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Earnings Supplement

Q1 FY2026

June 9, 2025

Cautionary Notes Regarding Forward Looking Statements

This document includes statements that are, or may be deemed to be, “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. For all such statements, we claim the protection of the safe harbor for forward-looking statements provided by such sections and the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, are forward-looking statements. These forward-looking statements include, but are not limited to, statements that address activities, events or developments that we expect or anticipate may occur in the future, including such things as our outlook (including our Full Year Fiscal 2026 Financial Outlook), our product development and planning, our pipeline, future capital expenditures, future share repurchases, anticipated financial results, the impact of regulatory changes, our current and evolving business strategies, including with respect to acquisitions and dispositions, demand for our services, our competitive position, the benefits of new initiatives, growth of our business and operations, the effectiveness of our products, the outcomes of litigation proceedings and claims, the state and future of skilling in the workplace, our ability to successfully implement our plans, strategies, objectives, and our expectations and intentions. Forward-looking statements may, without limitation, be preceded by, followed by, or include words such as “may,” “will,” “would,” “anticipate,” “believe,” “estimate,” “expect,” “intend,” “plan,” “contemplate,” “continue,” “project,” “forecast,” “seek,” “outlook,” “target,” “goal,” “objective,” “potential,” “possible,” “probably,” or similar expressions, or employ such future or conditional verbs as “may,” “might,” “will,” “could,” “should,” or “would,” or may otherwise be indicated as forward-looking statements by grammatical construction, phrasing or context. Such statements are based upon the current beliefs and expectations of Skillsoft’s management and are subject to significant risks and uncertainties. Actual results may differ materially from those set forth in the forward-looking statements. All forward-looking disclosure is speculative by its nature, and we caution you against unduly relying on these forward-looking statements.

Factors that could cause or contribute to such differences include those described under “Part I - Item 1A. Risk Factors” and Part II, Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations in our Form 10-K for the fiscal year ended January 31, 2025 (“2025 Form 10-K”). These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements included in the 2025 Form 10-K, in this document and in our other periodic filings with the Securities and Exchange Commission. The forward-looking statements contained in this document represent our estimates only as of the date of this filing and should not be relied upon as representing our estimates as of any subsequent date. While we may elect to update these forward-looking statements in the future, we specifically disclaim any obligation to do so, whether to reflect actual results, changes in assumptions, changes in other factors affecting such forward-looking statements, or otherwise, except as required by law.

Although we believe that the assumptions underlying our forward-looking statements are reasonable, any of these assumptions, and therefore also the forward-looking statements based on these assumptions, could themselves prove to be inaccurate. Given the significant uncertainties inherent in the forward-looking statements included in this document, our inclusion of this information is not a representation or guarantee by us that our objectives and plans will be achieved. Annualized, pro forma, projected and estimated numbers are used for illustrative purposes only, are not forecasts and may not reflect actual results. Additionally, statements as to market share, industry data and our market position are based on the most current data available to us and our estimates regarding market position or other industry statistics included in this document or otherwise discussed by us involve risks and uncertainties and are subject to change based on various factors, including as set forth above.

Today's Call

- Opening Remarks
- Business Update
- Q1 FY2026 Financial Results
- FY2026 Outlook
- Q&A
- Closing Remarks

Ron Hovsepian

EXECUTIVE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

John Frederick

Chief Financial Officer

Stephen Poe

INVESTOR RELATIONS

Webcast Details

Webcast Link: https://event.choruscall.com/mediaframe/webcast.html?webcastid=8CjJ9fVh

Audio Dial-in: Toll-free (877) 413-9278 | International: (215) 268-9914

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"We are pleased to have delivered first quarter results in line with expectations despite a challenging economic environment, particularly a softening of discretionary spending which disproportionately impacts our Global Knowledge business segment. This performance reflects the strength of our strategy, which is designed to return the company to at or above market growth rates. The multi-quarter growth we are seeing in TDS, our largest business segment, reinforces our confidence in our ability to achieve top line growth this year."

