



TRADING UPDATE

26 JULY 2022



1H22 HIGHLIGHTS



ARR Growth¹

Up 52%

INCLUDING CONNECTIVE

Up 32%

EXCLUDING CONNECTIVE



Strong Revenue Performance²

Up 36%

INCLUDING CONNECTIVE

Up 22%

EXCLUDING CONNECTIVE



Record Cash Receipts from Customers³

US\$16.2 million

CASH RECEIPTS

Up 43%

CASH RECEIPTS



Strong Financial Position

US\$35.2 million

CASH

US\$0

DEBT⁴

¹ Represents Annual Recurring Revenue growth at the end of 1H 2022, compared to end of 1H 2021.

² Unaudited 1H 2022 revenue, compared to 1H 2021 revenue.

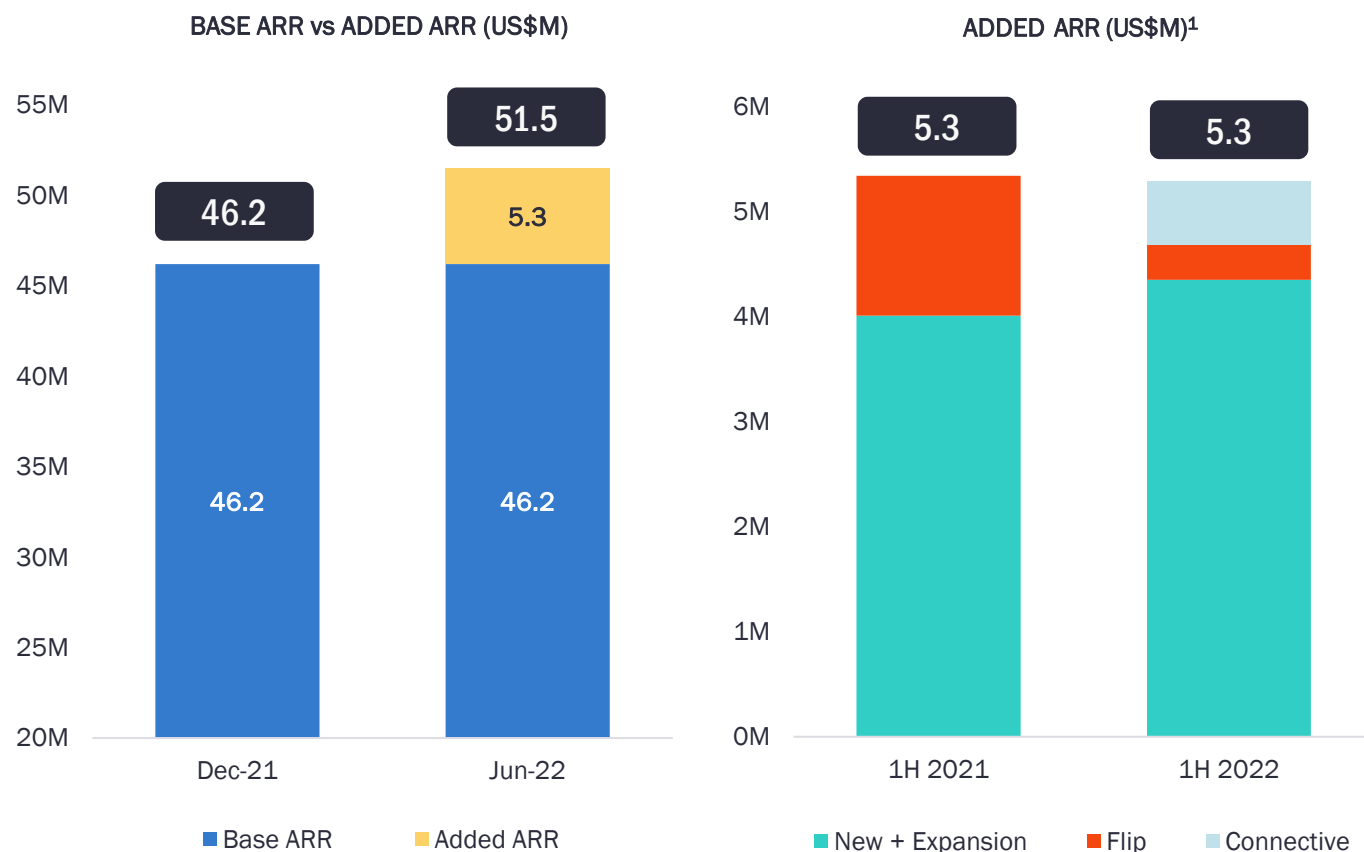
³ Represents cash receipts in the Q2 2022 period compared to cash receipts in Q2 2021.

