

SKILLSOFT PUBLIC LIMITED CO
Form DEFM14A
March 12, 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

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SKILLSOFT PUBLIC LIMITED COMPANY

(Name of Registrant as Specified In Its Charter)

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

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(2)

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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. Registered holders should return it by post as soon as possible but in any event so as to be received by the Depositary, at Proxy Tabulator for SkillSoft PLC, P.O. Box 8016, Cary, North Carolina 27512-9903, by 29 March 2010. Beneficial holders should follow voting instructions provided by your bank or broker. If the ADS Voting Instruction Card for the Meetings is not received by 29 March 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, Sandyford 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 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.

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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 Fitzwilton House, Wilton Place, Dublin 2, Ireland on 6 April 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 9.00 a.m. (Irish Standard Time) and the EGM will start at 9.15 a.m. (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 3 March 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 9 March 2010, whose names are registered in the register of members of SkillSoft 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 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 4 April 2010, the Registrar and SkillSoft will review the register of members of SkillSoft and will mail to any new SkillSoft Shareholders a copy of this document together with the Forms of Proxy.

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The action to be taken by SkillSoft Securityholders in respect of the Meetings and the Acquisition is set out on page 26.

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, 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. Neither Morgan Stanley 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 Morgan Stanley in connection with this document, any transaction, any statement contained herein or otherwise.

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. Neither Barclays Capital 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 Barclays Capital in connection with this document, any transaction, any statement contained herein or otherwise.

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.

This document is dated 10 March 2010 and was first mailed to SkillSoft Securityholders on or about 12 March 2010.

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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 4 and 5 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 SkillSoft ADSs at the Court Meeting but they will instead instruct the Depository 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;

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 its Board (and the Board's 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 the High Court of Ireland and the proposed transaction cannot be consummated without these approvals. The Acquisition will be considered 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 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, it is anticipated that the Court Hearing will take place on 4 May 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 9.00 a.m. (Irish Standard Time) on 6 April 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, with the exception of resolution 4, all serve to implement the Scheme and SSI Investments' Acquisition of SkillSoft. The Extraordinary General Meeting will be held at 9.15 a.m. (Irish Standard Time) on 6 April 2010 or, if later, immediately after the conclusion or adjournment of the Court Meeting. The Notice of the Extraordinary General Meeting is set out on in Part XI (Notice of Extraordinary General Meeting of

SkillSoft Public Limited Company) of this document.

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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. 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 Fitzwilton House, Wilton Place, Dublin 2, Ireland, on 6 April 2010, at 9.00 a.m. (Irish Standard Time).

Q9: When and where is the Extraordinary General Meeting?

A: The Extraordinary General Meeting will be held at Fitzwilton House, Wilton Place, Dublin 2, Ireland, on 6 April 2010, at 9.15 a.m. (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.

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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.

Q13: How do I vote at the Court Meeting?

A: For SkillSoft ADS holders:

Beneficial ADS holders should follow the voting instructions provided by your bank or broker. Registered ADS holders should 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 Proxy Tabulator for SkillSoft PLC, P.O. Box 8016, Cary, North Carolina 27512-9903, United States, as soon as possible but, in any event, by 29 March 2010. Alternatively, you may submit your voting instructions via telephone by calling the number printed at the top of your ADS Voting Instruction Card or via the Internet at www.proxypush.com/skil. To dial in or log in please make sure that you have your ADS Voting Instruction Card available. If your voting instruction for the Court Meeting is not received by the Depositary by 5:00 p.m. (United States Eastern Time) on 29 March 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:

Scheme Shareholders should 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 9.00 a.m. (Irish Standard Time) on 4 April 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.

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

A: For SkillSoft ADS holders:

Beneficial SkillSoft ADS holders should follow the voting instructions provided by your bank or broker. Registered ADS holders should complete, date and sign the ADS Voting Instruction Card accompanying this document in accordance with the instructions printed thereon and return it to the Depository, at Proxy Tabulator for SkillSoft PLC, P.O. Box 8016, Cary, North Carolina 27512-9903, United States, as soon as possible but, in any event, so that it is received by the Depository by 5:00 p.m. (United States Eastern Time) on 29 March 2010. Alternatively, you may submit your voting instructions via telephone by calling the number printed at the top of your ADS Voting Instruction Card or via the Internet at www.proxypush.com/skil. 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, Sandford 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 9.15 a.m. (Irish Standard Time) on 4 April 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 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 Depository 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 or vote or speak at the Meetings or to be represented at the Court Hearing. However, SkillSoft ADS holders may instruct the Depository how to vote such holders SkillSoft ADSs at the Meetings and the Depository will vote in accordance with the instructions it receives. Details of how SkillSoft ADS holders can instruct the Depository to vote at the Court Meeting and

the Extraordinary General Meeting are contained in the enclosed ADS Voting Instruction Card.

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SkillSoft ADS holders who wish to attend or 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 of SkillSoft 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 and 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 in favour?

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 (i) the Scheme being defeated at the Court Meeting; (ii) the resolutions to be considered at the Extraordinary General Meeting not being approved; and (iii) 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.

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 of SkillSoft 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:

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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. Beneficial holders should follow the instructions provided by your bank or broker.

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

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For Scheme Shareholders and SkillSoft Shareholders:

After carefully reading and considering the information contained in this document, please vote your SkillSoft Shares by returning the enclosed PINK Form of Proxy and BLUE Form of Proxy to SkillSoft's Registrar by post, by hand or by fax. SkillSoft Shareholders (but not SkillSoft ADS holders) may also attend the Court Meeting and/or the Extraordinary General Meeting and vote in person.

Do **not** enclose or return your share certificate(s) with your Forms of Proxy.

Q22: When should I send in my ADS Voting Instruction Card and/or Forms of Proxy?

A: SkillSoft ADS holders should complete, sign, date and return their ADS Voting Instruction Card as soon as possible, and in any event, so that it is received by the Depository by 5.00 p.m. (United States Eastern Time) on 29 March 2010, so that their SkillSoft ADSs will be voted at the Court Meeting and/or Extraordinary General Meeting.

SkillSoft Shareholders should complete, sign, date and return their Forms of Proxy (in the manner set out in the section headed "Action to be Taken" on page 26 of this document) as soon as possible, and in any event by 4 April 2010, so that their SkillSoft Shares will be voted at the Court Meeting and/or Extraordinary General Meeting.

Q23: May I change my vote after I have mailed my signed ADS Voting Instruction Card and/or Forms of Proxy?

A: For SkillSoft ADS holders:

Yes. Registered holders of SkillSoft ADSs may change their vote at any time before 5:00 p.m. (United States Eastern Time) on 29 March 2010. You may do this by sending a written, dated notice to the Depository, at Proxy Tabulator for SkillSoft PLC, P.O. Box 8016, Cary, North Carolina 27512-9903, stating that you would like to revoke your voting instructions, which must be received by the Depository by 5:00 p.m. (United States Eastern Time) on 29 March 2010. Beneficial owners of SkillSoft ADSs should contact their bank or broker.