Ron Hovsepian
Executive Chairman and
Chief Executive Officer

"We delivered continued improvement in profitability and free cash flow despite heightened macroeconomic volatility. Based on our current view of the market, we are reaffirming our fiscal 2026 outlook which calls for both revenue and Adjusted EBITDA growth. We are pleased by our strong free cash flow in the quarter which was largely driven by seasonal changes in working capital. Conversely, we anticipate the second quarter to be our lowest free cash flow quarter as working capital normalizes. We remain on track to meet our prior free cash flow expectations for the full year."

John Frederick
Chief Financial Officer

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Recent Business Highlights

- Our TDS segment has now achieved three consecutive quarters of revenue growth.
- GK has seen growth in the non-U.S. public sector and also has a strong pipeline.
- Skillsoft CAISY™, our award-winning AI-powered coach, is now available for learners in over 40 languages.
- Recognized as "Most Dedicated to Employee Growth" in this year's Digiday WorkLife Awards, highlighting Skillsoft's commitment to employee development and career growth, with a particular focus on helping its workforce build artificial intelligence (AI) literacy to better understand, evaluate, and use AI technologies.

[1] Refer to Appendix for definitions.

Executing Our Transformation Plan

FY25-FY26

FINANCIAL TARGET OUTCOMES

$45M[1]+ annualized expense reduction in FY25
Margin expansion in FY25 & FY26
Return to topline growth in FY26
FCF generation in FY26

KEY ACTIONS

Dual Business Unit structure
Restore GK to profitable growth
Improved operational execution
Resource allocation shift[1] – Invest to Grow to "Build a Leader"

FY27+

FINANCIAL TARGET OUTCOMES

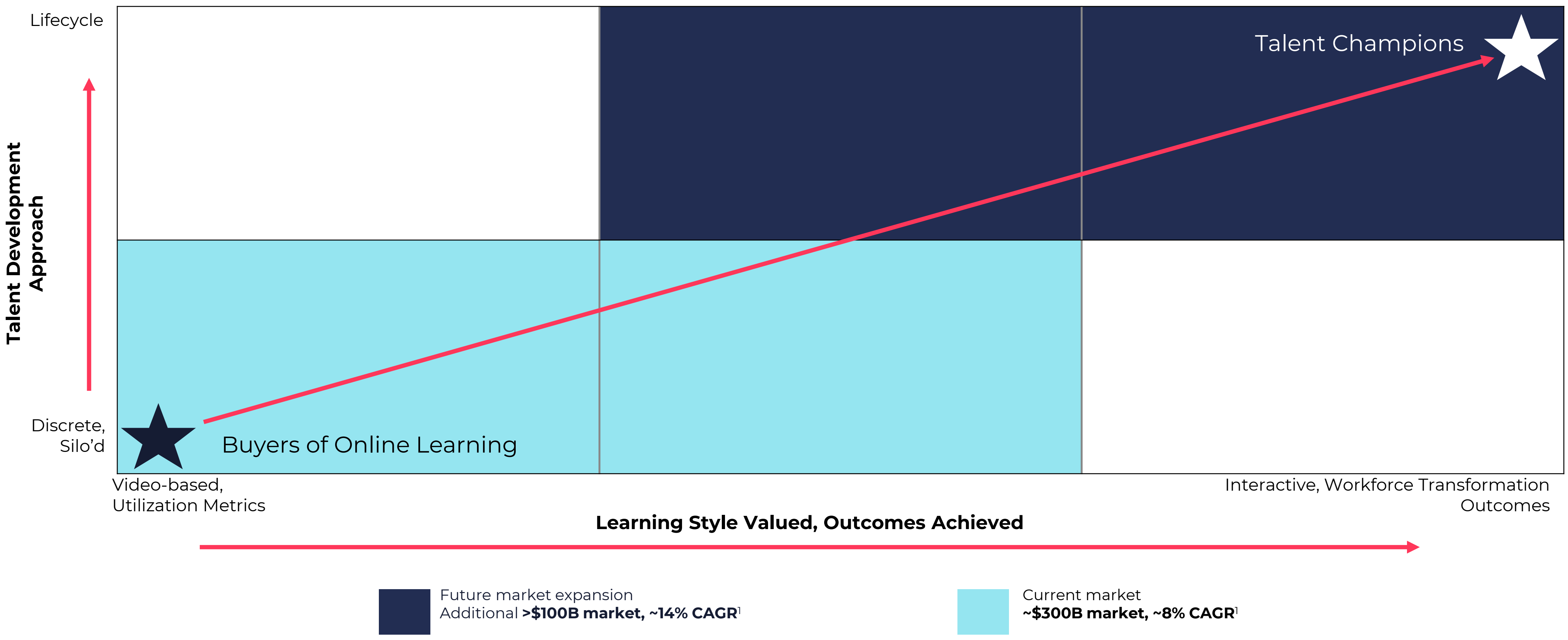
At or above-market growth
Industry-leading financial profile

