

Investor FAQ

On September 19, 2023, Skillsoft announced that its Board of Directors approved a reverse stock split of the Company's common stock at a ratio of 1-for-20. The reverse stock split is expected to take effect at 5:00 p.m. Eastern Time on September 29, 2023, and the Company's common stock is expected to begin trading on a split-adjusted basis on October 2, 2023.

Additional information relating to the reverse stock split, including a disclaimer about any forward-looking statements, can be found in the Company's press release [here](#)

1. What is a reverse stock split? What happens to my shares?

- A reverse stock split exchanges a fixed number of existing shares for a smaller number of newer shares, resulting in the new shares having a higher price.
- At a ratio of 1-for-20, every 20 shares of Skillsoft's common stock will automatically convert into one share of common stock, and the stock price is expected to initially increase proportionately.
- No fractional shares will be issued in connection with the reverse stock split. Stockholders that would hold fractional shares as a result of the reverse stock split are entitled to receive a cash payment in lieu of such fractional shares. Skillsoft's transfer agent will aggregate all fractional shares and sell them as soon as practicable after the Effective Time at the then-prevailing prices on the open market. We expect that the transfer agent will conduct the sale in an orderly fashion at a reasonable pace and that it may take several days to sell all of the aggregated fractional shares of our common stock. After the transfer agent's completion of such sale, stockholders who would have been entitled to a fractional share will instead receive a cash payment from the transfer agent in an amount equal to their respective *pro rata* share of the total proceeds of that sale net of any brokerage costs incurred by the transfer agent to sell such stock.
- For example, if you held 200 shares before the reverse stock split, you would hold 10 shares after the reverse stock split becomes effective. If you held 202 shares before the reverse stock split, you would hold 10 shares after the reverse stock split becomes effective and receive a cash payment in lieu of the two pre-reverse stock split shares that will not convert into a fractional share.

2. Why did Skillsoft implement a reverse stock split?

- The Company is implementing the reverse stock split with the objective of increasing the per-share price of the Company's common stock and making it more attractive to a broader group of institutional investors.
- This includes improving the perception of the Company's common stock as an investment security, increasing the stability of the common stock price and enhancing trading liquidity through the entry of new buyers.
- For example:
 - The reverse stock split will allow us to maintain the listing of our common stock on the New York Stock Exchange;
 - Certain institutional investors have internal policies preventing the purchase of stocks below certain price thresholds;
 - Certain policies and practices of broker-dealers discourage individual brokers within those firms from dealing in stocks priced below certain thresholds; and
 - Brokers' commissions and transaction fees as a percentage of the stock price generally decline as stock prices increase, and this metric is also considered by some institutions.

3. When will the reverse stock split become effective? When the split-adjusted stock start trading?

- The reverse stock split will be effective at 5:00 p.m. Eastern Time on September 29, 2023.
- Skillsoft's common stock will begin trading on a split-adjusted basis at the market open on October 2, 2023.

4. How will the reverse stock split affect the value of my investment?

- Following the reverse stock split, a stockholder will have fewer but higher-priced shares, which should keep the total investment the same when the market opens on October 2, 2023, subject to the elimination of fractional shares.

- Absent other factors, upon effectiveness of the 1-for-20 reverse stock split, the market price of each share of Skillsoft common stock is initially expected to increase by a multiple of twenty.

5. Will the reverse stock split change my percentage ownership or voting power?

- No. The reverse stock split will affect all the Company's common stockholders uniformly.
- Accordingly, it will not affect any common stockholder's percentage ownership interest or proportionate voting power, except for de minimis changes resulting from the payment of cash in lieu of fractional shares of common stock.

6. How are fractional shares treated in the reverse stock split?

- No fractional shares will be issued as a result of the reverse stock split. Stockholders that would hold fractional shares as a result of the reverse stock split are entitled to receive a cash payment in lieu of such fractional shares in an amount based upon their *pro rata* share of the proceeds of the aggregate fractional shares sold by the Company's transfer agent on the New York Stock Exchange following the reverse stock split.
- The Company's transfer agent will aggregate all fractional shares and sell them as soon as practicable after the Effective Time at the then-prevailing prices on the open market, on behalf of those stockholders who would otherwise be entitled to receive a fractional share as a result of the Reverse Stock Split. We expect that the transfer agent will conduct the sale in an orderly fashion at a reasonable pace and that it may take several days to sell all of the aggregated fractional shares of our common stock.

7. Do I need to take any action? What do I do with my Skillsoft stock certifications? Will I receive a stock certificate for the new shares?

- You do not need to take any action to effect the exchange of your shares. Your broker will exchange the shares for you and the number of shares you own after the reverse stock split should be reflected in your account.

8. Will the exchange or ticker symbol change? Will there be a new CUSIP number?

- Skillsoft's common stock will continue trading on The New York Stock Exchange under the existing trading symbol "SKIL".
- On a split-adjusted basis, Skillsoft's common stock will trade with the new CUSIP number 83066P309.

9. What are the tax consequences of the reverse stock split?

- The reverse stock split is intended to be tax-free for U.S. federal income tax purposes. U.S. stockholders generally should not recognize a gain or loss from the reverse stock split, except in those instances where cash payments were provided in lieu of fractional shares, which may be taxable.
- As individual taxpayer's circumstances may vary, stockholders should consult their own tax advisors on the effect of allocating basis and holding period carryover for their post-reverse stock split shares.

10. Who should I contact if I have additional questions about my shares?

- If you have questions about the reverse stock split, shareowner records, stock transfers certificates or other stock-related inquiries, please contact:

Continental Stock Transfer & Trust Company
 1 State Street, 30th Floor | New York, NY 10004-1561
 T: (212) 509-4000
cstmail@continentalstock.com

- For any other questions, please contact Chad W. Lyne, SVP, Strategic Finance & Investor Relations Officer, at chad.lyne@skillsoft.com.