If you have questions regarding your ADS Voting Instruction Card after you have returned it to the Depository, you should contact Georgeson or the Depository at the addresses provided below.

For Scheme Shareholders and SkillSoft Shareholders:

Scheme Shareholders may change their vote at any time before the start of the Court Meeting in the case of the PINK Form of Proxy and SkillSoft Shareholders may change their vote at any time up to 9.15 a.m. (Irish Standard Time) on 4 April 2010 in the case of the BLUE Form of Proxy for the Extraordinary General Meeting. You may do this in one of three ways. First, you may send a written, dated notice to the Registrar of SkillSoft stating that you would like to revoke your proxy. Second, you may complete, sign, date and submit a new Form of Proxy. Third, you may attend the Court Meeting and/or the Extraordinary General Meeting and vote in person. Your attendance alone will not revoke your proxy. If you have instructed a broker to vote your SkillSoft Shares, you must follow the directions received from your broker relating to changing those instructions.

If you have questions regarding your Forms of Proxy after you have returned them to the Registrar, you should contact the Registrar at the address provided below.

Q24: When and where is the Court Hearing?

A: Subject to the approval of the resolutions proposed at the Meetings, it is anticipated that the Court Hearing will be held at The Four Courts, Inns Quay, Dublin, Ireland on 4 May 2010.

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The Acquisition and the Scheme of Arrangement

Q25: What is the Scheme of Arrangement?

A: The Scheme of Arrangement is an arrangement made between SkillSoft and the Scheme Shareholders under Irish law and is subject to the approval of the High Court. If the Scheme of Arrangement becomes effective, all Scheme Shares currently held by Scheme Shareholders will be cancelled or transferred to SSI Investments. SkillSoft will then issue New SkillSoft Shares to SSI Investments in place of the Scheme Shares cancelled pursuant to the Scheme of Arrangement and SSI Investments will pay US\$10.80 per SkillSoft Share in cash (without interest and less any applicable withholding taxes) to the former Scheme Shareholders. As a result of these arrangements, SkillSoft will become a wholly owned subsidiary of SSI Investments.

Q26: What will I receive in the Acquisition?

A: For SkillSoft ADS holders:

As a SkillSoft ADS holder, you will receive US\$10.80 in cash (without interest and less any applicable withholding taxes and ADS cancellation fees) for each SkillSoft ADS that you own. For example, if you own 100 SkillSoft ADSs, after the Scheme becomes effective, you will receive US\$1,080.00 in cash (without interest and less any withholding taxes and ADS cancellation fees, if applicable).

For SkillSoft Shareholders:

As a SkillSoft Shareholder, you will receive US\$10.80 in cash (without interest and less any applicable withholding taxes) for each SkillSoft Share that you own. For example, if you own 100 SkillSoft Shares, within 14 days of the Scheme becoming effective, you will receive US\$1,080.00 in cash (without interest and less any applicable withholding taxes).

Q27: What rights do I have if I oppose the Acquisition and the Scheme of Arrangement?

A: For SkillSoft ADS holders:

You can vote against approval of the Scheme by completing, signing, dating and returning your ADS Voting Instruction Card or by submitting your ADS voting instructions card via the Internet, by telephone or by post to the Depository for the Court Meeting and/or the Extraordinary General Meeting.

For Scheme Shareholders and SkillSoft Shareholders:

You can vote against approval of the Scheme by completing, signing, dating and returning your Forms of Proxy or voting in person at the Court Meeting and/or the Extraordinary General Meeting. Each SkillSoft Shareholder is entitled to be represented by counsel or a solicitor (at their own expense) at the Court Hearing to oppose the sanctioning of the Scheme.

Q28: Am I entitled to appraisal rights in connection with the Scheme?

A: If the Scheme is approved by the Scheme Shareholders and sanctioned by the High Court, then, subject to the Scheme becoming effective in accordance with its terms and the right of a Scheme Shareholder to appeal the High Court's decision to sanction the Scheme, the Scheme will be binding on all SkillSoft Shareholders, including those Scheme Shareholders who did not vote or who voted against it at the Court Meeting. Only those Scheme Shareholders who attend and are heard at the Court Hearing will have the right to appeal the High Court's decision to sanction the Scheme to the Irish Supreme Court. SkillSoft Shareholders will have no right to seek a court appraisal of the value of SkillSoft Shares. **If the Scheme becomes effective, all SkillSoft ADS holders will receive US\$10.80 per SkillSoft ADS (without interest and less any applicable withholding taxes and ADS cancellation fees) and all SkillSoft Shareholders will receive US\$10.80 per SkillSoft Share (without interest and less any applicable withholding taxes).**

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Q29: If the Acquisition is consummated, when can I expect to receive the Consideration for my SkillSoft Shares?

A: After the Scheme becomes effective, the Depositary will forward to each SkillSoft ADS holder the US\$10.80 in cash per SkillSoft ADS (without interest and less any applicable withholding taxes and ADS cancellation fees) to which he/she/it is entitled under the terms of the Scheme. Holders of SkillSoft ADSs will be required to surrender their SkillSoft ADSs in order to receive their entitlement under the Scheme. Following the Scheme becoming effective, The Bank of New York Mellon, as Depositary, will mail a notice to registered holders of SkillSoft ADSs regarding the mechanics of the exchange of their existing SkillSoft ADSs. Instructions for the exchange of SkillSoft ADS certificates will be set out in the letter of transmittal. If you hold your SkillSoft ADSs indirectly, you must rely on the procedures of the bank, broker or financial institution through which you hold your SkillSoft ADSs for completion of the exchange. After the Scheme becomes effective, SkillSoft Shareholders will receive the Consideration to which they are entitled under the terms of the Scheme within 14 days of the Effective Date. For more information on the details related to the payment of the Consideration, please see paragraph 10.1 of Part III (Explanatory Statement) of this document.

Q30: Why is the Board of SkillSoft recommending the Acquisition?

A: The Board of SkillSoft, which has been so advised by Credit Suisse, considers the terms of the Acquisition to be fair and reasonable. In providing its advice, Credit Suisse has taken into account the commercial assessments of the Board of SkillSoft. Accordingly, the Board of SkillSoft intends unanimously to recommend to SkillSoft Securityholders to vote in favour of the Acquisition and Scheme, as the directors of SkillSoft 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 such directors may acquire or subscribe for upon exercise of their SkillSoft Options. To review the SkillSoft Board's reasons for recommending the Acquisition, see paragraph 4 of Part I (Letter of Recommendation from the Board of SkillSoft) of this document entitled Background to and Reasons For Recommending the Acquisition.

Q31: What are the tax consequences of the Acquisition to me?

A: Your receipt of the Consideration will be a taxable transaction for US federal income tax and Irish CGT purposes. For a more detailed explanation of the tax consequences, see paragraphs 8 and 9 of Part VIII (Additional Information) of this document entitled Irish Taxation and US Federal Income Tax Consequences, respectively. Your tax consequences will depend on your personal situation. You should consult your personal tax advisors for a full explanation of the tax consequences of the Scheme to you.

Q32: When does the Board of SkillSoft expect the Acquisition to be consummated?