KEY ACTIONS

AI-centric product innovation aligned to market
New routes to market optimized
Partner ecosystem scaled

[1] Expect overall reallocation of ~20% of total company non-GAAP expenses, inclusive of reinvestment of ~40-50% of FY25 annualized cost savings and redirecting of other non-GAAP Operating Expenses toward strategic growth priorities

Customers Are Shifting Towards A Talent Development Lifecycle Approach Creating A $400B Market Opportunity



Investment Thesis

Leveraging a unique and powerful asset portfolio

positioned to win in the talent development industry

Making immediate changes to “Fix The Basics”

and achieve profitable growth

Executing a compelling “Invest To Grow” strategy

to capitalize on a significant and growing market opportunity

OUR NORTH STAR:

Create shareholder value through an industry-leading financial profile with above-market growth, profitability, and FCF generation

Q1 FY2026 Financial Highlights

Continued TDS revenue growth and strong Adjusted EBITDA profitability

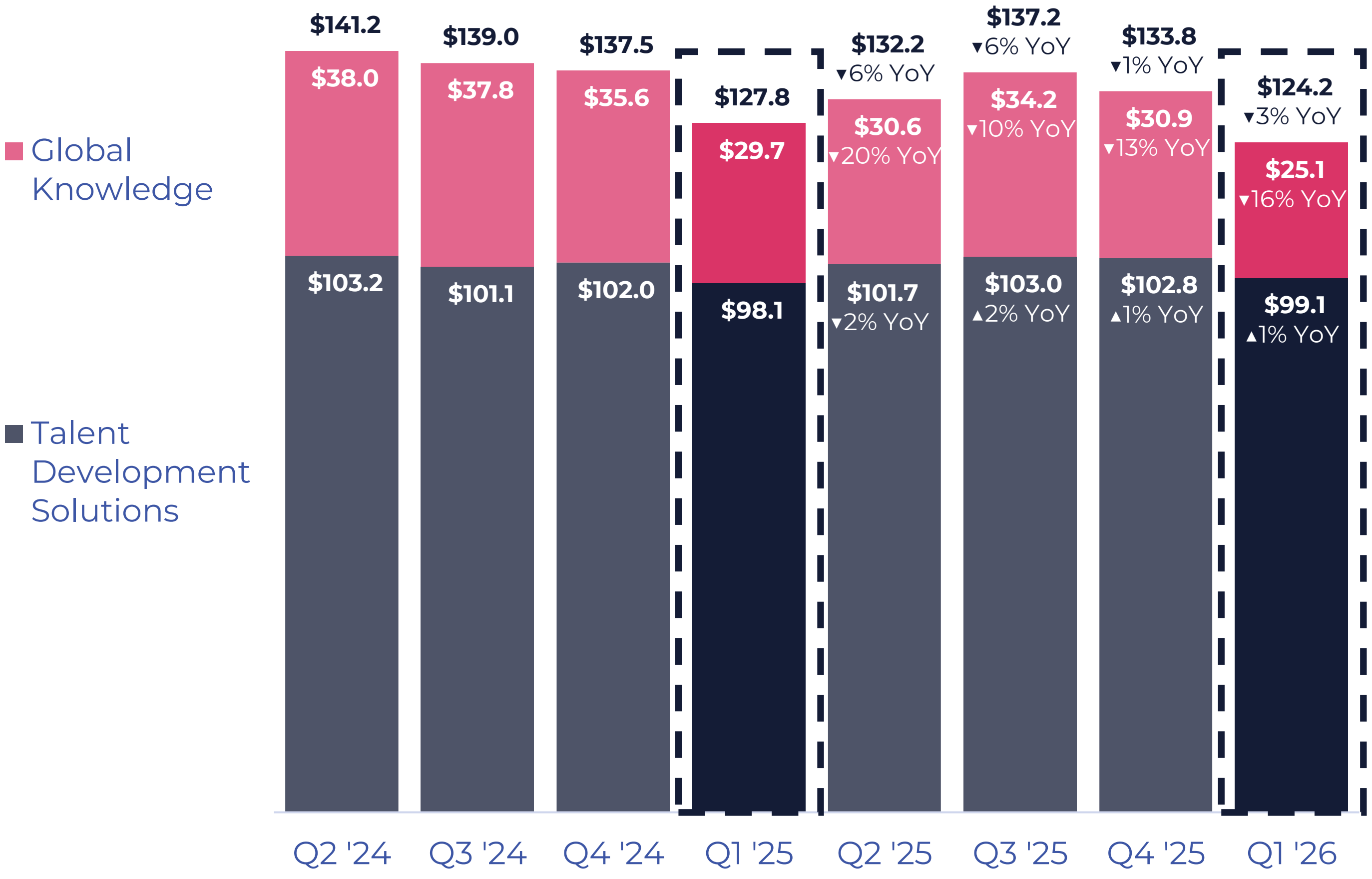
Q1 FY26 Talent Development Solutions Revenue	LTM Dollar Retention Rate[1]	Q1 FY26 Adjusted EBITDA[1] *% of Revenue*
$99.1M	**~99%**	**$22.1M** *18%*
▲ **1%** vs. Prior Year[1]	**~flat** vs. Prior Year[1]	▲ **~300bps** vs. Prior Year[1]

