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Skillsoft Restructuring Plan Confirmed by Court

Expects to Emerge from Chapter 11 in the Coming Weeks with Significantly Reduced Debt and Enhanced Liquidity

Focused on Serving Customers with State-of-the-Art Learning Solutions, Best-in-Class Performance Support Resources and Live Events

BOSTON--(BUSINESS WIRE)-- Skillsoft Corporation ("Skillsoft" or the "Company"), a global leader in learning and talent management solutions, today announced that the U.S. Bankruptcy Court for the District of Delaware has confirmed the Company's Plan of Reorganization. The Company expects to successfully complete its financial restructuring process and emerge from Chapter 11 in the coming weeks with a right-sized capital structure, stronger balance sheet and significant additional liquidity.

Upon emergence, the Company will reduce its total debt by approximately \$1.5 billion, eliminating approximately \$100 million in annual interest payments, and have approximately \$50 million in liquidity and leverage of approximately 3.5x net debt-to-LTM EBITDA. This comprehensive de-leveraging includes reducing first and second lien debt to \$410 million from approximately \$2.0 billion, with total net debt aggregating approximately \$525 million. Skillsoft's financial restructuring and new financing will enable the Company to continue its focus on investing in new products, solutions and content to drive value for its customers and growth in the business.

"We look forward to emerging as a stronger organization with a right-sized capital structure and significant financial flexibility, making us well-positioned to continue providing best-in-class digital learning and talent management solutions to thousands of customers around the world," said John Frederick, Skillsoft's Chief Administrative Officer. "We reached this milestone on an accelerated basis thanks to overwhelming support from our lenders, who will become the new owners of Skillsoft upon emergence. The leadership team and I look forward to working closely with them as we continue expanding our suite of products, solutions and support resources and providing exceptional service to our customers. I also want to thank our dedicated employees, who have been unwavering in their focus and commitment to serving our customers without interruption during this process, all while operating seamlessly through the COVID-19 pandemic."

Mr. Frederick continued, "This is an exciting time for digital learning, and we see tremendous opportunity ahead to build on our foundation as an industry leader with an outstanding customer base and world-class learning solutions. We remain focused on supporting our customers and their learners as they adapt at an unprecedented pace to changing workplace and employment needs in response to the growing skills gap and in the face of a global pandemic. Skillsoft's unrivaled solutions support an extensive range of learning, growth and talent development needs to help companies build a future-fit, agile and resilient workforce."

We look forward to further enhancing our offerings to support the growing needs of our customers at a time when virtual learning is critical to success.”

Additional Resources

Additional information regarding the Company’s court-supervised process is available on Skillsoft’s restructuring website, www.AdvancingSkillsoft.com. Court filings and other information related to the proceedings are available on a separate website administrated by the Company’s claims agent, KCC, at www.kccllc.net/skillsoft, or by calling KCC toll-free at 877-709-4752, or 424-236-7232 for calls originating outside of the U.S.

Weil, Gotshal & Manges LLP is serving as legal counsel to Skillsoft, Houlihan Lokey Capital, Inc. is serving as investment banker, and AlixPartners LLP is serving as financial advisor.

About Skillsoft and SumTotal

Skillsoft delivers online learning, training, and talent management solutions to help organizations unleash their edge. Leveraging immersive, engaging content, Skillsoft enables organizations to unlock the potential in their best assets – their people – and build teams with the skills they need for success. Empowering 36 million learners and counting, Skillsoft democratizes learning through an intelligent learning experience and a customized, learner-centric approach to skills development with resources for Leadership Development, Business Skills, Technology & Development, Digital Transformation, and Compliance.

SumTotal provides a unified, comprehensive Learning and Talent Development suite that delivers measurable impact across the entire employee lifecycle. With SumTotal, organizations can build a culture of learning that is critical to growth, success, and business sustainability. SumTotal’s award-winning technology provides talent acquisition, onboarding, learning management, and talent management solutions across some of the most innovative, complex and highly regulated industries, including technology, airlines, financial services, healthcare, manufacturing, and pharmaceuticals.

Skillsoft and SumTotal are partners to thousands of leading global organizations, including many Fortune 500 companies. The company features three award-winning systems that support learning, performance and success: Skillsoft learning content, the Percipio intelligent learning experience platform, and the SumTotal suite for Talent Development, which offers measurable impact across the entire employee lifecycle. Learn more at www.skillsoft.com.

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