

SKILLSOFT PUBLIC LIMITED CO

Form PREM14A

February 19, 2010

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a)

of the Securities Exchange Act of 1934

Filed by the Registrant ☒

Filed by a Party other than the Registrant ☐

Check the appropriate box:

☒ Preliminary Proxy Statement

☐ Definitive Proxy Statement

☐ Definitive Additional Materials

☐ Soliciting Material Pursuant to §240.14a-12

☐ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

SKILLSOFT PUBLIC LIMITED COMPANY

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

☐ No fee required.

☒ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

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- (1) Title of each class of securities to which transaction applies:

Ordinary Shares, par value 0.11 per share, of SkillSoft PLC (Ordinary Shares)

- (2) Aggregate number of securities to which transaction applies:

105,185,118 Ordinary Shares, comprised of (A) 94,803,778 Ordinary Shares outstanding as of 15 February 2010, (B) 94,799,515 Ordinary Shares represented by American Depositary Shares (ADSs), which are traded on the NASDAQ Global Market, (C) 210,000 ADSs authorized under the current period of the Employee Share Purchase Plan, ending 31 March 2010 and (D) options to purchase 10,171,340 ADSs with an exercise price of less than \$10.80 per share.

- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

The maximum aggregate value was determined based on the sum of: (a) 95,013,778 SkillSoft Ordinary Shares multiplied by \$10.80 per share; and (b) 10,171,340 SkillSoft Ordinary Shares underlying outstanding stock options with exercise prices less than \$10.80 per share multiplied by \$5.03 (which is the difference between \$10.80 per share and the weighted average exercise price per share). The filing fee was determined by multiplying \$0.00007130 by the maximum aggregate value of the transaction as determined in accordance with the preceding sentence.

- (4) Proposed maximum aggregate value of transaction:

\$1,077,310,642.60

- (5) Total fee paid:

\$76,813

.. Fee paid previously with preliminary materials:

.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- (1) Amount previously paid:

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- (2) Form, Schedule or Registration Statement No.:
- (3) Filing Party:
- (4) Date Filed:

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PRELIMINARY COPY SUBJECT TO COMPLETION

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you are recommended to immediately seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent professional financial advisor who, if you are taking advice in Ireland, is authorised or exempted under the Investment Intermediaries Act 1995 of Ireland (as amended) or the European Communities (Markets in Financial Instruments Directive) Regulations 2007 of Ireland (as amended).

If you have sold or otherwise transferred all of your SkillSoft ADSs and/or SkillSoft Shares please send this document and the accompanying documents at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. If you have sold or otherwise transferred some of your SkillSoft ADSs and/or SkillSoft Shares you should immediately consult the stockbroker, bank or other agent through whom the sale or transfer was effected. Such documents should, however, not be distributed, forwarded or transmitted in or into or from any Restricted Jurisdiction.

RECOMMENDED ACQUISITION FOR CASH

OF

SKILLSOFT PUBLIC LIMITED COMPANY

BY

SSI INVESTMENTS III LIMITED

BY MEANS OF A SCHEME OF ARRANGEMENT

UNDER SECTION 201 OF THE COMPANIES ACT 1963 OF IRELAND

SkillSoft ADS holders will find enclosed with this document the ADS Voting Instruction Card. SkillSoft ADS holders are asked to submit their ADS Voting Instruction Card either through the Internet or by telephone or complete the enclosed ADS Voting Instruction Card in accordance with the instructions printed on the card and return it by post as soon as possible but in any event so as to be received by the Depositary, at The Bank of New York Mellon, 101 Barclay Street, New York, New York, 10286, USA, by [] 2010. If the ADS Voting Instruction Card for the Meetings is not received by [] 2010, the Depositary will not vote your SkillSoft ADSs.