[1] Refer to Appendix for definitions and reconciliation to comparable GAAP measures, as appropriate.

Revenue

- Talent Development Solutions Revenue grew 1% in Q1 '26
- Global Knowledge Revenue declined 16% in Q1 '26
- Total Revenue declined 3% in Q1 '26
- Q1 typically smallest revenue quarter of the year
- 80% of Revenue from the Content & Platform segment; 20% from the Instructor-Led Training segment
- Geographic mix: 66% United States, 25% EMEA, 9% rest of world

Revenue performed in line with our expectations despite macroeconomic uncertainty; Solid Talent Development Solutions execution with three consecutive quarters of YoY growth



Note: totals may not match due to rounding.

Profitability and Cash Flow [1]

- Q1 '26 Adjusted EBITDA of $22.1M was up $3M, or 17%, YoY
- Q1 '26 Adjusted EBITDA margin of 18% was up 300 basis points YoY
- Q1 '26 Free Cash Flow of $26.2M was up $15.7M YoY, driven primarily by favorable timing of working capital that should reverse next quarter
  - Expect to consume cash in Q2' 26 due to normal seasonality and the unwind of Q1'26 favorability
  - Expect to generate positive free cash flow for fiscal year 2026
- Ended the quarter with $131M of cash, cash equivalents, and restricted cash
- Q1 '26 Non-GAAP Operating Expenses of $102.1M, favorably down 6% YoY