⁴ Excluding AASB 16 right-of-use leased assets and corporate credit cards.



ARR GROWTH

Continued ARR growth throughout 1H 2022 following effective completion of subscription transition in FY2021



BY THE NUMBERS

94%

GROSS RETENTION RATE

113%

NET RETENTION RATE

US\$51.5 million

ENDING ARR

72%

SUBSCRIPTION REVENUE²

¹ Connective added ARR of US\$0.6m is included in 1H 2022 Added ARR

² Represents Subscription Revenue as a percentage of Total Revenue in 1H 2022

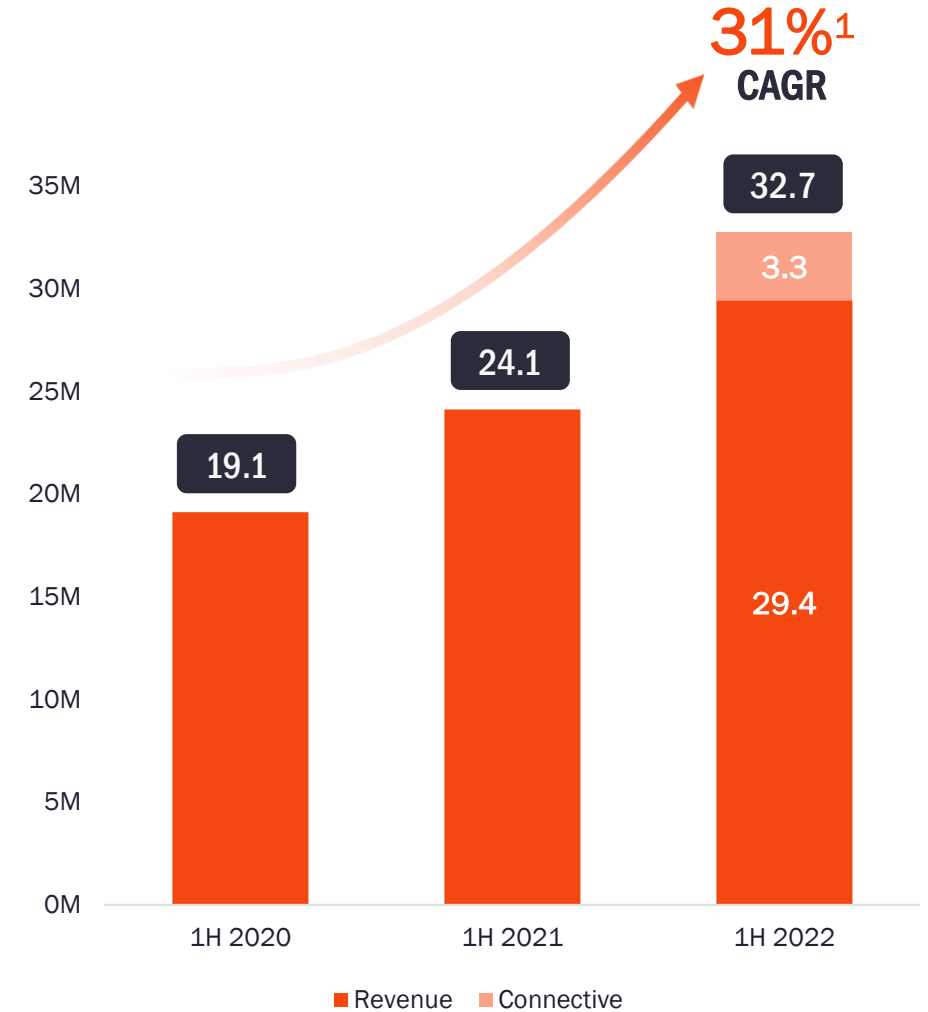


TOTAL REVENUE

Strong revenue performance for the period, with both subscription and perpetual exceeding Company expectations



TOTAL REVENUE (US\$M)



Revenue performance during financial reporting period

¹. 22% excluding Connective

MAJOR ENTERPRISE WINS

Nitro serves 13,000+ Business Customers¹,
including some of the world's largest companies

Q2 2022 NEW CUSTOMER WINS, EXPANSIONS & RENEWALS



¹ A Business Customer has 10 or more licensed Nitro users or a premium Nitro Sign offering.