A: SkillSoft currently expects the Acquisition and the Scheme to become effective during May 2010. SkillSoft cannot, however, require SSI Investments to proceed with the Scheme until all of the Conditions described in paragraph 3 of Part I (Letter of Recommendation from the Board of SkillSoft) and set out in full in Part V (Conditions of the Acquisition and the Scheme) are waived or satisfied at or prior to the Effective Date in accordance with their respective terms, including the approval of the Scheme at the Court Meeting and the Extraordinary General Meeting. The Scheme requires approval by the High Court and regulatory approvals, including the approval of Relevant Authorities pursuant to the HSR Act and the equivalent laws of Germany and Austria. SkillSoft cannot assure you as to when, or if, all of the Conditions of the Acquisition will be met, and it is possible the parties will not complete the Acquisition.

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Q33: What happens if I sell my SkillSoft ADSs and/or SkillSoft Shares before the Court Meeting and the Extraordinary General Meeting?

A: The Voting Record Time for the Court Meeting and the Extraordinary General Meeting is earlier than the expected Effective Time of the Acquisition. If you hold your SkillSoft ADSs or SkillSoft Shares on the Voting Record Time (9.00 a.m. (Irish Standard Time) on 4 April 2010 or, if either the Court Meeting or the EGM is adjourned, 9.00 a.m. (Irish Standard Time) on the day which is two days before the date set for the relevant adjourned meeting) but transfer those SkillSoft ADSs or SkillSoft Shares after the Voting Record Time and before the Effective Time, you may retain your right to vote at the Court Meeting and the Extraordinary General Meeting but not the right to receive the consideration. This right to receive the consideration will pass to the person who owns the SkillSoft ADSs or SkillSoft Shares you transferred as of the Scheme Record Time (10.00 p.m. (Irish Standard Time) on the Business Day before the Effective Date of the Acquisition).

Q34: What should I do if I have questions?

A: For SkillSoft ADS holders:

If you have questions about the Acquisition, the Scheme of Arrangement, the Court Meeting, the Extraordinary General Meeting, the Court Hearing or this document, or would like additional copies of this document or the ADS Voting Instruction Card, you should contact SkillSoft's proxy solicitor, Georgeson, 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. For legal reasons, SkillSoft's proxy solicitor cannot provide advice on the benefits of the Acquisition or the Scheme or recommend how you vote or give any financial or tax advice.

For SkillSoft Shareholders:

If you have questions about the Acquisition, the Scheme of Arrangement, the Court Meeting, the Extraordinary General Meeting, the Court Hearing or this document, or would like additional copies of this document or the Forms of Proxy, you should contact SkillSoft's Registrar, Computershare Investor Services (Ireland) Limited, on 01 447 5518 (if calling within Ireland) or on +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. For legal reasons, SkillSoft's Registrar cannot provide advice on the benefits of the Scheme or Acquisition or recommend how you should vote or give any financial advice or tax advice.

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SUMMARY

*This summary highlights selected information from this document and may not contain all of the information that is important to SkillSoft Securityholders. To understand the Scheme fully, you should carefully read this entire document, as well as the other documents to which this document refers. Page references are included in parentheses to direct you to a more complete summary of the topics presented in this summary. The information incorporated by reference into this document may be obtained without charge by following the instructions in the paragraph entitled *Where You Can Find More Information* beginning on page 183 of this document.*

Information on SkillSoft, SSI Investments and the Investor Group (Pages 50 - 52)

SkillSoft Public Limited Company

107 Northeastern Boulevard

Nashua, New Hampshire 03062, United States

+1 603-324-3000

www.skillssoft.com

SkillSoft, an Irish incorporated public limited company, is a leading provider of on-demand e-learning and performance support solutions for global enterprises, government, education and small to medium-sized businesses. SkillSoft helps its customers to maximize performance through a combination of content, online information resources, flexible technologies and support services. SkillSoft is headquartered in Dublin, Ireland, with US headquarters in Nashua, New Hampshire, and offices worldwide. SkillSoft has approximately 1,100 employees worldwide.

SkillSoft ADSs, each of which represents one SkillSoft Share deposited with the Depository pursuant to the Deposit Agreement, have been traded in the United States on NASDAQ since 13 April 1995. SkillSoft ADSs are traded on NASDAQ under the symbol SKIL .

SSI Investments III Limited

Block 3

The Harcourt Centre

Harcourt Road

Dublin 2, Ireland

+353 1 4161290

SSI Investments, a company formed by funds sponsored by each of Berkshire, Advent and Bain Capital Partners, was incorporated in Ireland on 3 February 2010. SSI Investments' share capital is not publicly traded and SSI Investments has no employees. SSI Investments has not conducted any business prior to the date of this document (except for entering into agreements relating to the Acquisition). The principal executive offices of SSI Investments are located in Dublin, Ireland.

Berkshire Partners LLC

200 Clarendon Street, 35th Floor

Boston, Massachusetts 02116, United States

+1 617-227-0050

www.berkshirepartners.com

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Berkshire Partners LLC, a Massachusetts limited liability company is an active investor in the private equity market, managing approximately US\$6.5 billion of capital over seven funds. The principal executive offices of Berkshire Partners LLC are located in Boston, Massachusetts.

Advent International Corporation

75 State Street

Boston, Massachusetts 02109, United States

+1 617-951-9400

www.adventinternational.com

Advent International Corporation, a Delaware corporation is a leading global private equity firm with investment professionals in more than 16 countries. The principal executive offices of Advent International Corporation are located in Boston, Massachusetts.

Bain Capital Partners, LLC

111 Huntington Avenue

Boston, Massachusetts 02199, United States

+1 617-516-2000

www.baincapital.com

Bain Capital Partners, LLC, a Delaware limited liability company, is a private investment firm that manages several private equity funds. Bain Capital Partners, LLC is a subsidiary of Bain Capital, LLC, which is a global investment firm whose other affiliates manage pooled investment vehicles including venture capital, public equity, high-yield assets and mezzanine capital. In total, Bain Capital, LLC and its affiliates manage approximately US\$65 billion in assets and have a team of over 300 professionals dedicated to investing and to supporting its portfolio companies. The principal executive offices of Bain Capital Partners, LLC are located in Boston.

The Acquisition (Page 57)

On 12 February 2010, SkillSoft and SSI Investments announced that they had reached agreement on the terms of a recommended acquisition by SSI Investments of SkillSoft to be implemented by means of a scheme of arrangement under Irish law.

At the Effective Time, the Scheme Shares will be cancelled pursuant to Sections 72 and 74 of the Act or transferred to SSI Investments. SkillSoft will then issue New SkillSoft Shares to SSI Investments in place of those Scheme Shares cancelled pursuant to the Scheme, and SSI Investments will pay the Consideration to former Scheme Shareholders in consideration for the Acquisition. As a result of the Scheme, SkillSoft will become a wholly owned subsidiary of SSI Investments.

The Transaction Agreement (Page 44)

SkillSoft and SSI Investments have entered into a Transaction Agreement which contains, among other things, certain assurances in relation to the implementation of the Scheme and the conduct of SkillSoft's business up to the Effective Time.