SkillSoft Shareholders will find enclosed with this document Forms of Proxy for the Meetings. Whether or not SkillSoft Shareholders wish to attend the Meetings, they are asked to complete the enclosed Forms of Proxy in accordance with the instructions printed on the forms and return them either by post, by hand or by fax as soon as possible but in any event so as to be received by SkillSoft's Registrar, Computershare Investor Services (Ireland) Limited, P.O. Box 954, Heron House, Corrig Road, Sandymount Industrial Estate, Dublin 18, Ireland, not less than 48 hours before the relevant Meeting. If returning the Forms of Proxy by fax, please send the fax to 01 216 3183 (if dialing within Ireland) or +353 1 216 3183 (if dialing from outside Ireland). If the Form of Proxy for the Court Meeting is not lodged by the relevant time, it may be handed to the Chairman of the Court Meeting before the start of the Court Meeting.

The completion and return of a Form of Proxy will not prevent you from attending and voting in person at either the Court Meeting or the EGM (as appropriate) or any adjournment thereof if you so wish and are so entitled.

This document should be read as a whole. Your attention is drawn to the letter from Charles E. Moran, Chairman of the Board of SkillSoft, in Part I (Letter of Recommendation from the Board of SkillSoft) of this document, which contains a unanimous recommendation from the Board of SkillSoft that you vote in favour

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of the resolutions to be proposed at the Court Meeting and the EGM. A letter from Credit Suisse explaining the Scheme appears in Part III (Explanatory Statement) of this document.

Capitalised words in this document are defined in Part IX (Definitions).

Notices convening the Court Meeting and the EGM, both of which will be held at [], Ireland on [] 2010, are set out in Part X (Notice of Court Meeting) and Part XI (Notice of Extraordinary General Meeting of SkillSoft Public Limited Company), respectively, of this document. The Court Meeting will start at [] (Irish Standard Time) and the EGM will start at [] (Irish Standard Time) (or, if later, as soon thereafter as the Court Meeting, convened for the same date and place, has concluded or been adjourned).

Record Date for SkillSoft ADS holders. The Depositary has fixed [] 2010 as the record date for the determination of SkillSoft ADS holders entitled to receive notice of the Court Meeting and EGM or any adjournment or postponement thereof.

Record Date for SkillSoft Shareholders. Holders of record of SkillSoft Shares on [] 2010, whose names are registered in the Register of Members of the Company will receive notice of the Court Meeting and EGM and any adjournments thereof; however, holders of Scheme Shares as of the Voting Record Time will be entitled to attend and vote at the Court Meeting and holders of only SkillSoft Shares as of the

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Voting Record Time will be entitled to attend and vote at the EGM in respect of the number of SkillSoft Shares registered in their name at such time. During each week up to [] 2010, the Registrar and the Company will review the Register of Members of the Company and will mail to any new SkillSoft Shareholders a copy of this document together with the Forms of Proxy.

The action to be taken by SkillSoft Securityholders in respect of the Meetings and the Acquisition is set out on page 25.

This document is dated [] 2010 and was first mailed to SkillSoft Securityholders on or about [] 2010.

The directors of SkillSoft accept responsibility for the information contained in this document, other than that relating to SSI Investments, Berkshire, Advent, Bain Capital Partners, the Investor Group, Stockbridge, Stockbridge Partners, their respective associates and the directors of SSI Investments and members of their immediate families, related trusts and persons connected with them. To the best of the knowledge and belief of the directors of SkillSoft (who have taken all reasonable care to ensure such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The directors of SSI Investments accept responsibility for the information contained in this document relating to SSI Investments, the Investor Group, Berkshire, Advent, Bain Capital Partners, Stockbridge, Stockbridge Partners, their respective associates and the directors of SSI Investments and members of their immediate families, related trusts and persons connected with them. To the best of the knowledge and belief of the directors of SSI Investments (who have taken all reasonable care to ensure such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

Credit Suisse Securities (USA) LLC, or Credit Suisse, which is regulated under the laws of the United States of America, is acting for SkillSoft and for no one else in connection with the Acquisition and will not be responsible to any person other than SkillSoft for providing the protections afforded to clients of Credit Suisse, nor for providing advice in relation to the Acquisition, the content of this document or any transaction or any matter referred to herein. Neither Credit Suisse nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Credit Suisse in connection with this document, any transaction, any statement contained herein or otherwise.