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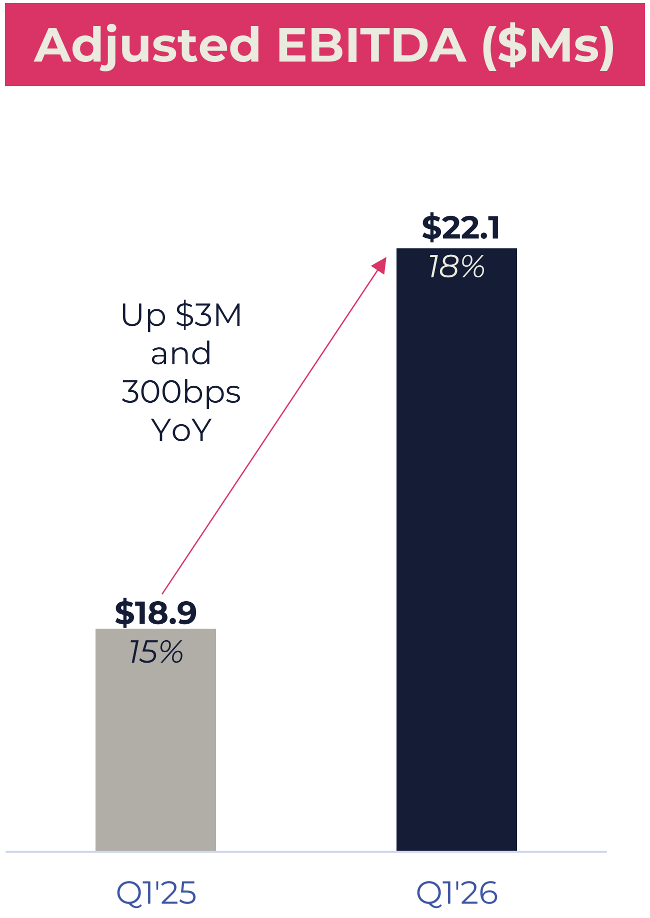
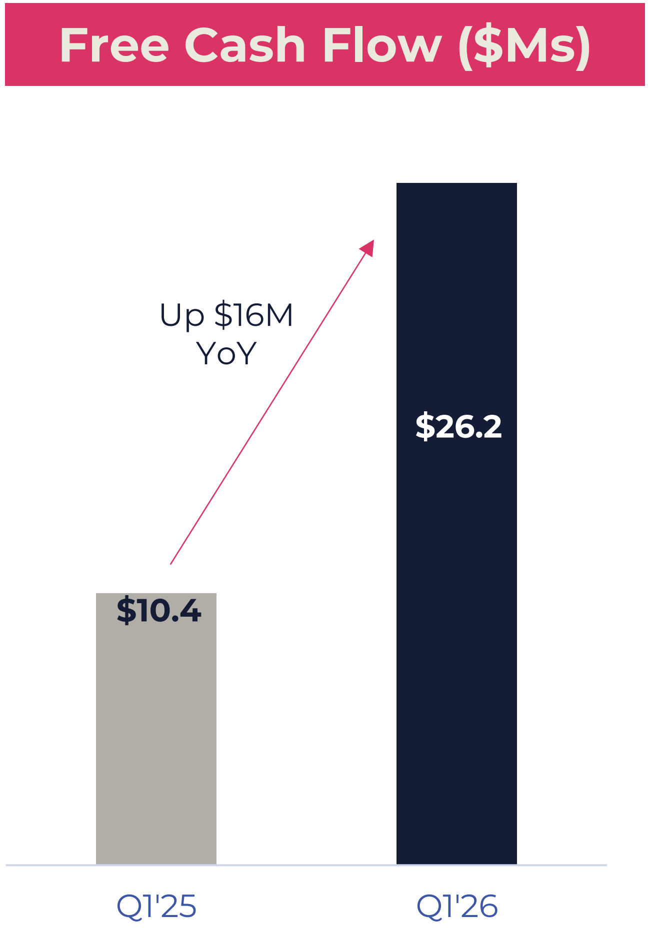
Transformation initiatives and disciplined expense management help drive continued YoY improvements in profitability, with free cash flow generation further aided by working capital timing





[1] Refer to Appendix for definitions and reconciliation to comparable GAAP measures, as appropriate.