Under the terms of the Transaction Agreement, SkillSoft and SSI Investments each have agreed to, among other things:

take such steps as are necessary, proper or advisable and provide each other with such other cooperation and assistance as may reasonably be requested of it to implement the Acquisition and the Scheme;

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afford such cooperation as may reasonably be requested of it for the purposes of preparing and verifying documents for the Acquisition and the Scheme; and

use its reasonable efforts to achieve satisfaction of the Conditions as soon as practicable before 16 July 2010.

The Consideration (Page 52)

At the Effective Time, each Scheme Share will be cancelled or transferred to SSI Investments and Scheme Shareholders will be entitled to receive the Consideration. Settlement of any Consideration due to SkillSoft Shareholders (without interest and less any applicable withholding taxes) will be despatched by ordinary prepaid post (or by such other manner as the Panel may approve). The Depositary will then arrange for the distribution directly to SkillSoft ADS holders of the consideration to which they are entitled under the terms of the Scheme (without interest and less any applicable withholding taxes and ADS cancellation fees). All documents and remittances sent to SkillSoft ADS holders or SkillSoft Shareholders (or in accordance with their directions) will be despatched at their own risk.

Treatment of SkillSoft ADSs (Page 66)

Each SkillSoft ADS represents one SkillSoft Share. The Depositary holds the SkillSoft Shares underlying the SkillSoft ADSs on behalf of the SkillSoft ADS holders. Accordingly, the Depositary, as a SkillSoft Shareholder, will be entitled to US\$10.80 for every SkillSoft Share held by it at the Scheme Record Time. After the Effective Date, the Scheme Shares underlying the SkillSoft ADSs will be cancelled, and the American Depositary Receipts evidencing the SkillSoft ADSs will be required to be surrendered to the Depositary in order for the holders thereof to receive their entitlement under the Scheme (without interest and less any applicable withholding taxes, and net of the ADS cancellation fee).

The Court Meeting (Page 59)

The Court Meeting has been convened for 9.00 a.m. (Irish Standard Time) on 6 April 2010 to enable Scheme Shareholders to consider and, if thought fit, approve the Scheme. The Court Meeting will be held at Fitzwilton House, Wilton Place, Dublin 2, Ireland.

It is important that as many votes as possible are cast at the Court Meeting so that the appropriate resolution proposing the Scheme can be passed and that the High Court may be satisfied that there is a fair representation of Scheme Shareholder opinion when it is considering whether to sanction the Scheme. If you are the registered holder of any SkillSoft ADSs, you are strongly urged to complete and return your ADS Voting Instruction Card as soon as possible to ensure that the Depositary represents your ADSs and votes the corresponding Scheme Shares at the Court Meeting. If you are the beneficial holder of SkillSoft ADSs, you should follow the voting instructions provided by your bank or broker. If you are the registered holder of any Scheme Shares, you are strongly urged to complete and return your PINK Form of Proxy for the Court Meeting as soon as possible.

The Extraordinary General Meeting (Page 59)

The EGM has been convened for 9.15 a.m. (Irish Standard Time) on 6 April 2010 (or, if later, as soon thereafter as the Court Meeting is concluded or adjourned) to enable SkillSoft Shareholders to consider and, if thought fit, pass the following resolutions:

to approve the Scheme and to authorise the directors of SkillSoft to take such action as they consider necessary or appropriate to carry the Scheme into effect;

to approve the cancellation of the Cancellation Shares and the application of the reserve in SkillSoft's books arising upon such cancellation in paying up in full at par the new SkillSoft Shares;

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to approve certain amendments to SkillSoft's Articles of Association designed to avoid any person (other than SSI Investments) being left with SkillSoft Shares after completion of the Acquisition; and

to approve a proposal to adjourn the EGM, if necessary, to solicit additional proxies in favour of approval of the resolutions to be considered at the EGM.

The EGM will be held at Fitzwilton House, Wilton Place, Dublin 2, Ireland.

It is important that as many votes as possible are cast at the EGM. If you are the registered holder of any SkillSoft ADSs, you are strongly urged to complete and return your ADS Voting Instruction Card as soon as possible to ensure that the Depositary represents your SkillSoft ADSs and votes the corresponding SkillSoft Shares at the EGM. If you are the beneficial holder of SkillSoft ADSs, you should follow the voting instructions provided by your bank or broker. If you are the registered holder of any SkillSoft Shares, you are strongly urged to complete and return your BLUE Form of Proxy for the EGM as soon as possible.

The Court Hearing (Page 61)

In order for the Scheme to become effective, the sanction of the High Court at the Court Hearing is required in addition to the approval by Scheme Shareholders at the Court Meeting and the passing of the necessary resolutions by SkillSoft Shareholders at the EGM. All Scheme Shareholders (but not SkillSoft ADS holders) are entitled to be represented by counsel or a solicitor (at their own expense) at the Court Hearing to support or oppose the sanctioning of the Scheme.

Subject to the approval of the resolutions proposed at the Meetings, it is anticipated that the Court Hearing will take place on 4 May 2010 at the Four Courts, Inns Quay, Dublin, Ireland.

SkillSoft ADS Holders May Not Attend the Meetings or the Court Hearing (Page 67)

SkillSoft ADS holders will not be entitled to attend or vote 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 Meetings are contained in the enclosed ADS Voting Instruction Card.

Holders of SkillSoft ADSs who wish to attend the Court Meeting and/or the EGM 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 prior to the relevant Voting Record Time for the Court Meeting and/or the EGM or prior to the Court Hearing (as the case may be).

Voting Record Time and Voting Procedures (Page 27)

SkillSoft ADS holders may not attend or vote at the Court Meeting or the EGM; however, the Depositary is required by the Deposit Agreement to vote the SkillSoft Shares deposited thereunder in accordance with the instructions of the SkillSoft ADS holders. Details of how registered SkillSoft ADS holders can instruct the Depositary to vote at the Meetings are contained in the enclosed ADS Voting Instruction Card. Beneficial holders of SkillSoft ADSs should follow the voting instructions provided by their bank or broker.

Only registered SkillSoft Shareholders whose names are registered in the register of members of SkillSoft as of the Voting Record Time will be entitled to attend and vote at the Court Meeting and the EGM in respect of the number of Scheme Shares and SkillSoft Shares, respectively, registered in their name at such time.

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Quorum and Vote Required (Page 59)

The Court Meeting:

In order to conduct business at the Court Meeting, a quorum must be present. The presence at the Court Meeting (either in person or by proxy) of three persons entitled to vote at such meeting who together hold not less than one-third ($33\frac{1}{3}$ per cent.) of SkillSoft's voting share capital in issue, each being a holder of SkillSoft Shares, a proxy for a holder of SkillSoft Shares, or a duly authorised representative of a corporate holder of SkillSoft Shares, will constitute a quorum for the transaction of business at the Court Meeting. At the Court Meeting, voting will be by poll and not a show of hands and each holder of Scheme Shares who is present (in person or by proxy) will be entitled to one vote for each Scheme Share held. The approval required at the Court Meeting is that those voting in favour of the Scheme must represent a simple majority (more than 50 per cent.) in number of those Scheme Shareholders present and voting (in person or by proxy) and also represent three-fourths (75 per cent.) in value of the Scheme Shares held by those Scheme Shareholders present and voting (in person or by proxy).