Morgan Stanley, which is regulated under the laws of the United States of America, is acting as lead financial advisor to SSI Investments and the Investor Group and no one else in connection with the Acquisition and will not be responsible to anyone other than SSI Investments and the Investor Group for providing the protections afforded to clients of Morgan Stanley or for providing advice in relation to the Acquisition, the contents of this document or any transaction or arrangement referred to herein.

Barclays Capital, which is regulated under the laws of the United States of America, is acting as financial advisor to SSI Investments and the Investor Group and no one else in connection with the Acquisition and will not be responsible to anyone other than SSI Investments and the Investor Group for providing the protections afforded to clients of Barclays Capital or for providing advice in relation to the Acquisition, the contents of this document or any transaction or arrangement referred to herein.

Wilmer Cutler Pickering Hale and Dorr LLP and William Fry are acting as legal advisors to SkillSoft.

Ropes & Gray LLP and Mason Hayes+Curran are acting as legal advisors to SSI Investments and the Investor Group.

This document does not constitute an offer or an invitation to purchase, sell, subscribe for or exchange or the solicitation of an offer to purchase, sell, subscribe for or exchange any securities or the solicitation of any vote of approval in any jurisdiction in which such offer, invitation or solicitation would be unlawful.

The distribution of this document in or into certain jurisdictions may be restricted by the laws of those jurisdictions. Accordingly, copies of this document and all other documents relating to the Acquisition are not being, and must not be, mailed or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction. Persons receiving such documents (including, without limitation, nominees, trustees and custodians) should observe these restrictions. Failure to do so may constitute a violation of the securities laws of any such jurisdiction.

Any action taken in relation to the Acquisition should be taken only on the basis of all of the information contained in this document.

If you are a SkillSoft ADS holder and have any questions relating to this document or how to complete and return the ADS Voting Instruction Card, please call SkillSoft's proxy solicitor, Georgeson, toll-free at 1-866-357-4029 (if calling within the United States) or at +001 212-806-6859 (if calling from outside the United States) between 9.00 a.m. and 5.00 p.m. (United States Eastern Time) on any Business Day. If calling from outside the United States, please call collect. Banks and brokers should contact Georgeson at 1-212-440-9800. Georgeson cannot provide advice on the benefits of the Acquisition or the Scheme or recommend how you vote or give any financial or tax advice.

If you are a SkillSoft Shareholder and have any questions relating to this document or how to complete and return the Forms of Proxy, please call SkillSoft's Registrar, Computershare Investor Services (Ireland) Limited at 01 447 5518 (if calling within Ireland) or at +353 1 447 5518 (if calling from outside Ireland) between 9.00 a.m. and 5.00 p.m. (Irish Standard Time) on any Business Day. SkillSoft's Registrar cannot provide advice on the benefits of the Scheme or the Acquisition or recommend how you vote or give any financial advice or tax advice.

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Under the provisions of Rule 8.3 of the Takeover Rules, if any person is, or becomes, interested (directly or indirectly) in one per cent. or more of any class of relevant securities of SkillSoft, all dealings in any relevant securities of SkillSoft (including by means of an option in respect of, or a derivative referenced to, any such relevant securities) by such person must be publicly disclosed by not later than 3.30 p.m. (Irish Standard Time) on the business day following the date of the relevant transaction. This requirement will continue until the date on which the Scheme becomes effective or on which the Offer Period otherwise ends. If two or more persons co-operate on the basis of any agreement, either express or tacit, either oral or written, to acquire an interest in relevant securities of SkillSoft, they will be deemed to be a single person for the purpose of Rule 8.3 of the Takeover Rules.

Under the provisions of Rule 8.1 of the Takeover Rules, all dealings in relevant securities of SkillSoft by SSI Investments or SkillSoft, or by any of their respective associates, must also be disclosed by no later than 12 noon (Irish Standard Time) on the business day following the date of the relevant transaction.

