



12 December 2022

REVISED ALLUDO TRANSACTION

Nitro Software Limited (ASX:NTO) (Nitro or the Company) is pleased to advise that the Company and Cascade Parent Limited, trading as Alludo (**Alludo**) have agreed to amend the Implementation Deed dated 15 November 2022, increasing the price by A\$0.15 (7.5%) to A\$2.15 cash per Nitro share (**Revised Alludo Transaction**).

Under the Revised Alludo Transaction, Alludo undertakes to:

- Acquire 100% of Nitro by way of a scheme of arrangement at a price of A\$2.15 cash per Nitro share (**Alludo Scheme**); and
- Make a simultaneous off-market takeover offer at A\$2.15 cash per Nitro share, conditional on (among other things) the Alludo Scheme not proceeding and a 50.1% minimum acceptance condition (**Alludo Takeover Offer**).

On 8 December 2022, Potentia Capital announced a revised takeover offer at A\$2.00 cash per Nitro share, with a potential scrip alternative (**Revised Potentia Takeover Offer**).

The Revised Alludo Transaction was conditional on Nitro confirming that the Nitro Board will not provide due diligence access to Potentia Capital in respect of the Revised Potentia Takeover Offer. Nitro provided that confirmation subject to the fiduciary out in the Implementation Deed, which allows the Nitro Board to consider, and grant, due diligence access in respect of any further improved competing proposals that are or may reasonably be expected to lead to a Superior Proposal.

Superior Proposal

The Nitro Board has determined the Revised Alludo Transaction is superior to the Revised Potentia Takeover Offer, given it represents a consideration premium of A\$0.15 (7.5%) per Nitro Share.

The Revised Alludo Transaction also represents a significant premium of:

- 90% to Nitro's undisturbed share price of A\$1.13 per Nitro Share on 29 August 2022¹;
- 82% to Nitro's 1-month VWAP to 29 August 2022 of A\$1.18 per Nitro Share; and
- 69% to Nitro's 3-month VWAP to 29 August 2022 of A\$1.27 per Nitro Share.

Board Recommendation

The Nitro Board unanimously recommends that Nitro Shareholders:

- **VOTE IN FAVOUR** of the **Alludo Scheme** in the absence of a Superior Proposal and subject to an Independent Expert concluding, and continuing to conclude, that the scheme is in the best interests of Nitro Shareholders; and
- **ACCEPT** the **Alludo Takeover Offer** in the absence of a Superior Proposal and subject to an Independent Expert concluding, and continuing to conclude, that the Takeover Offer is fair and reasonable.

The Nitro Board has determined that the Revised Alludo Transaction is superior to the Revised Potentia Takeover Offer and therefore **unanimously recommends that you REJECT the Revised Potentia Takeover Offer**. To do this, simply **DO NOTHING** in respect of the Revised Potentia Takeover Offer.

An Amending Deed (in respect of the Implementation Deed) dated 12 December 2022 has been executed by the parties to give effect to the Revised Alludo Transaction and is attached to this announcement. Nitro remains subject to the same customary exclusivity obligations agreed to in the Implementation Deed, including “no shop, no talk” (subject to customary fiduciary out exceptions), notification obligations, “no due diligence” and a matching right regime in respect of a Superior Proposal being received by Nitro.

¹ The closing share price on 29 August 2022, being the day prior to disclosure of the initial Potentia Consortium proposal of A\$1.58 cash per share.

Timetable

Nitro remains on track to despatch the Alludo Transaction Booklet to Nitro Shareholders on or around 21 December 2022. The Alludo Transaction Booklet will contain further information relating to the Revised Alludo Transaction.

The proposed timing of the Alludo Transaction is set out below.

Event	Date ²
Date of Transaction Booklet	21 December 2022
Alludo Takeover Offer Period Commences	21 December 2022
Alludo Scheme Meeting	3 February 2023
Implementation of Alludo Scheme	22 February 2023
Alludo Takeover Offer Period Closes (unless extended or withdrawn)	3 March 2023

The Company will continue to keep its Shareholders and the market informed of developments in accordance with its continuous disclosure requirements.

Ends

This announcement is authorised for release to the ASX by the Nitro Board.

² All dates are indicative only and subject to change. Any changes to the date will be announced on the ASX.

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Implementation Deed – Amending Deed

Date: 12 December 2022

Parties

- 1 **Cascade Parent Limited** (Company Registration Number 129147) of 2nd Floor Sir Walter Raleigh House, 48-50 Esplanade, St. Helier, Jersey JE2 3QB (**Bidder**).
- 2 **Nitro Software Limited** (ACN 079 215 419) of Level 7, 330 Collins Street, Melbourne VIC 3000 (**Target**).

The parties agree

Background

- A. On 15 November 2022, the parties entered into an implementation deed (**Implementation Deed**).
 - B. In accordance with clause 20.1 of the Implementation Deed, the parties agree to vary the terms of the Implementation Deed on the terms set out in this deed.
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1 Defined terms and interpretation

1.1 Definitions

Capitalised terms used but not defined in this deed have the same meaning as given in the Implementation Deed or the Disclosure Letter (as applicable).

1.2 Interpretation

Clause 1.2 (*Interpretations*) of the Implementation Deed applies to this deed as though set out in full herein.

2 Variation of the Implementation Deed

On and from the date of this deed, the parties agree that the Implementation Deed is varied as follows:

- (a) by replacing clause 5.2 (*Scheme Consideration*) of the Implementation Deed with the following:

“The **Scheme Consideration**, in respect of a Scheme Shareholder, means A\$2.15 cash per Scheme Share held by that Scheme Shareholder.”;

- (b) by replacing clause 6.1 (*Takeover Bid Consideration*) of the Implementation Deed with the following:

“The **Takeover Bid Consideration** means A\$2.15 cash per Target Share.”;
and

- (c) by replacing clause 5.1 (*Entitlement to Scheme Consideration*) of the Scheme of Arrangement attached to the Implementation Deed as Annexure A with the following:

“Subject to clauses 5.2 and 5.3, the Scheme Consideration, in respect of a Scheme Shareholder, means A\$2.15 per Scheme Share for which a Scheme Shareholder is registered in the Target Register as the holder as at the Scheme Record Date.”.

3 Status of the Implementation Deed

- (a) Each party confirms that on and from the date of this deed, the Implementation Deed continues in full force and effect, subject only to variations made by this deed.
- (b) The variations to the Implementation Deed made by this deed do not affect the validity or enforceability of the Implementation Deed.
- (c) Nothing in this deed:
- (i) prejudices or adversely affects any right, power, authority, discretion or remedy arising under the Implementation Deed before the date of this deed; or
 - (ii) discharges, releases or otherwise affects any liability or obligation arising under the Implementation Deed before the date of this deed.

4 General

Clause 20 (*General Provisions*) of the Implementation Deed is incorporated into this deed.

Execution page

Executed as a deed.

Signed, sealed and delivered by **Nitro Software Limited** in accordance with section 127 of the *Corporations Act 2001* (Cth) by:



Director Signature

Kurt Johnson

Print Name



Director/Secretary Signature

Sarah Morgan

Print Name

Signed, sealed and delivered by **Cascade Parent Limited** in the presence of:

Authorised Signatory

Print Name

Witness Signature

Print Name

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Execution page

Executed as a deed.

Signed, sealed and delivered by **Nitro Software Limited** in accordance with section 127 of the *Corporations Act 2001* (Cth) by:

Director Signature

Director/Secretary Signature

Print Name

Print Name

Signed, sealed and delivered by **Cascade Parent Limited** in the presence of:

Authorised Signatory

Witness Signature

Print Name

Print Name