES
67,000

CUSTOMER SINCE
2020



CUSTOMER SPOTLIGHT

eSigning to Maintain Business Continuity for Remote Workers

- US-based international insurance services firm providing claims adjustment and risk management services to clients around the world
- First became Nitro customer in 2013 and grew Nitro Pro footprint every year
- Upgraded to Nitro Productivity Suite subscription in March 2020 to gain access to Nitro Sign
- Nitro Sign's ease of implementation provided immediate value, delivering swiftly-deployed eSigning capabilities as 95% of workforce went remote

Largest Publicly-listed
Claims Provider

INDUSTRY

Insurance

INCUMBENT

None

EMPLOYEES

9,000 in 70+ countries

CUSTOMER SINCE

2013

“***The Nitro Sign implementation has been stellar!***

Users are saying this is a huge improvement to their workflow – and it has saved considerable time and money. The product is very intuitive and user-friendly. It has been a lifesaver over the last several months and helped with the adjustment of working from home.”

Office of the CIO





Results & Highlights

1H 2020

1H 2020 Highlights

\$19.1 million
Revenue

100% of prospectus forecast



Subscription Revenue
Up **60%** Y/Y

\$20.2 million
Ending ARR

103% prospectus forecast



ARR
Up **57%** Y/Y

(\$1.6 million)
EBITDA

+\$1.4M of prospectus forecast

(\$0.4 million)
Adjusted EBITDA ¹

ex-FX gains & losses

\$43.9 million
Ending Cash

+\$8.7M of prospectus forecast

\$ in USD

¹EBITDA excluding foreign exchange gains and losses



Operational Highlights



COVID-19

- Transitioned to fully remote operations quickly and successfully
- Some sales pipeline disruption, but balanced by new COVID-related demand
- Remote work “new-normal” expected to drive continued increased demand over long-term



- Launched Nitro Sign as standalone eSignature solution
- Available at no cost through 2020 to support organizations transitioning to remote work
- Exceeding internal targets for user acquisition, growth, and signature volumes



Key Executive Appointments

- Chief Financial Officer
- Chief Product Officer
- Chief Marketing Officer
- SVP Global Sales
- VP of Design & UX
- Head of Revenue Operations