The attention of SkillSoft Securityholders, who are resident in, or citizens of, or who have a contractual or legal obligation to forward this document to, Restricted Jurisdictions, is drawn to paragraph 11 in Part III (Explanatory Statement) of this document.

Information concerning forward-looking statements

This document includes information that constitutes forward-looking statements made pursuant to the safe harbour provision of the United States Private Securities Litigation Reform Act of 1995. Statements in this document regarding the proposed transaction between SSI Investments and SkillSoft, the expected timetable for completing the transaction and any other statements about SSI Investments and SkillSoft's future expectations, beliefs, goals, plans or prospects constitute forward-looking statements. Any such forward-looking statements involve risk and uncertainties that could cause actual results to differ materially from those indicated by such forward-looking statements. Factors that could cause or contribute to such differences include competitive pressures, changes in customer demands or industry standards, adverse economic conditions, loss of key personnel, litigation and other risk factors disclosed under the heading "Risk Factors" in SkillSoft's Quarterly Report on Form 10-Q for the quarterly period ended 31 October 2009, as filed with the Securities and Exchange Commission. The forward-looking statements provided by SSI Investments and SkillSoft in this document represent the views of SSI Investments and SkillSoft as of the date of this document. SSI Investments and SkillSoft anticipate that subsequent events and developments may cause their views to change. However, while SSI Investments and SkillSoft may elect to update these forward-looking statements at some point in the future, SSI Investments and SkillSoft specifically disclaim any obligation to do so. These forward-looking statements should not be relied upon as representing SSI Investments or SkillSoft's views as of any date subsequent to the date of this document.

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QUESTIONS AND ANSWERS ABOUT THE ACQUISITION, THE SCHEME OF ARRANGEMENT, THE COURT MEETING, THE EXTRAORDINARY GENERAL MEETING AND THE COURT HEARING

The following questions and answers are provided for your convenience, and briefly address some commonly asked questions about the Acquisition, the Scheme of Arrangement, the Court Meeting, the Extraordinary General Meeting and the Court Hearing. These questions and answers may not address all questions that may be important to you as a SkillSoft Securityholder. You should still read this entire document carefully, including each of the Annexes.

Overview

Q1: What is the proposed transaction?

A: SSI Investments, a company formed by funds sponsored by each of Berkshire, Advent and Bain Capital Partners, proposes to acquire SkillSoft for US\$10.80 in cash per SkillSoft ADS or SkillSoft Share. To become effective this proposal is subject to various conditions including shareholder approval. As further described below, the transaction is proposed to be structured as a scheme of arrangement under Irish law, under which SSI Investments will effectively acquire all of the outstanding SkillSoft Shares and SkillSoft ADSs. The Board of SkillSoft unanimously recommends that SkillSoft Securityholders vote in favour of the acquisition of SkillSoft by SSI Investments and the Scheme of Arrangement, as the members of the SkillSoft Board who are SkillSoft Securityholders have irrevocably undertaken (subject to certain exceptions) to do in respect of their own beneficial holdings, amounting to, in aggregate 5,877 SkillSoft Shares, which represents approximately 0.006 per cent. of the issued share capital of SkillSoft, and any SkillSoft Shares that such directors may acquire or subscribe for upon exercise of their SkillSoft Options.

Q2: How do I vote in favour of the proposed transaction?

A: If you hold SkillSoft ADSs, then (unless you are an Investor Group Associate) you should complete and sign the ADS Voting Instruction Card by following the instructions appearing below in this document.

If you are a direct shareholder of SkillSoft, then (unless you are an Investor Group Associate) you should complete and sign two Forms of Proxy both the PINK Form of Proxy and the BLUE Form of Proxy, in each case by following the instructions appearing in the answers to Q13 and Q14 below on pages 3 and 4 of this document. You will need to complete both Forms of Proxy in order to vote in favour of the Acquisition. There are two Forms of Proxy in this transaction because Irish law requires that two separate shareholder meetings be held, the Court Meeting and the Extraordinary General Meeting. Investor Group Associates will not vote their Scheme Shares at the Court Meeting but they will instead instruct the Depositary to vote the SkillSoft Shares represented by their SkillSoft ADSs at the Extraordinary General Meeting.