Failure to vote in favour of the Scheme or failure to vote your proxy by post, hand, fax, or in person, in the case of the Scheme Shareholders, or failure to submit your vote by the Internet, telephone or post in the case of the SkillSoft ADS holders, will increase the likelihood of the Scheme being defeated at the Court Meeting and the Acquisition not proceeding.

The Extraordinary General Meeting:

A quorum must be present in order to conduct any business at the EGM. The SkillSoft Articles provide that the presence at the EGM (either in person or by proxy) of three persons entitled to vote at such meeting who together hold not less than one-third ($33\frac{1}{3}$ per cent.) of SkillSoft's voting share capital in issue, each being a holder of SkillSoft Shares, a proxy for a holder of SkillSoft Shares, or a duly authorised representative of a corporate holder of SkillSoft Shares, constitutes a quorum for the transaction of business.

A majority (more than 50 per cent.) of the votes cast is required to pass an ordinary resolution, and three-fourths (75 per cent.) or greater of the votes cast are required to pass a special resolution. A special resolution is required to effect certain actions, including alterations to SkillSoft's Articles of Association and the cancellation of the Cancellation Shares.

Proxies and Voting (Page 27)

The Court Meeting:

SkillSoft ADS holders

To vote at the Court Meeting, registered SkillSoft ADS holders are requested to complete and return the ADS Voting Instruction Card to the Depository, at Proxy Tabulator for SkillSoft PLC, P.O. Box 8016, Cary, North Carolina 27512-9903, United States, as soon as possible but, in any event, so that it is received by 5.00 p.m. (United States Eastern Time) on 29 March 2010. Alternatively, you may submit your voting instructions via telephone by calling the number printed at the top of your ADS Voting Instruction Card or via the Internet at www.proxypush.com/skil. To dial in or log in please make sure that you have your ADS Voting Instruction Card available. If the Depository does not receive your ADS Voting Instruction Card by such date, the Depository 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 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 and return your ADS Voting Instruction Card as soon as possible to ensure that the Depository represents your SkillSoft ADSs and votes the corresponding Scheme Shares at the Court Meeting. Beneficial SkillSoft ADS holders should follow the voting instructions provided by your bank or broker.

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Scheme Shareholders

To vote at the Court Meeting, Scheme Shareholders are requested to submit the PINK Form of Proxy to the Registrar, Computershare Investor Services (Ireland) Limited, at Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland as soon as possible and, in any event, not less than 48 hours before the time appointed for the Court Meeting but, if forms are not so lodged, they may be handed to the Chairman of the Court Meeting before the start of the Court Meeting and will still be valid. 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 and return your PINK Form of Proxy as soon as possible.

Scheme Shares represented at the Court Meeting by properly executed proxies received prior to or at the Court Meeting, and not revoked, will be voted at the Court Meeting, and at any and all adjournments or postponements of that meeting, in accordance with the instructions on the proxies. **If a proxy is duly executed appointing the Chairman of the Court Meeting, and submitted without instructions, the Scheme Shares represented by that proxy will be voted in favour of approval of the Scheme.**

The Extraordinary General Meeting:

SkillSoft ADS holders

To vote at the EGM, registered SkillSoft ADS holders must complete the ADS Voting Instruction Card accompanying this document in accordance with the instructions printed thereon and return it to the Depository, at Proxy Tabulator for SkillSoft PLC, P.O. Box 8016, Cary, North Carolina 27512-9903, United States, as soon as possible but, in any event, so that it is received by 5.00 p.m. (United States Eastern Time) on 29 March 2010. Alternatively, you may submit your voting instructions via telephone by calling the number printed at the top of your ADS Voting Instruction Card or via the Internet at www.proxypush.com/skil. To dial in or log in please make sure that you have your ADS Voting Instruction Card available. If the Depository does not receive your ADS Voting Instruction Card by the date above, the Depository will not vote the SkillSoft Shares represented by your SkillSoft ADSs. Beneficial ADS holders should follow the voting instructions provided by your bank or broker.

SkillSoft Shareholders

For the EGM, SkillSoft Shareholders must complete and sign the BLUE Form of Proxy, in accordance with the instructions printed thereon and return it to the Registrar, Computershare Investor Services (Ireland) Limited, at Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland, as soon as possible and, in any event, not less than 48 hours before the time appointed for the Extraordinary General Meeting.

SkillSoft Shares represented at the EGM by properly executed proxies received prior to or at the EGM, and not revoked, will be voted at the EGM, and at any and all adjournments or postponements of that meeting, in accordance with the instructions on the proxies. **If a proxy is duly executed appointing the Chairman of the Extraordinary General Meeting, and submitted without instructions, the SkillSoft Shares represented by that proxy will be voted in favour of the resolutions to be considered at the EGM.**

Revocation of Proxies (Page 28)

Registered holders of SkillSoft ADSs may change their vote at any time before 5:00 p.m. (United States Eastern Time) on 29 March 2010. You may do this by sending a written, dated notice to the Depository, at Proxy Tabulator for SkillSoft PLC, P.O. Box 8016, Cary, North Carolina 27512-9903, United States stating that you would like to revoke your voting instructions, which must be received by the Depository by 5:00 p.m. (United States Eastern Time) on 29 March 2010. Beneficial holders of SkillSoft ADSs should contact their bank or broker.

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Scheme Shareholders may revoke or amend the PINK Form of Proxy at any time up to 9.00 a.m. (Irish Standard Time) on 4 April 2010 in the case of the Court Meeting, or Scheme Shareholders may attend the Court Meeting and vote in person. SkillSoft Shareholders may revoke or amend the BLUE Form of Proxy at any time up to 9.15 a.m. (Irish Standard Time) on 4 April 2010 in the case of the EGM, or SkillSoft Shareholders may attend the EGM and vote in person. You may do this in one of three ways. First, you may send a written, dated notice to the Registrar of SkillSoft stating that you would like to revoke your proxy. Second, you may complete, sign, date and submit a new Form of Proxy. Third, you may attend the Court Meeting and/or the Extraordinary General Meeting and vote in person. Your attendance alone will not revoke your proxy. If you have instructed a broker to vote your SkillSoft Shares, you must follow the directions received from your broker relating to changing those instructions.

If you wish to amend or revoke your Forms of Proxy after you have returned them to Computershare Investor Services (Ireland) Limited, you should contact the Registrar at the address given below.

Submission of a Form of Proxy does not preclude you from attending and voting in person at the Meeting in question.

Recommendation of the Board of SkillSoft and Reasons for the Scheme (Page 39)

The Board of SkillSoft unanimously recommends to SkillSoft Securityholders to vote in favour of the Acquisition and the Scheme. In support of this recommendation, the members of the Board of SkillSoft who are SkillSoft Securityholders have irrevocably undertaken (subject to certain exceptions) to vote 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 such directors may acquire or subscribe for upon exercise of their SkillSoft Options, in favour of the Acquisition and the Scheme.