Appendix

Reconciliation of Non-GAAP Financial Measures

We track the non-GAAP financial measures and key performance metrics that we believe are key financial measures of our success. Non-GAAP measures and key performance metrics are frequently used by securities analysts, investors, and other interested parties in their evaluation of companies comparable to us, many of which present non-GAAP measures and key performance metrics when reporting their results. These measures can be useful in evaluating our performance against our peer companies because we believe the measures provide users with valuable insight into key components of U.S. GAAP financial disclosures. For example, a company with higher U.S. GAAP net income may not be as appealing to investors if its net income is more heavily comprised of gains on asset sales. Likewise, excluding the effects of interest income and expense moderates the impact of a company's capital structure on its performance. In addition, management uses these non-GAAP financial measures and key performance metrics to assess operating performance, financial leverage and the effective use and allocation of resources; to provide more normalized period-to-period comparisons of operating results; to enhance investors' understanding of the core operating results of our business; and to set management incentive targets. We believe investors use both U.S. GAAP and non-GAAP financial measures, as well as key performance metrics to assess management's decisions associated with our priorities and capital allocation, as well as to analyze how our business operates in, or responds to, macroeconomic trends or other events that impact our core operations. We disclose the non-GAAP financial measures and key performance metrics included in this press release because we believe that they provide meaningful supplemental information. However, non-GAAP measures and key performance metrics have limitations as analytical tools. Because not all companies use identical calculations, our presentation of non-GAAP financial measures and key performance metrics may not be comparable to other similarly titled measures of other companies. They are not presentations made in accordance with U.S. GAAP, are not measures of financial condition or liquidity, and should not be considered as an alternative to profit or loss for the period determined in accordance with U.S. GAAP or operating cash flows determined in accordance with U.S. GAAP. As a result, these performance measures should not be considered in isolation from, or as a substitute analysis for, results of operations as determined in accordance with U.S. GAAP.

We have provided at the back of this presentation reconciliations of our historical non-GAAP financial measures to the comparable GAAP financial measures. We do not reconcile our forward-looking non-GAAP financial measures to the most directly comparable U.S. GAAP financial measures, due to variability and difficulty in making accurate forecasts and projections and/or certain information not being ascertainable or accessible; and because not all of the information necessary for a quantitative reconciliation of these forward-looking non-GAAP financial measures to the most directly comparable U.S. GAAP financial measures is available to us without unreasonable efforts. For the same reasons, we are unable to address the probable significance of the unavailable information. We provide non-GAAP financial measures that we believe will be achieved, however we cannot accurately predict all of the components of the adjusted calculations and the U.S. GAAP measures may be materially different than the non-GAAP measures.

<u>Key Performance Metric</u>

- Dollar retention rate ("DRR") - For existing customers at the beginning of a given period, DRR represents subscription renewals, upgrades, churn, and downgrades in such period divided by the beginning total renewable base for such customers for such period. Renewals reflect customers who renew their subscription, inclusive of auto-renewals for multi-year contracts, while churn reflects customers who choose to not renew their subscription. Upgrades include orders from customers that purchase additional licenses or content (e.g., a new Leadership and Business module), while downgrades reflect customers electing to decrease the number of licenses or reduce the size of their content package. Upgrades and downgrades also reflect changes in pricing. We use our DRR to measure the long-term value of customer contracts as well as our ability to retain and expand the revenue generated from our existing customers.

We disclose the following non-GAAP financial measures and key performance metrics in our press release and/or this presentation because we believe these non-GAAP financial measures and key performance metrics provide meaningful supplemental information.