Q3: What is the difference between a Scheme Shareholder and a SkillSoft Shareholder?

A: Whether a holder of SkillSoft Shares is a Scheme Shareholder or a SkillSoft Shareholder depends on who holds the SkillSoft Shares in question and when the shares were issued by SkillSoft. Any holder of SkillSoft Shares outstanding on the date of this document will be a Scheme Shareholder. In addition, SkillSoft Shares issued after the Scheme Record Time do not constitute Scheme Shares. It is expected that the only SkillSoft Shares issued after the Scheme Record Time will be SkillSoft Shares issued pursuant to the exercise of options granted under the SkillSoft Share Option Plans or issued under the SkillSoft Employee Share Purchase Plan, and this is explained further in paragraph 11 in Part I (Letter of Recommendation from the Board of SkillSoft) of this document.

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Q4: What is a scheme of arrangement ?

A: A scheme of arrangement is an Irish transaction structure that is similar in effect to a merger in the United States. If the Scheme of Arrangement becomes effective, then:

SSI Investments will pay US\$10.80 in cash per SkillSoft Share to each Scheme Shareholder and SkillSoft ADS holder;

all outstanding Scheme Shares will either be cancelled or transferred to SSI Investments;

SkillSoft will issue New SkillSoft Shares to SSI Investments in place of the Cancellation Shares, so that SkillSoft becomes a wholly owned subsidiary of SSI Investments; and

the Scheme will be binding on all SkillSoft Shareholders, whether or not they voted in support of the Scheme.

As SkillSoft is an Irish incorporated company, it and the SkillSoft Board (and compliance with its fiduciary duties) are subject to the laws of Ireland. As is explained in the succeeding questions and answers, the Acquisition is subject to approval by SkillSoft Shareholders and by the High Court of Ireland and the proposed transaction cannot be consummated without these approvals. The Acquisition, by way of the Scheme, will be approved by SkillSoft Shareholders if a simple majority (more than 50 per cent.) in number of the Scheme Shareholders who vote (in person or by proxy), vote in favour of the Scheme and if Scheme Shares representing three-fourths (75 per cent.) in value of the total number of Scheme Shares voted at the Court Meeting are voted in favour of the Scheme. So, in effect what is currently being presented in this document is a proposal, to be considered and voted on by SkillSoft Shareholders, for the acquisition of SkillSoft by SSI Investments on the terms set out in this document.

The Court Hearing, the Court Meeting and the Extraordinary General Meeting

Q5: What are the Court Hearing and the Court Meeting?

A: In order for the Scheme to become effective, the sanction of the Scheme by the High Court at a hearing is required. This hearing is referred to as the Court Hearing. Subject to the approval of the resolutions proposed at the Meetings, the Court Hearing will take place on [] 2010.

In addition, prior to the sanction of the High Court, and in order for the Scheme to become effective, the approval of the Scheme by the Scheme Shareholders is required. This approval is obtained at a shareholder meeting referred to as the Court Meeting. The purpose of the Court Meeting is to allow the High Court to ascertain whether Scheme Shareholders are in favour of the Scheme. All SkillSoft Shareholders, other than the holders of Designated Shares, are Scheme Shareholders. The Court Meeting will be held at [] (Irish Standard Time) on [] 2010, and the Notice of the Court Meeting is set out in Part X (Notice of Court Meeting) of this document.

Q6: What is the Extraordinary General Meeting?