Appraisal Rights (Page 179)

If the Scheme is approved by Scheme Shareholders at the Court Meeting and sanctioned by the High Court, then, subject to the Scheme becoming effective in accordance with its terms and the right of a Scheme Shareholder to appeal the High Court's decision to sanction the Scheme, the Scheme will be binding on all SkillSoft Shareholders, including those Scheme Shareholders who did not vote or who voted against it at the Court Meeting. Only those Scheme Shareholders who attend and are heard at the Court Hearing will have the right to appeal the High Court's decision to sanction the Scheme to the Irish Supreme Court. SkillSoft Shareholders will have no right to seek a court appraisal of the value of SkillSoft Shares. If the Scheme becomes effective, all Scheme Shareholders will receive the same Consideration per Scheme Share.

Exchange of ADSs and Return of Share Certificates (Page 66)

If the Scheme is approved by the High Court, a request will be made to cancel the quotation of SkillSoft ADSs on NASDAQ. The last day of dealings in SkillSoft ADSs on NASDAQ will be the last Business Day before the Effective Time, and is expected to be on or about 13 May 2010.

No transfers of SkillSoft Shares (other than transfers to SSI Investments) will be registered after the Scheme Record Time. At the Effective Time, share certificates in respect of SkillSoft Shares will cease to be valid and should, if so requested by SkillSoft or its agents, be sent to SkillSoft for cancellation.

Holders of SkillSoft ADSs will be required to surrender their SkillSoft ADSs in order to receive their entitlement under the Scheme. Following the Scheme becoming effective, the Depositary will mail a notice to registered holders of SkillSoft ADSs regarding the mechanics of the exchange of their ADSs. Instructions for the exchange of SkillSoft ADS certificates will be set out in the letter of transmittal. Beneficial ADS holders should receive instructions from their bank or broker.

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Financing of the Acquisition (Page 53)

The Acquisition will be financed from debt financing provided by Morgan Stanley Senior Funding, Inc. (an affiliate of Morgan Stanley) and Barclays Bank PLC (an affiliate of Barclays Capital), together with equity commitments from each member of the Investor Group. Full payment of the Consideration to SkillSoft Shareholders involves a maximum cash payment of approximately US\$1.1 billion. Morgan Stanley & Co. Limited, an affiliate of Morgan Stanley, is satisfied that resources are available to SSI Investments sufficient to satisfy in full the cash consideration payable under the Scheme.

Conditions of the Acquisition and the Scheme (Page 32)

The implementation of the Scheme is conditional, amongst other things, upon:

the approval by a majority in number of Scheme Shareholders representing three-fourths (75 per cent.) or more in value of the Scheme Shares held by such holders present and voting (either in person or by proxy) at the Court Meeting (or at any adjournment of such meeting);

the passing by the requisite majority of such resolutions as are required to approve or implement the Scheme at the Extraordinary General Meeting and are set out in the notice of the EGM;

the sanction of the Scheme and confirmation of the reduction of capital involved therein by the High Court and the delivery of an office copy of the Court Order and the minute required by Section 75 of the Act to the Registrar of Companies and the registration of such Court Order and minute by the Registrar of Companies;

the expiration of the applicable waiting periods under the HSR Act and the equivalent laws of Germany and Austria;

the Irish Revenue Commissioners not having confirmed in writing that they do not recognise that certain intellectual property rights transferred to SkillSoft Ireland Limited on 9 February 2009 attract Irish capital allowances on the entire acquisition price under (A) Section 291 of the Taxes Consolidation Act 1997 as computer software or (B) Sections 291 and 755 of that Act as computer software and patent rights, respectively. The Irish Revenue Commissioners issued a letter on 17 February 2010 confirming that the acquisition of [such intellectual property rights] will be treated as constituting part of SkillSoft Ireland Limited's continuing trade and that, on the basis of the information provided and subject to Revenue's usual right to audit or carry out an enquiry and anything which may arise therefrom, the [intellectual property rights] acquired will qualify for capital allowances under Section 291 ; and

the Conditions, which are not otherwise identified above and which are set out in full in Part V (Conditions of the Acquisition and the Scheme) of this document, being satisfied or waived on or before the sanction of the Scheme by the High Court pursuant to Section 201 of the Act.

Further, for the Acquisition to proceed, the Scheme must become effective by not later than 16 July 2010 or such later date, if any, as SkillSoft and SSI Investments may, with, if required, the consent of the Panel, agree and, if required, the High Court may allow.

The Conditions of the Acquisition and the Scheme are set out in full in Part V (Conditions of the Acquisition and the Scheme) of this document.

Solicitation of Proposals from Other Parties (Page 49)

Except in limited circumstances, the directors of SkillSoft have agreed not to withdraw or adversely modify their recommendation to SkillSoft Shareholders regarding the Scheme.

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Notwithstanding the foregoing, during the period beginning on the date of the Transaction Agreement and continuing until 11.59 p.m. (United States Eastern Time) on 6 March 2010, SkillSoft and its Subsidiaries (and their respective Representatives, as defined in the Transaction Agreement) had the right to:

initiate, solicit and encourage, including by way of providing access to non-public information, any discussions with, or enquiries or proposals from, any person other than SSI Investments in respect of or in connection with a Third Party Transaction Proposal; and

enter into and maintain discussions or negotiations with respect to a Third Party Transaction Proposal or otherwise cooperate with or assist or participate in, or facilitate any such inquiries, proposals, discussions or negotiations.

SkillSoft agreed that it would give SSI Investments not less than four days' advance notice of any meeting of the SkillSoft Board or other forum or the occurring of any other means at which any withdrawal of the Scheme Recommendation would be considered.

Termination of the Transaction Agreement (Page 48)

Either SSI Investments or SkillSoft may terminate the Transaction Agreement at or prior to the Effective Time of the Scheme if any of the following occurs:

the resolutions are not passed at the EGM (other than resolution 4) and the Court Meeting;

the Conditions are not satisfied or waived by 11.59 p.m. (United States Eastern Time) on 16 July 2010 (or such later date as SkillSoft and SSI Investments may agree to in writing subject to the consent of the Panel and/or the High Court (if required));

the High Court declines or refuses to sanction the Scheme, unless both SkillSoft and SSI Investments agree that the decision of the High Court will be appealed;

the Board of SkillSoft (or any member thereof) withdraws, adversely modifies or qualifies its recommendation to SkillSoft Shareholders to vote in favour of the Scheme; or

SkillSoft wilfully takes or omits to take any action, such as failing to post this document, preventing SkillSoft Shareholders from voting at any meetings to approve the Scheme, unilaterally altering the terms and conditions of the Scheme, or failing to deliver the Court Order and minute of reduction of capital to the Registrar of Companies (in any such case without the consent of SSI Investments).

