



## First Supplementary Target's Statement

### Alludo Takeover Offer

#### 1 First 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 first supplementary target's statement (**First Supplementary Target's Statement**) issued by Nitro Software Limited (ACN 079 215 419) (**Nitro**) in relation to the off-market takeover offer made by Cascade Parent Limited, via Rocket BidCo Pty Ltd (**Alludo**). This document supplements, and should be read together with, Nitro's target's statement as included in the Transaction Booklet dated 21 December 2022 (**Transaction Booklet**).

#### 2 Nitro Board unanimously recommends that shareholders **REJECT** the Alludo Takeover Offer

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 **REJECT** the Alludo Takeover Offer. To do this, Nitro Shareholders should **TAKE NO ACTION** in relation to the Alludo Takeover Offer.

The Nitro Board has changed its recommendation since the date of the Transaction Booklet for the following key reasons:

- The cash consideration under the Potentia Takeover Offer has increased to A\$2.17 per Nitro Share.
- Potentia has stated that it will further increase the consideration paid to accepting Nitro Shareholders to:
  - A\$2.20 per Nitro Share if during the Offer Period<sup>1</sup> Potentia obtains a relevant interest in at least 75.0% of Nitro Shares; and
  - A\$2.25 per Nitro Share if:
    - during the Offer Period Potentia obtains a relevant interest in at least 75.0% of Nitro Shares; and
    - 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.
- Alludo has declared its price of A\$2.15 per Nitro Share to be '*best and final*', which means that Alludo is legally precluded from increasing its offer.
- Potentia has declared its price of A\$2.17 per Nitro Share (subject to the potential increases in consideration set out above) to be '*best and final*', in the absence of a superior proposal.
- Once the Potentia Takeover Offer is formally declared 'unconditional', Nitro Shareholders who accept the Potentia Takeover Offer will be paid within 10 Business Days of the date of their acceptance.

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<sup>1</sup> The Potentia Takeover Offer is open for acceptance until 7:00pm (AEDT) on 31 March 2023 (unless extended or withdrawn).

The Nitro Board now unanimously recommends that Nitro Shareholders **ACCEPT** the All-Cash Consideration<sup>2</sup> of A\$2.17 per Nitro Share under the Potentia Takeover Offer in the absence of a superior proposal.

### **3 Termination of the Implementation Deed**

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 the Target Break Fee of A\$5.0 million.

### **4 What to do if you have already accepted the Alludo Takeover Offer**

The Alludo Takeover Offer was declared unconditional on 21 February 2023. If you have already accepted the Alludo Takeover Offer, you will not be entitled to accept the Potentia Takeover Offer and will be paid A\$2.15 cash per Nitro Share by Alludo.<sup>3</sup>

The Alludo Takeover Offer is expected to lapse at 7:00pm (AEDT) on 3 March 2023 (unless extended or withdrawn).

### **5 General**

Unless otherwise specified, capitalised terms used but not defined in this First Supplementary Target's Statement have the same meaning given to them in the Transaction Booklet.

This First Supplementary Target's Statement prevails to the extent of any inconsistency with the Transaction Booklet.

A copy of this First 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 First 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 First Supplementary Target's Statement are not fully understood.

### **6 Authorisation**

This First Supplementary Target's Statement has been approved by a resolution passed by the Directors of Nitro.



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Kurt Johnson

Chairman

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

Dated 2 March 2023.

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<sup>2</sup> As defined in Nitro's Fourth Supplementary Target's Statement (in respect of the Potentia Takeover Offer) dated 2 March 2023.

<sup>3</sup> Nitro Shareholders who validly accepted the Alludo Takeover Offer prior to the date on which it was declared unconditional, being 21 February 2023, will receive their consideration by 21 March 2023. Nitro Shareholders who accepted the Alludo Takeover Offer after 21 February 2023, and before the offer closes, will receive A\$2.15 per Nitro Share within one month of the date of their acceptance or within 21 days after the end of close of the Alludo Takeover Offer (whichever is earlier).