Subscription Sales Accelerating and Dominating

Q2 2016
<10%

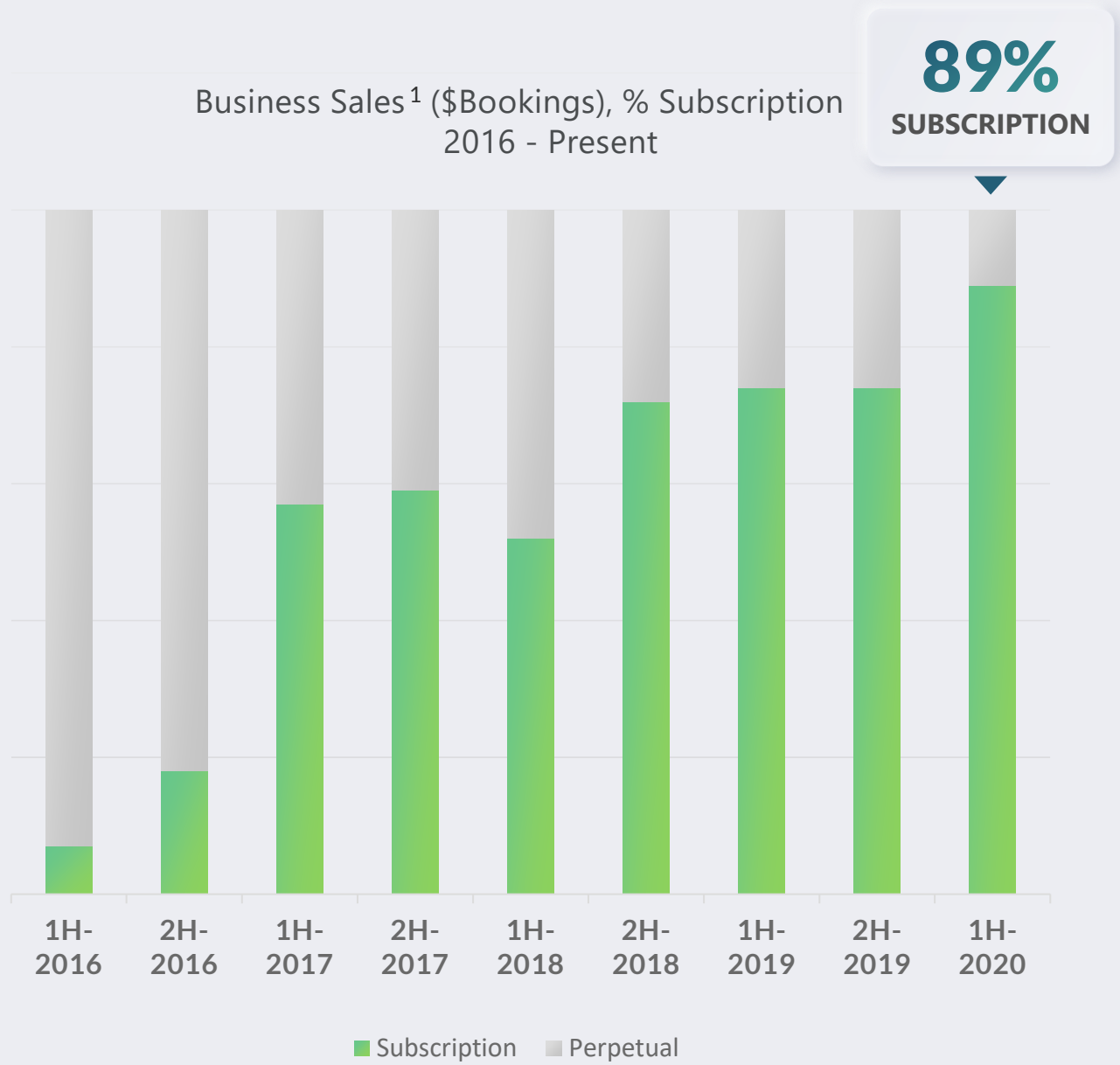


Q2 2020
>90%

Business sales¹ (Bookings) are approaching
100% subscription

97%
of deals > \$10K ACV in
1H were subscription²

¹Business sales excludes self-serve online/eCommerce sales via Nitro's web site
²Based on Annual Contract Value (ACV), as measured by deal count (number of deals)



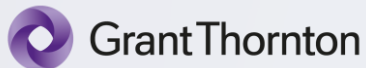
Major Enterprise Wins

Notable new and renewing customers

NEW CUSTOMERS



RENEWING CUSTOMERS



68%

OF THE
Fortune 500

ARE NITRO CUSTOMERS¹

¹Percentage of the 2019 Fortune 500 with paid Nitro licenses



Key SaaS Metrics

High-growth, high-quality recurring revenue on track to meet or exceed prospectus forecast while maintaining sales and marketing efficiency