Either SSI Investments or SkillSoft may terminate the Transaction Agreement if, prior to the Scheme being withdrawn by SkillSoft or lapsing in accordance with its terms, a Competing Offer (as defined in the Expenses Reimbursement Agreement) is announced and subsequently made and that Competing Offer, or a Competing Offer in which that competing party is interested or participates, subsequently becomes effective or unconditional within the 18 months of such lapse or withdrawal.

Expenses Reimbursement Agreement (Page 43)

Under the Expenses Reimbursement Agreement, SkillSoft has agreed to pay specific quantifiable third party costs and expenses incurred by SSI Investments in connection with the Acquisition up to a maximum amount equal to 1 per cent. of the total value of the entire issued share capital of SkillSoft (excluding any interest in such share capital (including in the form of SkillSoft ADSs) held by Stockbridge) as ascribed by the terms of the Acquisition in the following circumstances:

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the Board of SkillSoft (or any member thereof) withdraws, adversely modifies or qualifies its recommendation to SkillSoft Shareholders to vote in favour of the Scheme;

SkillSoft wilfully takes or omits to take any action, such as failing to post the Scheme Document, preventing SkillSoft Shareholders from voting at any meetings to approve the Scheme, unilaterally

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altering the terms and conditions of the Scheme, or failing to deliver the Court Order and minute of reduction of capital to the Registrar of Companies (in any such case without the consent of SSI Investments); or

prior to the Scheme being withdrawn by SkillSoft or lapsing in accordance with its terms, a Competing Offer is announced and subsequently made and that Competing Offer or a Competing Offer in which that competing party is interested or participates subsequently becomes effective or unconditional within the 18 months of such lapse or withdrawal.

SkillSoft Executive Officers and Non-Executive Directors and the Effects of the Scheme on their Interests (Page 63)

In considering the recommendations of the Board of SkillSoft with respect to the approval of the Scheme, SkillSoft Securityholders should be aware that SkillSoft Non-Executive Directors and SkillSoft executive officers have interests in the Scheme that may be in addition to, or different from, the interests of SkillSoft Shareholders. These interests may create potential conflicts of interest but the Board of SkillSoft is satisfied they do not. The Board of SkillSoft was aware of these interests, which include those summarized below, and considered them, among other matters, in making its decision to recommend that SkillSoft Securityholders vote in favour of the Acquisition and the Scheme.

SkillSoft Options held by SkillSoft Non-Executive Directors and SkillSoft executive officers will be treated under the Scheme in the same manner as all other SkillSoft Options (including the vesting of all unvested SkillSoft Options in connection with the Scheme). SkillSoft Non-Executive Directors and executive officers holding SkillSoft Options will receive cash payments upon the consummation of the Scheme in an aggregate amount (before withholding for applicable taxes) of approximately US\$37,050,464 (based on their respective holdings of SkillSoft Options on the Latest Practicable Date).

Voting Undertakings (Page 42)

SSI Investments has received voting undertakings, in respect of approximately 0.020 per cent. of the entire issued share capital of SkillSoft (subject to certain exceptions), and any SkillSoft Shares that may be acquired upon the exercise of their SkillSoft Options, to vote, or to procure that voting instructions are given to vote, in favour of the Acquisition and the Scheme from:

(i) the members of the Board of SkillSoft who are SkillSoft Securityholders;

(ii) Gregory J. Porto (Vice President (Administration) of SkillSoft); and

(iii) Susan Moran (the spouse of SkillSoft's CEO and President, Charles E. Moran); in respect of the 18,768 SkillSoft Shares, in aggregate, they own or control. In addition, each of the SkillSoft directors, Gregory J. Porto and Susan Moran has also undertaken that, if SSI Investments requests that he or she do so, he or she will serve the necessary notices on the Depositary (within one Business Day of being requested to do so) so as to procure that the SkillSoft Shares underlying his or her SkillSoft ADSs are vested in his or her respective nominees. Mr. Porto has transferred legal (but not beneficial) title to one SkillSoft Share to each of nine separate nominees and Mr. Porto has been registered as the holder of one thousand SkillSoft Shares in the register of members of SkillSoft.

Stockbridge, an affiliate of Berkshire, owns or controls 170,625 SkillSoft Shares in total, representing approximately 0.180 per cent. of the entire issued share capital of SkillSoft. Stockbridge has irrevocably undertaken (subject to certain exceptions) to SSI Investments and SkillSoft, in respect of the SkillSoft Shares which it owns or controls, not to vote such SkillSoft Shares at the Court Meeting but to vote such SkillSoft Shares in favour of the resolutions to be considered at the Extraordinary General Meeting. Stockbridge Partners, an affiliate of Berkshire, manages investments for its clients and has limited discretionary voting power in

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respect of 110,319 SkillSoft Shares, representing approximately 0.117 per cent. of the entire issued share capital of SkillSoft. Stockbridge Partners has similarly undertaken (subject to certain exceptions) so to vote, subject to the prior rights of those clients to exercise voting power themselves.

SkillSoft Share Option Plans and SkillSoft Employee Share Purchase Plan (Page 49)

All unvested SkillSoft Options will become fully vested and exercisable in connection with the Scheme, in accordance with the provisions of the SkillSoft Share Option Plans. SkillSoft and SSI Investments will offer all SkillSoft Optionholders an opportunity to elect to exercise their SkillSoft Options immediately upon the making of the Court Order and conditional upon the Scheme becoming effective. The SkillSoft Shares issued upon such exercise will then be transferred to SSI Investments under the Scheme. In so doing, SkillSoft Optionholders may exercise their SkillSoft Options with a cashless exercise facility under which they may direct that the exercise price of their SkillSoft Options be paid to SkillSoft out of the proceeds of the sale to SSI Investments under the Scheme of the SkillSoft Shares issued to them upon exercise of their SkillSoft Options.

All SkillSoft Options that remain outstanding on the Effective Date will be cancelled with effect from the Effective Time in consideration for the payment to the relevant SkillSoft Optionholder of a cash payment per SkillSoft Share subject to a SkillSoft Option equal to the excess, if any, of the Consideration per SkillSoft Share over the exercise price per SkillSoft Share applicable to such SkillSoft Option (net of any applicable withholding taxes). Under the Transaction Agreement, SkillSoft has agreed, subject to certain conditions, to use all reasonable efforts to inform SkillSoft Optionholders who are resident in the United States of the advantages, subject to their individual circumstances, of electing to avail themselves of the cancellation of options.

SkillSoft Options outstanding on the Effective Date having an exercise price per SkillSoft Share that is equal to or greater than the Consideration per SkillSoft Share will terminate in accordance with the applicable provisions of the SkillSoft Share Option Plans, without payment of consideration.

The current offering period under the SkillSoft Employee Share Purchase Plan will end on or around 31 March 2010. No new offering periods will commence under the SkillSoft Employee Share Purchase Plan before the Effective Time. On the last day of the current offering period, each participant in the SkillSoft Employee Share Purchase Plan will be credited with the number of SkillSoft Shares purchased for his or her account under such plan in respect of the applicable offering period, in accordance with the terms of the SkillSoft Employee Share Purchase Plan, but provided that the aggregate number of SkillSoft Shares so purchased by all participants will not exceed 210,000. The SkillSoft Shares issued to participants under the SkillSoft Employee Share Purchase Plan will then be subject to the Scheme.