A: In addition to the approval of the Scheme at the Court Meeting, the Scheme cannot become effective unless a number of additional resolutions are approved at a second meeting of the SkillSoft Shareholders, which is referred to as the Extraordinary General Meeting. These resolutions are discussed in paragraph 4.2 of Part III (Explanatory Statement) of this document, and all serve to implement the Scheme and SSI Investments' Acquisition of SkillSoft. The Extraordinary General Meeting will be held at [] (Irish Standard Time) on [] 2010 or, if later, immediately after the conclusion or adjournment of the Court Meeting. The Notice of the

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Extraordinary General Meeting is set out on in Part XI (Notice of Extraordinary General Meeting of SkillSoft Public Limited Company) of this document.

Q7: Why are there multiple shareholder meetings?

A: Irish law requires that two separate shareholder meetings be held, the Court Meeting and the Extraordinary General Meeting. Both meetings are necessary to cause the Scheme to become effective.

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The Investor Group Associates will not vote their Scheme Shares at the Court Meeting but they will instead instruct the Depositary to vote the SkillSoft Shares represented by their SkillSoft ADSs at the Extraordinary General Meeting.

Q8: When and where is the Court Meeting?

A: The Court Meeting will be held at [], Ireland, on [] 2010, at [] (Irish Standard Time).

Q9: When and where is the Extraordinary General Meeting?

A: The Extraordinary General Meeting will be held at [], Ireland, on [] 2010, at [] (Irish Standard Time) or, if later, immediately after the conclusion or adjournment of the Court Meeting.

Q10: Who is entitled to vote at the Court Meeting and the Extraordinary General Meeting?

A: Only Scheme Shareholders will be entitled to vote at the Court Meeting whereas all SkillSoft Shareholders will be entitled to vote at the Extraordinary General Meeting. SkillSoft ADS holders will be represented at the Court Meeting and the Extraordinary General Meeting through the Depositary, who will vote the SkillSoft Shares represented by their SkillSoft ADSs as instructed by SkillSoft ADS holders through the ADS Voting Instruction Card.

Q11: What vote is required at the Court Meeting?

A: At the Court Meeting, the Scheme will be approved if a simple majority (more than 50 per cent.) in number of the Scheme Shareholders who vote (in person or by proxy), vote in favour of the Scheme and if Scheme Shares representing three-fourths (75 per cent.) in value of the total number of Scheme Shares voted at the Court Meeting are voted in favour of the Scheme.

In considering its approval of the Scheme, the High Court will consider whether there has been a sufficiently large (in the High Court's judgment) number of Scheme Shares included in the vote in favour of the Scheme to fairly represent the opinion of Scheme Shareholders, in addition to whether the required majority (as described above) is obtained. As a result, it is important that as many votes as possible are cast at the Court Meeting.

SkillSoft urges SkillSoft ADS holders to complete, sign, date and return the enclosed ADS Voting Instruction Card or to submit their ADS Voting Instruction Card via the Internet, by telephone or by post to ensure that the Depositary represents their SkillSoft ADSs and votes the corresponding Scheme Shares at the Court Meeting.

SkillSoft urges Scheme Shareholders to complete, sign, date and return their PINK Form of Proxy to ensure the representation and voting of their Scheme Shares at the Court Meeting.

The failure to vote (by proxy or in person) will increase the likelihood of the Scheme being defeated at the Court Meeting and the Acquisition not proceeding.

Q12: What vote is required at the Extraordinary General Meeting?

A: At the Extraordinary General Meeting, the ordinary resolutions must be approved by a simple majority (more than 50 per cent.) of the votes cast (in person or by proxy) and the special resolutions must be approved by not less than three-fourths (75 per cent.) of the votes cast (in person or by proxy).

SkillSoft urges SkillSoft ADS holders to complete, sign, date and return the enclosed ADS Voting Instruction Card or to submit their ADS Voting Instruction Card via the Internet, by telephone or by post to ensure that the Depositary represents their SkillSoft ADSs and votes the corresponding SkillSoft Shares at the Extraordinary General Meeting.

SkillSoft urges SkillSoft Shareholders to complete, sign, date and return the enclosed BLUE Form of Proxy to ensure the representation and voting of their SkillSoft Shares at the Extraordinary General Meeting.