- Adjusted net income (loss) - is defined as net income (loss) excluding non-cash items, discrete and event-specific costs that do not represent normal, recurring, cash operating expenses necessary for our business operations, and certain accounting income and/or expenses that management believes are necessary to enhance the comparability and are useful in assessing our operating performance, include the following (including the related tax effects):
  - Restructuring charges – Severance costs and the abandonment of right-of-use assets resulting from the acquisition integration process and cost saving initiatives.
  - Impairment charges - Non-cash goodwill, intangible or other asset impairment charges.
  - Impairment charges – Non-cash goodwill and intangible impairment charges.
  - Amortization of acquired intangible assets – Non-cash amortization expense of finite-lived intangible assets recognized as a part of business combination accounting.
  - Acquisition and integration related costs – Costs incurred to effectuate an acquisition, including contingent compensation expenses, and integration related costs.
  - Restructuring charges – Charges related to strategic cost saving initiatives, including severance costs, losses associated with the abandonment of right-of-use assets, and contract termination costs.
  - Transformation costs – Costs incurred to transform our operations through significant strategic non-ordinary course transactions.
  - System migration costs – Costs of temporary resources needed for the migration of content and customers from our legacy system to a global platform.
  - Long-term incentive compensation expenses – Charges associated with long-term incentive compensation programs, including stock-based compensation, cash awards tied to stock performance, and awards granted in-lieu of stock that are intended to be settled in cash.
  - Executive exit costs – Costs associated with the departure of executives.
  - Fair value adjustments – Mark-to-market adjustments of warrants and hedge instruments.
  - Other (income) expense, net – Unrealized and realized gains or losses primarily resulting from fluctuations of U.S. dollar appreciating or depreciating against other currencies, and impairments associated with property and equipment and other assets when their carrying values are not recoverable.

Reconciliation of Non-GAAP Financial Measures

- Adjusted EBITDA is defined as net income (loss) excluding (when applicable to the periods presented) the same exclusions set forth above for the determination of adjusted net income (loss) plus the additional exclusions set forth below. Management believes these exclusions enhance the comparability of our results from period to period, and as compared to peers, and are useful in assessing our operating performance. The additional exclusions are:
  - Amortization of intangible assets – Non-cash amortization expense for finite-lived intangible assets other than those recognized as a part of business combination accounting.
  - Depreciation expense – Non-cash depreciation expense for property and equipment assets.
  - Provision for (benefit from) income taxes – Current and deferred federal, state and foreign income taxes (benefit).
- Adjusted total operating expenses are defined as costs of revenues, content and software development expenses, selling and marketing expenses, and general and administrative expenses, in each case excluding (where applicable) depreciation expense, long-term incentive compensation expense, system migration costs and transformation costs, as applicable.
- Adjusted contribution margin is defined as revenue less adjusted total operating expenses, divided by revenue for the same period.
- Business unit contribution profit Segment ("business unit") contribution profit is defined as business unit revenue, less business unit cost of revenues, business unit content and software development expenses, and business unit product research and management expenses.
- Business unit contribution margin is defined as business unit contribution profit divided by business unit revenue for the same period.
- Business unit cost of revenues is defined as cost of revenues attributable to the business unit, excluding, where applicable, depreciation expense, long-term incentive compensation expense, system migration costs, and transformation expenses.
- Business unit content and software development expenses are defined as content and software development expenses attributable to the business unit, excluding, where applicable, depreciation, long-term incentive compensation, system migration costs, and transformation expenses.
- Business unit product research and management expenses - are defined as certain selling and marketing costs attributable to the business unit reflected in the business unit contribution profit.
- Free cash flow is defined as net cash provided by (used in) operating activities less net purchases of property and equipment and internally developed software. Note that free cash flow does not represent residual cash flow available to Skillsoft for discretionary expenditures.
- Adjusted free cash flow (levered) is defined as free cash flow plus the cash impact of the charges excluded in the determination of adjusted EBITDA. Note that adjusted free cash flow (levered) does not represent residual cash flow available to Skillsoft for discretionary expenditures.
- Free cash flow conversion is defined as free cash flow divided by adjusted EBITDA for the same period.
- Adjusted net leverage is defined as current maturities of long-term debt, plus borrowings under accounts receivable facility, plus long-term debt, less cash and equivalents and restricted cash, divided by adjusted EBITDA for the preceding twelve-month period.