Effective Time of the Scheme (Page 58)

Assuming the necessary approvals from the Scheme Shareholders and SkillSoft Shareholders (as the case may be) have been obtained and all conditions have been satisfied or (where applicable) waived, the Scheme will become effective upon delivery to the Registrar of Companies of an office copy of the Court Order together with the minute required by Section 75 of the Act confirming the capital reduction and registration of the Court Order and minute by the Registrar of Companies. Upon the Scheme becoming effective, it will be binding on all SkillSoft Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the EGM. Assuming as above, it is expected that the Scheme will become effective during May 2010.

Irish Taxation (Page 175)

Irish Holders who, under the Scheme, dispose of their SkillSoft ADSs or SkillSoft Shares will be subject to Irish capital gains tax (in the case of individuals) or Irish corporation tax (in the case of companies) to the extent that the proceeds realised from such disposition exceed the base cost (indexation may apply to increase the base cost of acquisitions of shares made prior to 1 January 2003 of their SkillSoft ADSs or SkillSoft Shares) plus incidental expenses. The current rate of tax applicable to such chargeable gains is 25 per cent.

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Irish Holders who have unused capital losses from other sources in current, or any previous, tax year can generally apply such losses to reduce gains realised on the disposal of their SkillSoft ADSs or SkillSoft Shares.

No Irish Stamp Duty will be payable by a holder of SkillSoft ADSs or SkillSoft Shares in relation to the disposal of SkillSoft ADSs or SkillSoft Shares under the Scheme.

US SkillSoft ADS holders and US SkillSoft Shareholders will not be subject to Irish CGT on the disposal of SkillSoft ADSs or SkillSoft Shares provided at the time of disposal: (i) SkillSoft ADSs are quoted on NASDAQ or (ii) SkillSoft Shares do not derive the greater part of their value from land, buildings, minerals, or mineral or exploration rights in Ireland.

Holders of SkillSoft ADSs or SkillSoft Shares are advised to consult their own tax advisors with respect to the application of Irish taxation laws to their particular circumstances in relation to the Scheme.

US Federal Income Tax Consequences (Page 176)

A sale of SkillSoft ADSs or SkillSoft Shares (as the case may be) for cash pursuant to the Scheme will be treated as a taxable transaction for federal income tax purposes under the Internal Revenue Code, and may be taxable for US state and local purposes as well. Holders of SkillSoft ADSs or SkillSoft Shares (as the case may be) are advised to consult their own tax advisors with respect to the application of US federal, state, local and other laws to their particular circumstances in relation to the Scheme.

Regulatory Approvals (Page 180)

Under the provisions of the HSR Act and the equivalent laws of Germany and Austria, SkillSoft and SSI Investments must not complete the Acquisition until SkillSoft and SSI Investments have made certain filings with the Federal Trade Commission and the United States Department of Justice and with the respective trade commissions of Germany and Austria, and the applicable waiting period(s) have expired or been terminated.

SkillSoft and SSI Pooling, L.P. filed pre-merger notifications with the US antitrust authorities pursuant to the HSR Act on 25 February 2010. The US antitrust authorities terminated the mandatory waiting period under the HSR Act on 5 March 2010.

The parties have made similar filings with the equivalent German and Austrian authorities. The parties are working towards receiving clearances in Germany and Austria by or before the end of the applicable initial review periods. On 5 March 2010 SkillSoft and SSI Investments made a notice filing in Brazil. SkillSoft and SSI Investments do not believe that any other foreign antitrust approvals are required to consummate the Acquisition.

In addition, under the Act, the High Court must sanction the Scheme and confirm the reduction of SkillSoft's capital.

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Investments and the		
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Legal Advisors to SSI	United States <i>As to Irish law</i>	<i>As to US law</i>
Investments and the Investor	Mason Hayes+Curran	Ropes & Gray LLP
Group	South Bank House Barrow Street Dublin 4 Ireland	One International Place Boston, MA 02110 United States

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Event	Time and/or Date(1)
Date of this document	10 March 2010
Latest time for receipt by the Depositary of completed ADS	
Voting Instruction Cards for the Court Meeting and the EGM (2)	5.00 p.m. on 29 March 2010
Latest time for receipt of PINK Forms of Proxy for the Court Meeting (3)	9.00 a.m. on 4 April 2010
Latest time for receipt of BLUE Forms of Proxy for the EGM	9.15 a.m. on 4 April 2010
Voting Record Time (4)	9.00 a.m. on 4 April 2010
Court Meeting (5)	9.00 a.m. on 6 April 2010
Extraordinary General Meeting (6)	9.15 a.m. on 6 April 2010
Anticipated date for Court Hearing (of the petition to sanction the Scheme)	4 May 2010
Anticipated last day of dealings in SkillSoft ADSs on NASDAQ	13 May 2010
Anticipated Scheme Record Time	10.00 p.m. on 13 May 2010
Anticipated Effective Date	14 May 2010
Anticipated despatch of cheques/electronic transfers in respect of the Consideration (as appropriate)	No later than 28 May 2010
Notes:	

- (1) The dates and times are indicative only and will depend on, inter alia, the date upon which the Conditions are satisfied or (if capable of waiver) waived, and the dates upon which the High Court sanctions the Scheme and confirms the reduction of capital that forms part of the Scheme and the Court Order sanctioning the Scheme and confirming the reduction of capital is delivered to and registered by the Registrar of Companies. Unless otherwise noted, all time references are to Irish Standard Time.
- (2) United States Eastern Time.
- (3) If the PINK Form of Proxy for the Court Meeting is not returned by this time, a PINK Form of Proxy may be handed to the Chairman of the Court Meeting before the start of the Court Meeting and will still be valid.
- (4) If either the Court Meeting and/or the EGM are adjourned, the Voting Record Time will be 9.00 a.m. (Irish Standard Time) on the day which is two days before the date set for the relevant adjourned meeting.
- (5) On application to the High Court made by SkillSoft on 10 March 2010, the High Court directed that the Court Meeting be held on 6 April 2010 at 9.00 a.m. (Irish Standard Time).
- (6) To commence at 9.15 a.m. (Irish Standard Time), or, if later, immediately after the conclusion or adjournment of the Court Meeting.

* These dates are based on SkillSoft's current expectations and may be subject to change. If the anticipated date for the Court Hearing of the petition to sanction the Scheme is changed, SkillSoft will give adequate notice of the change by issuing an announcement through the Regulatory Information Service.

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ENCLOSURES AND CONTACT INFORMATION

Enclosures

SkillSoft ADS holders will receive the following enclosures with a copy of this document:

Depository's Notice of Court Meeting and Extraordinary General Meeting of SkillSoft, ADS Voting Instruction Card for the Court Meeting and the Extraordinary General Meeting

SkillSoft Shareholders will receive the following enclosures with a copy of this document:

PINK Form of Proxy for the Court Meeting

BLUE Form of Proxy for the Extraordinary General Meeting

Contact Information