GTM RESTRUCTURE

Following the acquisition of Connective, Nitro is restructuring its Go-to-Market function to lower costs, increase efficiency, improve GTM effectiveness, and accelerate a return to cash flow breakeven



EFFECTIVENESS

Drive Revenue Performance

- Sales, Marketing and Channel initiatives with specific focus on rep enablement, pipeline growth, new customer acquisition, and Connective cross-sell
- Simplified customer segments and better alignment between teams, programmes and product offerings
- New organisational design and programme model aligned by region

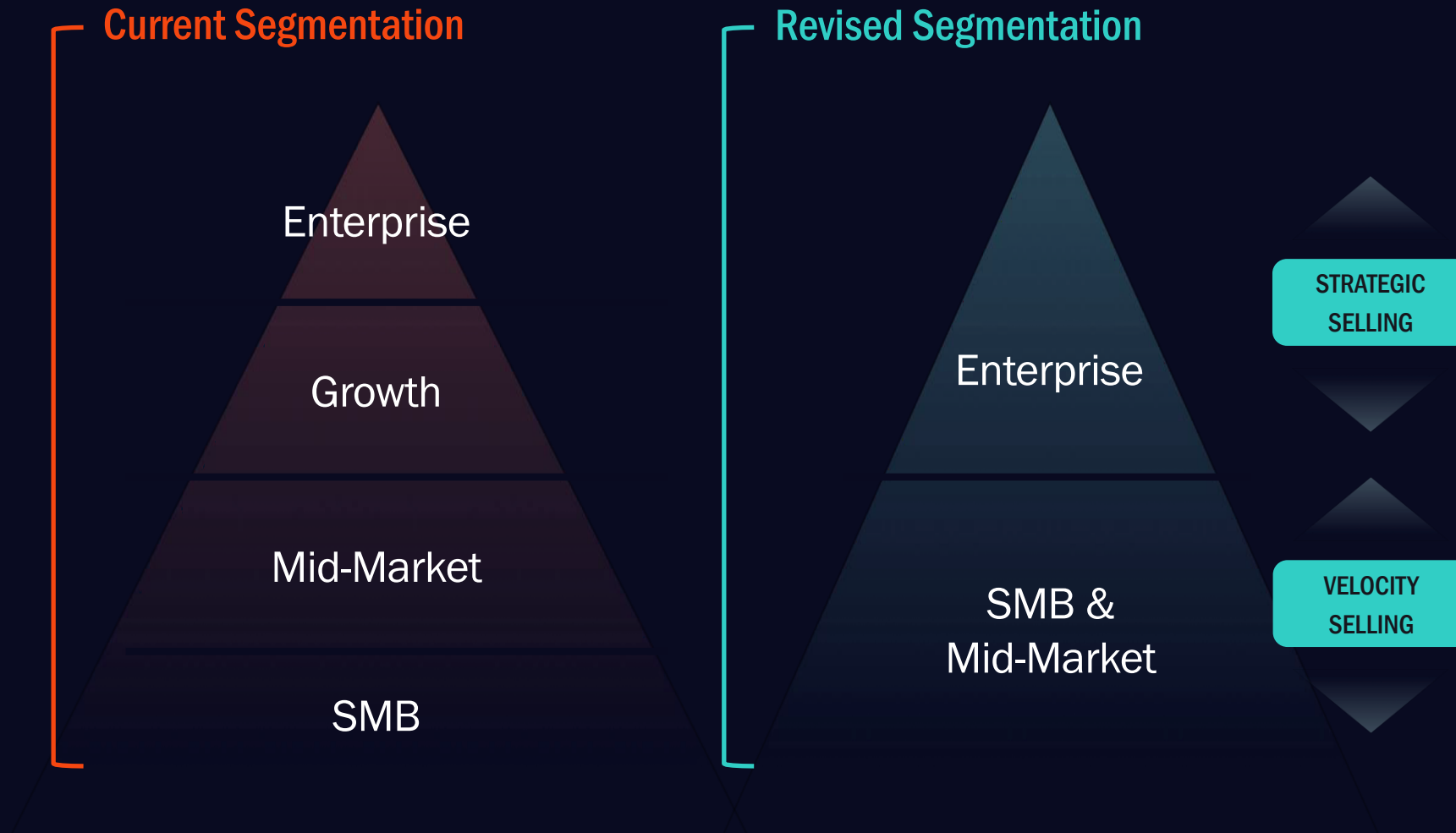


EFFICIENCY

Lower Cost Structure; Enhanced Unit Economics

- Reduced overall GTM cost structure
- Simplified, optimised organisational design
- Improved productivity and efficiency metrics including CAC and Payback Period

SIMPLIFIED SALES MODEL

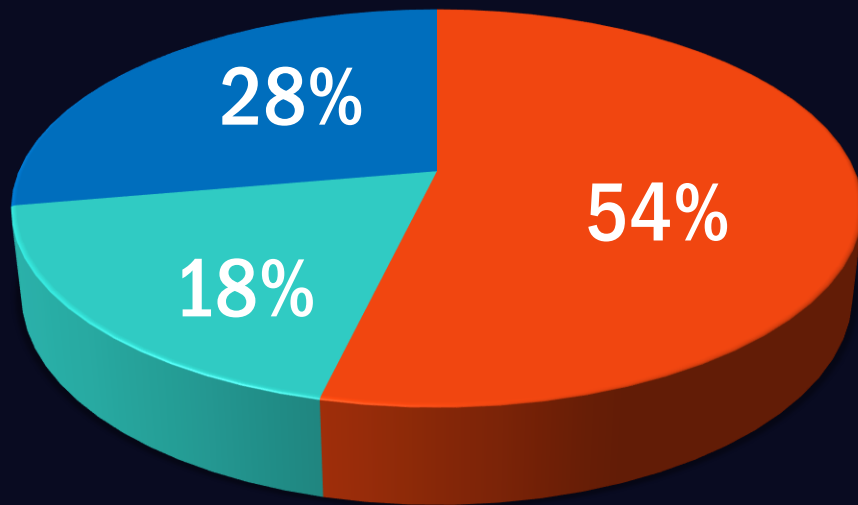


- New, simplified customer segmentation model supported by new, aligned organisational model makes distinction between velocity and strategic sales motions
- Better suited to new product offering post-Connective acquisition
- Aligns appropriate cost structure to segment ACVs/LTVs, drives higher ACVs/LTVs and enhances key productivity and efficiency metrics
- Better aligns Sales, Marketing, Channel and Customer Service/Success