88%

Subscription Renewal Rate¹



118%

Net Revenue Retention²



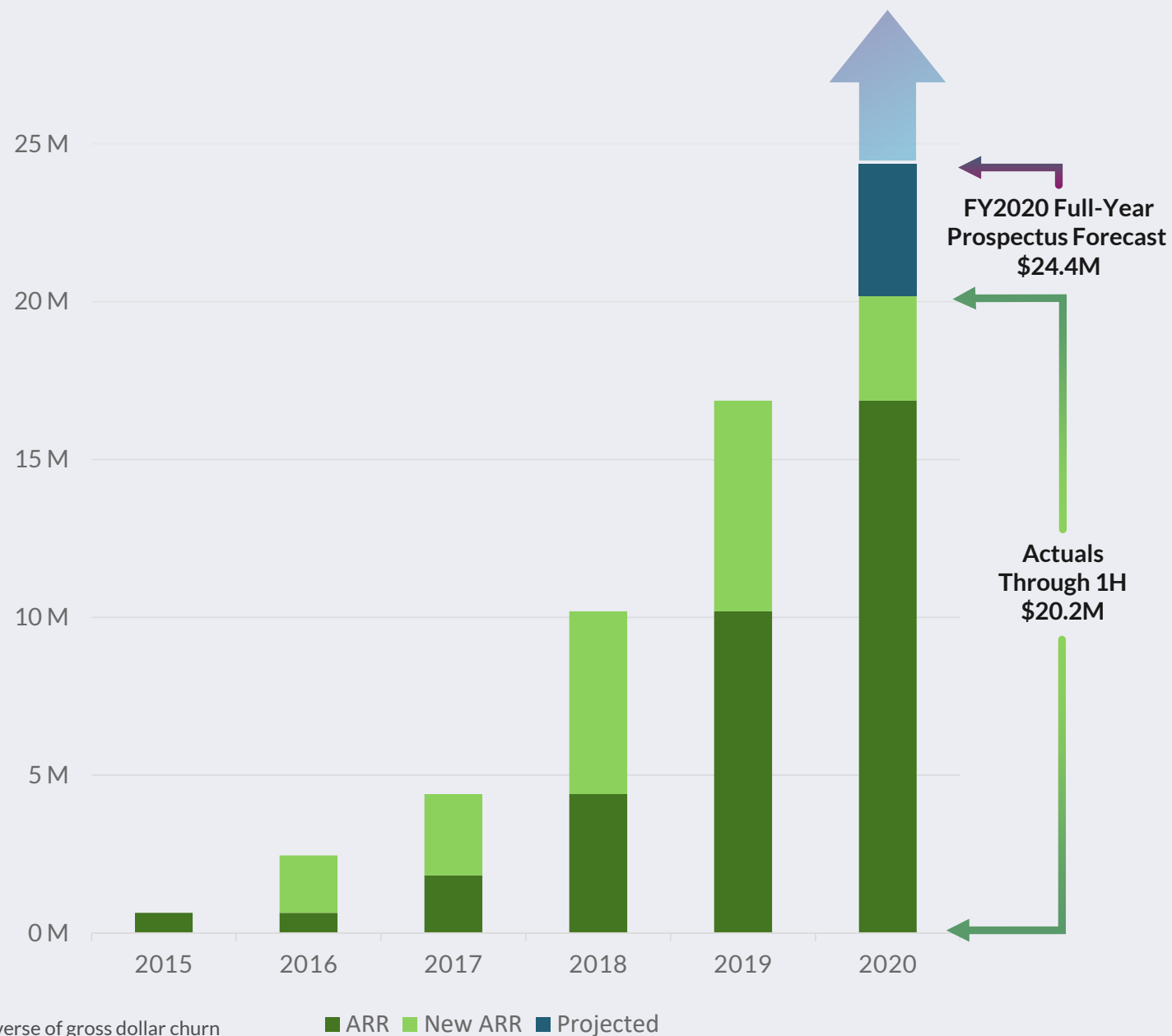
4.7

LTV/CAC³

¹Based on subscription dollars retained, also commonly known as gross dollar retention, and the inverse of gross dollar churn

²NRR reflects the growth in recurring revenue in the current financial reporting period from subscription customers who were customers in the last annual reporting period, net of churn

³Customer Lifetime Value divided by Customer Acquisition Cost





Business Strategy & Outlook

2H/FY2020 & Beyond

A Platform for Growth

Building for the Future

FUTURE DIRECTION & VISION

- Seamless, simple & delightful document productivity from any device
- Faster document processes with intuitive experiences and no-code automation
- eSigning workflows optimised for individuals and teams
- Signing integrations with the most-used business apps
- A vibrant ecosystem built around enterprise-grade document productivity and eSigning services
- Rich insights that make productivity visible for individuals and businesses



Multiple Levers of Growth

An Attractive Investment Profile



Very large, fast- growing market

Independently-assessed combined PDF productivity and eSigning serviceable market of US\$5.5B, now experiencing additional remote work and digitisation tailwinds

High-growth, high-quality recurring revenues

Global, diversified and increasingly enterprise customer base generating predictable and expanding revenues

Proven success in the world's largest companies

The choice of multiple Fortune and FTSE 100 companies at scale including GE, Exxon Mobil, Cigna, RBS, Lloyds, BP, Caterpillar and more

Highly experienced leadership team

Founder-led, highly-experienced senior leadership team with startup, scaling and large company enterprise software experience



2H/FY2020 Outlook



Nitro FY2020 Prospectus
revenue forecast reaffirmed¹



ARR expected to
outperform

\$ in USD

¹Subject to foreign currency fluctuations

FY2020 Prospectus Forecast

\$USD, millions 31 December 2020	
Subscription Revenue	20.2
Perpetual Revenue	20.2
Total Revenue	40.5
COGS	4.5
Gross Profit	35.9
Total Operating Expense	41.3
EBITDA	(5.3)
ARR	> 24.4