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Q13: How do I vote at the Court Meeting?

A: For SkillSoft ADS holders:

Complete, date and sign the ADS Voting Instruction Card accompanying this document in accordance with the instructions printed thereon and return it to the Depositary at The Bank of New York Mellon, 101 Barclay Street, New York, New York, 10286, USA as soon as possible but, in any event, by [] 2010. Alternatively, you may submit your ADS Voting Instruction Card via telephone by calling the number printed at the top of your ADS Voting Instruction Card or via the Internet by accessing the Depositary's website at www.[].com. To dial in or log in please make sure that you have your ADS Voting Instruction Card available. If the ADS Voting Instruction Card for the Court Meeting is not received by [] 2010, the Depositary will not vote the Scheme Shares represented by your SkillSoft ADSs. It is important that, for the Court Meeting, as many votes as possible are cast (whether in person or by proxy) so that the High Court may be satisfied that there is a fair and reasonable representation of Scheme Shareholder opinion. You are, therefore, strongly urged to complete, sign, date and return your ADS Voting Instruction Card as soon as possible to ensure that the Depositary votes the Scheme Shares represented by your SkillSoft ADSs at the Court Meeting.

For Scheme Shareholders:

Complete, date and sign the PINK Form of Proxy accompanying this document in accordance with the instructions printed thereon and return it to SkillSoft's Registrar, Computershare Investor Services (Ireland) Limited, at Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland, as soon as possible but, in any event, so as to be received by post or, during normal business hours, by hand, by [] (Irish Standard Time) on [] 2010. It is important that, for the Court Meeting, as many votes as possible are cast (whether in person or by proxy) so that the High Court may be satisfied that there is a fair and reasonable representation of Scheme Shareholder opinion. You are, therefore, strongly urged to complete, sign, date and return your PINK Form of Proxy as soon as possible.

Q14: How do I vote at the Extraordinary General Meeting?

A: For SkillSoft ADS holders:

Complete, date and sign the ADS Voting Instruction Card accompanying this document in accordance with the instructions printed thereon and return it to the Depositary at The Bank of New York Mellon, 101 Barclay Street, New York, New York, 10286, USA as soon as possible but, in any event, by [] 2010. Alternatively, you may submit your ADS Voting Instruction Card via telephone by calling the number printed at the top of your ADS Voting Instruction Card or via the Internet by accessing the Depositary's website at www.[].com. To dial in or log in please make sure that you have your ADS Voting Instruction Card available.

For SkillSoft Shareholders:

Complete, date and sign the BLUE Form of Proxy accompanying this document in accordance with the instructions printed thereon and return it to Computershare Investor Services (Ireland) Limited, at Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland, as soon as possible but, in any event, so as to be received by post or, during normal business hours, by hand, by [] (Irish Standard Time) on [] 2010.

Q15: If my SkillSoft ADSs or SkillSoft Shares are held in street name by my broker, will my broker vote my SkillSoft ADSs or SkillSoft Shares for me?

- A: Depending on any relevant arrangements in respect of such matters, your broker will be permitted to vote your SkillSoft ADSs or SkillSoft Shares only if you instruct your broker how to vote. If you are a SkillSoft Shareholder (but not a SkillSoft ADS holder) and have previously provided your broker with absolute discretion to vote at all times on SkillSoft Shareholder votes, then your broker will be able to

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vote your SkillSoft Shares unless you instruct your broker otherwise. If your broker does not have absolute discretion to vote on your behalf, or if you are a SkillSoft ADS holder and you wish to instruct your broker to vote on your behalf, you should follow the procedures provided by your broker regarding the voting of your SkillSoft ADSs or SkillSoft Shares. **If your broker does not have absolute discretion and you do not provide instructions to your broker to vote in favour of the Scheme, your SkillSoft ADSs or SkillSoft Shares (as the case may be) will not be voted, which will increase the likelihood of the Scheme being defeated and the Acquisition not proceeding.**

Q16: If I am a SkillSoft ADS holder, do I need to present my SkillSoft ADSs to the Depositary for cancellation and delivery of SkillSoft Shares in order to be able to vote in favour of the Scheme or to receive the Consideration?