- Reduces costs through more efficient organisational model, revised opportunity routing and sales and customer service processes

2H 2022 NEW COST-SAVING INITIATIVES

Accelerated and lower-risk path to 2H 2023 cash flow breakeven¹ remains core focus

US\$5.0M in Cost-Saving Initiatives



■ S&M ■ R&D ■ G&A and Overhead Costs

- Full US\$5.0M in cost savings against Nitro's internal plan to be achieved in 2H 2022
- Initiatives and savings are incremental to those outlined in April
- GTM restructure includes reduction in team size and reduced hiring
- Reduced hiring in Product & Engineering
- Additional cost-saving initiatives implemented business-wide



¹ Refers to cash flows from 'operating activities' excluding implementation costs, transaction costs and other non-recurring items, less capital expenditure and AASB 16 lease repayment costs.

CONNECTIVE INTEGRATION UPDATE

Key integration milestones achieved on schedule in Q2/1H



Connective team fully integrated into Nitro org



Deployed local cloud environments in US and Australia



Completed key sales enablement activities



>250 synergy sales opportunities created, first sales closed

USAGE GROWTH

> **22** MILLION¹

ESIGNATURES IN 2021

UP FROM

1 MILLION

ESIGNATURES IN 2020

TOTAL ESIGN TAM

\$17B USD TAM



\$6B

SIMPLE ESIGN

+

\$11B

ENTERPRISE ESIGN

¹ 22 million includes 2 million Nitro Sign, and 20 million Connective eSignatures.