Q&A



Appendix

Financial Results

Commentary on the Half

- Subscription revenue grew 60%, driven by the success of the Nitro Productivity Suite
- Perpetual revenues reduced by 9% as Nitro's subscription strategy accelerated
- Gross margins increased to 91% due to the increase in subscription bookings, which have a lower cost of sale
- Sales and marketing expenses reduced from 52% to 45% of revenue, primarily as a function of revenue growth, but some operational savings were realised as a result of COVID-adjusted spending, partially offset by increased advertising expenses
- Research and development expenses increased by 7%, due to increased headcount, but reduced from 22% to 20% of revenue
- Total general and administration expenses increased from 23% to 28% of revenue, primarily as a result of increased costs as a public company and investments ahead of anticipated growth and scale, when these costs will normalise again

Abridged Statement of Comprehensive Income

\$USD, millions	FY2019 ¹	1H2019 ²	1H2020 ²	Change compared to 1H2019	
Subscription	13.2	5.7	9.1	3.4	60%
Perpetual (inc. maintenance and support)	22.5	11.0	9.9	(1.0)	-9%
Revenue	35.7	16.7	19.1	2.4	14%
Cost of revenues	(3.7)	(1.9)	(1.8)	0.1	-5%
Gross profit	32.0	14.8	17.3	2.5	17%
Gross margin	90%	89%	91%		
Sales and marketing	(18.7)	(8.7)	(8.6)	0.1	1%
Research and development	(7.0)	(3.7)	(3.9)	(0.2)	-7%
General and administrative	(11.3)	(3.9)	(5.3)	(1.4)	-36%
Other income/(loss), net	1.2	(0.1)	(1.0)	(0.9)	-974%
Finance costs	(1.8)	(0.3)	(0.1)	0.2	69%
Depreciation and amortisation expense	(2.0)	(0.9)	(0.9)	0.1	7%
Loss before income tax	(7.6)	(2.7)	(2.5)	0.2	8%
Income tax benefit/(expense)	(0.4)	(0.1)	0.4	0.5	549%
Loss for the year/period	(7.9)	(2.8)	(2.1)	0.7	26%

\$ in USD

¹ Audited consolidated statement of comprehensive income for the year ended 31 December 2019

² Unaudited consolidated statement of comprehensive income for the half year ended 30 June 2020



Balance Sheet

Commentary

- Cash balance of \$43.9M with no debt ³
- Cash balance closed \$8.7M ahead of prospectus plan of \$35.2M and provides substantial resources to support working capital requirements and growth, including acquisitions
- No material impact on cash flows or receivables/collections observed during the half despite macroeconomic environment

Statement of Financial Position

\$USD, millions	Statutory 30 Jun 2020 ¹	Statutory 31 Dec 2019 ²
Cash and cash equivalents	43.9	47.0
Receivables	6.3	4.8
Current tax receivables	0.0	0.1
Other current assets	1.7	1.9
Current assets	52.0	53.8
Receivables and contract assets	-	-
Property, plant and equipment	0.5	0.6
Intangible assets	0.0	0.1
Deferred tax assets	0.4	0.2
Right of use assets	2.4	3.1
Other non-current asset	3.4	3.0
Non-current assets	6.7	6.9
Trade payables	1.9	2.8
Deferred revenue	18.6	16.4
Lease liability	1.3	1.4
Employee benefits	1.7	2.1
Other current liabilities	0.7	0.7
Current liabilities	24.2	23.4
Deferred revenue	1.2	2.0
Deferred tax liability	0.2	0.3
Lease liability	0.9	1.5
Non-current liabilities	2.3	3.9
Net assets	32.2	33.4
Contributed equity	90.3	90.2
Other reserves	2.5	1.7
Retained earnings	(60.7)	(58.5)
Equity	32.2	33.4

\$ in USD

¹ Unaudited statement of financial position as at 30 June 2020

² Restated in relation to unbilled receivables as disclosed in note 5 of the 2020 Half Year Report

³ Except finance leases covered under AASB 16