A: No, as a SkillSoft ADS holder you may vote in favour of the Scheme by completing and signing the ADS Voting Instruction Card and, if the Scheme is made effective, and you continue to hold your SkillSoft ADSs, you will receive the Consideration.

Q17: May I vote in person?

A: For SkillSoft ADS holders:

No. SkillSoft ADS holders will not be entitled to attend and vote or speak at the Meetings or to be represented at the Court Hearing. However, SkillSoft ADS holders may instruct the Depositary how to vote such holders' SkillSoft ADSs at the Meetings and the Depositary will vote in accordance with the instructions it receives. Details of how SkillSoft ADS holders can instruct the Depositary to vote at the Court Meeting and the Extraordinary General Meeting are contained in the enclosed ADS Voting Instruction Card.

SkillSoft ADS holders who wish to attend and vote or speak at the Court Meeting and/or the Extraordinary General Meeting or to be represented at the Court Hearing should take steps to present their SkillSoft ADSs to the Depositary for cancellation and delivery of SkillSoft Shares so as to become holders of record of SkillSoft Shares on the Register of Members prior to the relevant Voting Record Time for the Court Meeting or the Extraordinary General Meeting or prior to the Court Hearing (as the case may be).

For Scheme Shareholders and SkillSoft Shareholders:

Yes. If you are a holder of Scheme Shares you may attend and vote or speak at the Court Meeting in person. If you are a holder of SkillSoft Shares you may attend and vote and speak at the Extraordinary General Meeting and vote your SkillSoft Shares in person. If you hold your Scheme Shares or SkillSoft Shares (as the case may be) in street name, you must provide a legal proxy executed by your bank or broker to vote your Scheme Shares or SkillSoft Shares in person at the Court Meeting and/or the Extraordinary General Meeting.

Q18: What if I do not vote?

A: The failure to vote in favour of the Scheme and the resolutions to be considered at the Extraordinary General Meeting (by proxy or in person) will increase the likelihood of the Scheme being defeated at the Court Meeting, the resolutions to be considered at the Extraordinary General Meeting not being approved and the Acquisition not proceeding. If the Scheme is defeated and the Acquisition does not proceed, you will not receive the Consideration of US\$10.80 in cash per SkillSoft ADS or SkillSoft Share that is payable pursuant to the terms of the Acquisition and Scheme. Your vote is important regardless of the number of SkillSoft ADSs or SkillSoft Shares that you own.

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Q19: Who is soliciting my proxy?

A: This proxy is being solicited by the Board of SkillSoft. The Board of SkillSoft considers the terms of the Acquisition to be fair and reasonable. The Board of SkillSoft unanimously recommends that SkillSoft Securityholders vote in favour of the Acquisition and Scheme.

Q20: May holders of SkillSoft ADSs or SkillSoft Shares be represented at the Court Hearing?

A: SkillSoft ADS holders will not be entitled to be represented at the Court Hearing. SkillSoft ADS holders who wish to be represented at the Court Hearing should take steps to present their SkillSoft ADSs to the Depositary for cancellation and delivery of SkillSoft Shares so as to become holders of record of SkillSoft Shares in the Register of Members prior to the Court Hearing. All SkillSoft Shareholders (but not SkillSoft ADS holders) are entitled to be represented by counsel or a solicitor (at their own expense) to support or oppose the sanctioning of the Scheme at the Court Hearing.

Q21: What should I do now?

A: For SkillSoft ADS holders:

After carefully reading and considering the information contained in this document, please vote your SkillSoft ADSs by returning the enclosed ADS Voting Instruction Card to the Depositary or by submitting your ADS Voting Instruction Card via the Internet or by telephone.

Do **not** enclose or return your SkillSoft ADSs with your ADS Voting Instruction Card.

For Scheme Shareholders and SkillSoft Shareholders:

After carefully reading and considering t