FY2022 REVISED GUIDANCE¹

\$ IN USD

- FY2022 Ending ARR reduced to US\$57–60M
 - Smaller GTM org, less carried quota
 - Macro challenges and headwinds
 - Connective synergies of US\$1.0M (previously: US\$2.5M)
- 1H22 revenue performance ahead of Company expectations; FY2022 revenue guidance remains unchanged
- FY2022 Operating EBITDA Loss reduced by US\$5M to US\$10–13M
 - GTM restructure
 - Broader cost savings programme
- Nitro remains committed to generating positive operating cash flow for 2H 2023³

PREVIOUS ENDING ARR

\$64–\$68 million

39–47% Growth on FY2021



ENDING ARR

\$57–\$60 million

24–30% Growth on FY2021

REDUCED

PREVIOUS REVENUE

\$65–\$69 million

28–36% Growth on FY2021



REVENUE

\$65–\$69 million

28–36% Growth on FY2021

NO CHANGE

PREVIOUS OPERATING EBITDA²

(\$15)–(\$18) million



OPERATING EBITDA²

(\$10)–(\$13) million

IMPROVED

¹Last Company Guidance dated 29 April 2022.

²Operating EBITDA excludes stock-based payments, foreign exchange gains and losses, Connective integration costs, transaction costs and non-recurring items.

³Refers to cash flows from 'operating activities' excluding implementation costs, transaction costs and other non-recurring items, less capital expenditure and AASB 16 lease repayment costs.

IMPORTANT NOTICE & DISCLAIMER

Disclaimer

The material contained in this document is a presentation of general information about Nitro's activities current as at the date of this presentation (26 July 2022). It is provided in summary and does not purport to be complete. You should not rely upon it as advice for investment purposes, as it does not take into account your investment objectives, financial position or needs. These factors should be considered, with or without professional advice, when deciding if an investment is appropriate. To the maximum extent permitted by law, none of Nitro Software Limited or its direct or indirect subsidiaries or their directors, employees or agents accepts any liability (including, without limitation, liability arising out of fault or negligence) for any loss arising from anyone acting or refraining from acting as a result of this material.

Forward-Looking Information

This document may contain forward-looking statements with respect to the financial condition, results of operations, and business strategy of Nitro. These forward-looking statements are based on estimates, projections and assumptions made by Nitro about circumstances and events that have not yet taken place. Although Nitro believes the forward-looking statements to be reasonable, they are not certain. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond Nitro's control, and which may cause actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statements (and from past results).

Nitro makes no representation or warranty as to the accuracy of any forward-looking statements in this document and undue reliance should not be placed upon such statements. Forward-looking statements may be identified by words such as "aim", "anticipate", "assume", "continue", "could", "estimate", "expect", "intend", "may", "plan", "predict", "should", "will" or "would" or the negative of such terms or other similar expressions that are predictions of or otherwise indicate future events or trends. The forward-looking statements included in this document speak only of the date of this document. Nitro does not intend to update the forward-looking statements in this document in the future.

Currency

All amounts in this presentation are in US dollars unless otherwise stated.

Past Performance

Past performance information, including past share price information, given in this presentation is given for illustrative purposes only and should not be relied upon as an indication of future performance.

Financial Information

Certain financial data included in this presentation is "non IFRS financial information." These measures are used internally by management to assess the performance of the business and make decisions on the allocation of resources and are included in this presentation to provide greater understanding of the underlying financial performance of Nitro's operations.

When reviewing business performance, this non-IFRS information should be used in addition to, and not as a replacement of, measures prepared in accordance with IFRS. The non-IFRS measures do not have any standard definition under IFRS and may be calculated differently by other companies. Readers are cautioned not to place undue reliance on any non-IFRS financial information and ratios included in this presentation. The non-IFRS information has not been subject to audit or review by Nitro's external auditor.

Market Share Information

All market share information in this presentation is based on management estimates and internally available information, unless otherwise indicated.

No Offer of Securities

Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell Nitro securities in any jurisdiction.

Reliance on Third Party Information

The views expressed in this presentation contain information that has been derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information. This presentation should not be relied upon as a recommendation or forecast by Nitro.

THANK YOU