Reconciliation of Non-GAAP Financial Measures

SKILLSOFT CORP.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
(in thousands, except percentages, number of shares and per share amounts, unaudited)

	Three Months Ended April 30, 2025	Three Months Ended April 30, 2024
Revenues		
Talent Development Solutions	$ 99,148	$ 98,075
Global Knowledge	25,053	29,718
Total revenues, as reported	$ 124,201	$ 127,793
Net income (loss), as reported	$ (38,049)	$ (27,636)
Amortization of acquired intangible assets (1)	28,792	29,868
Acquisition and integration related costs	523	1,497
Restructuring	1,346	967
Transformation costs	1,604	657
System migration costs	—	117
Long-term incentive compensation expenses	4,790	7,148
Fair value adjustment of interest rate swaps	4,256	(7,746)
Other (income) expense, net	2,446	(2,217)
Tax impact of adjustments	(3,229)	(3,042)
Adjusted net income (loss)	2,479	(387)
Interest expense, net	13,933	15,350
Expense (benefit from) income taxes, excluding tax impacts above	2,457	1,459
Depreciation	446	761
Amortization of capitalized internally developed software (1)	2,816	1,715
Adjusted EBITDA	$ 22,131	$ 18,898
Weighted average common shares outstanding:		
Basic and diluted	8,324,864	8,089,331
Basic and diluted per share information:		
Net income (loss) per share, as reported	$ (4.57)	$ (3.42)
Adjusted net income (loss) per share	$ 0.30	$ (0.05)
Net income (loss) margin %	(30.6)%	(21.6)%
Amortization of acquired intangible assets (1)	23.1%	23.3%
Acquisition and integration related costs	0.4%	1.2%
Restructuring	1.1%	0.8%
Transformation costs	1.3%	0.5%
System migration costs	0.0%	0.1%
Long-term incentive compensation expenses	3.9%	5.6%
Fair value adjustment of interest rate swaps	3.4%	(6.1)%
Other (income) expense, net	2.0%	(1.7)%
Tax impact of adjustments	(2.6)%	(2.4)%
Adjusted net income (loss) margin %	2.0%	(0.3)%
Interest expense, net	11.1%	12.1%
Expense (benefit from) income taxes, excluding tax impacts above	2.0%	1.1%
Depreciation	0.4%	0.6%
Amortization of capitalized internally developed software (1)	2.3%	1.3%
Adjusted EBITDA margin %	17.8%	14.8%

(1) All amortization (not only amortization pertaining to finite-lived intangible assets recognized as part of business combination accounting) is excluded in the determination of Adjusted EBITDA.

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Reconciliation of Non-GAAP Financial Measures

SKILLSOFT CORP.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES - continued
(in thousands, unaudited)

	Three Months Ended April 30, 2025	Three Months Ended April 30, 2024
Operating expenses:		
GAAP costs of revenues	$ 32,247	$ 34,471
Depreciation	(68)	(117)
Long-term incentive compensation expenses	(201)	(166)
Adjusted costs of revenues	31,978	34,188
GAAP content and software development	14,102	15,506
Depreciation	(82)	(74)
Long-term incentive compensation expenses	(1,178)	(1,290)
System migration	—	(117)
Adjusted content and software development	12,842	14,025
GAAP selling and marketing	39,609	42,292
Depreciation	(138)	(208)
Long-term incentive compensation expenses	(1,041)	(1,256)
Transformation	—	(177)
Adjusted selling and marketing	38,430	40,651
GAAP general and administrative	22,952	25,309
Depreciation	(158)	(362)
Long-term incentive compensation expenses	(2,370)	(4,436)
Transformation	(1,604)	(480)
Adjusted general and administrative	18,820	20,031
Total GAAP operating expenses	108,910	117,578
Depreciation	(446)	(761)
Long-term incentive compensation expenses	(4,790)	(7,148)
System migration	—	(117)
Transformation	(1,604)	(657)
Adjusted total operating expenses	$ 102,070	$ 108,895

SKILLSOFT CORP.
FREE CASH FLOW RECONCILIATION
(in thousands, unaudited)

	Three Months Ended April 30, 2025	Three Months Ended April 30, 2024
Free cash flow reconciliation		
Net cash provided by (used in) operating activities	$ 31,298	$ 14,937
Purchase of property and equipment, net	(515)	(153)
Internally developed software - capitalized costs	(4,619)	(4,364)
Free cash flow	**26,164**	**10,420**
Cash impact for adjusted EBITDA excluded charges	4,980	3,082
Adjusted free cash flow (levered)	**$ 31,144**	**$ 13,502**