

Date: 4th February 2020

التاريخ: 4 فبراير 2020

M/S . / Boursa Kuwait

المحترمين

السادة/ شركة بورصة الكويت

Greetings,

تحية طيبة وبعد،،

Subject: Financial results for Financial Year 2019 for Humansoft Holding Company for the period ending 31st December, 2019 and announcing the date of the analyst / investor conference

الموضوع: النتائج المالية للسنة المالية 2019 لشركة هيومن سوفت القابضة عن الفترة المنتهية في تاريخ 2019/12/31 والإعلان عن موعد مؤتمر المحللين/المستثمرين

We would like to inform you that Humansoft's Board of Directors approved in its meeting held on 4 February 2020 the financial statements for the financial year 2019. In this respect, kindly find attached Appendix 11 of Chapter 10 "disclosure of material information" form and the Interim Financial Statement Form of Kuwaiti companies.

يسرنا إفادتك بأن مجلس إدارة الشركة قد صادق في اجتماعه المنعقد بتاريخ 4 فبراير 2020 على البيانات المالية المجمعة للسنة المالية المنتهية بتاريخ 2019/12/31 ونرفق لكم بهذا الخصوص الملحق رقم (11) للإفصاح عن المعلومات الجوهرية من الكتاب العاشر - الإفصاح والشفافية ونموذج نتائج البيانات المالية السنوية للشركات الكويتية.

With reference to the requirements of Boursa rules issued under resolution No. (1) of 2018, and since Humansoft is classified under the Premier Market, we are pleased to announce the date of the Analyst/Investor Financial year 2019 Conference Call is scheduled to be held at 3:00 PM (local time) on Thursday 06/02/2020. Interested parties can communicate with Humansoft by email on investorrelations@human-soft.com, in order to provide them with the invitation and participation details for the aforementioned conference.

بالإشارة إلى متطلبات قواعد البورصة الصادرة بموجب القرار رقم (1) لسنة 2018، وحيث أن شركة هيومن سوفت القابضة تم تصنيفها ضمن مجموعة "السوق الأول". فإنه يسر شركتنا الإعلان عن موعد مؤتمر المحللين/المستثمرين (Conference Call) للسنة المنتهية 2019/12/31 والذي تقرر انعقاده عن تمام الساعة الثالثة (وفق التوقيت المحلي) عصراً من يوم الخميس الموافق 2020/02/06، ويمكن للأطراف المهتمة التواصل مع شركتنا بواسطة البريد الإلكتروني التالي: investorrelations@human-soft.com، وذلك ليتم تزويدهم بالدعوة وتفاصيل المشاركة بالمؤتمر المذكور.

Yours Sincerely,

وتفضلوا بقبول فائق الاحترام،،،


دلال حسن السبتي
رئيسة مجلس الإدارة

Dalal Hasan Al Sabti
Chairperson of the Board of Directors

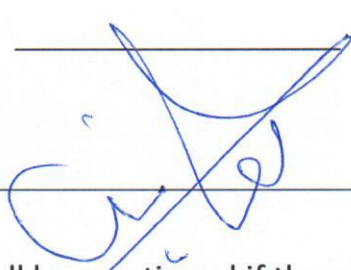
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Appendix 11

Disclosure of Material Information Form

Date	4 February 2020
Name of Listed Company	Humansoft Holding Company K.S.C.P
Material Information	<p>- Approval of the Board of Directors in its meeting on Tuesday, February 4, 2020, of the financial statements for the fiscal year ending 31 December 2019 and recommending the following distributions:</p> <p>- Distribution of cash dividends for the fiscal year ending 31 December 2019 at 200 fils per share.</p> <p>- Distribution of bonus shares for the fiscal year ending 31 December 2019 at 10% of the issued and paid-up capital (Equivalent to 10 shares per 100 shares) after obtaining the approval from relevant authorities.</p>
Significant Effect of the material information on the financial position of the company	

Significant Effect on the financial position shall be mentioned if the material information can measure that effect, excluding the financial effect resulting from tenders or similar contracts.

If a Listed Company, which is a member of a Group, disclosed some material information related to it and has Significant Effect on other listed companies' which are members of the same Group, the other companies' disclosure obligations are limited to disclosing the information and the financial effect occurring to that company itself.

Financial Results Form
Kuwaiti Company (KWD)

نموذج نتائج البيانات المالية
الشركات الكويتية (د.ك.)

Select from the list	2019-12-31	اختر من القائمة
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Company Name	اسم الشركة
HUMANSOFT HOLDING CO. KSCP.	هيومن سوفت القابضة ش.م.ك.ع
Board of Directors Meeting Date	تاريخ اجتماع مجلس الإدارة
2020-02-04	
Required Documents	المستندات الواجب إرفاقها بالنموذج
<input checked="" type="checkbox"/> Approved financial statements	<input checked="" type="checkbox"/> نسخة من البيانات المالية المعتمدة
<input checked="" type="checkbox"/> Approved auditor's report	<input checked="" type="checkbox"/> نسخة من تقرير مراقب الحسابات المعتمد

التغيير (%)	السنة المقارنة	السنة الحالية	البيان
Change (%)	Comparative Year	Current Year	Statement
	2018-12-31	2019-12-31	
14%	31,488,864	35,872,964	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
14%	259	295	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
21%	47,648,858	57,828,742	الموجودات المتداولة Current Assets
8%	109,913,994	118,343,234	إجمالي الموجودات Total Assets
-1%	22,340,219	22,200,370	المطلوبات المتداولة Current Liabilities
-12%	42,867,079	37,933,795	إجمالي المطلوبات Total Liabilities
20%	67,046,915	80,409,439	إجمالي حقوق الملكية الخاصة بمساهمي الشركة الأم Total Equity attributable to the owners of the Parent Company
6%	69,250,695	73,294,166	إجمالي الإيرادات التشغيلية Total Operating Revenue
14%	33,220,920	37,813,998	صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss)
N/A	لا توجد خسائر متراكمة No Accumulated Loss	لا توجد خسائر متراكمة No Accumulated Loss	الخسائر المتراكمة / رأس المال المدفوع Accumulated Loss / Paid-Up Share Capital

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التغيير (%) Change (%)	الربع الرابع المقارن Comparative Year	الربع الرابع الحالي Current Year	البيان Statement
	2018-12-31	2019-12-31	
6%	9,235,244	9,776,621	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
5%	76	80	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
3%	19,311,796	19,953,326	إجمالي الإيرادات التشغيلية Total Operating Revenue
6%	9,673,928	10,257,149	صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss)

• Not Applicable for first Quarter



• لا ينطبق على الربع الأول

Increase/Decrease in Net Profit (Loss) is due to	سبب ارتفاع/انخفاض صافي الربح (الخسارة)
The increase in profit during the year ended December 2019, in comparison with same period in previous year is arising due to increase of revenue resulting from business growth and improving cost efficiency	الزيادة في الأرباح خلال السنة المالية المنتهية في ديسمبر 2019 مقارنة مع نفس الفترة من العام الماضي تعود إلى الزيادة في حجم الإيراد الناتج عن نمو حجم الأعمال وتحسين كفاءة التكاليف.
Total Revenue realized from dealing with related parties (value, KWD)	بلغ إجمالي الإيرادات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)
NIL	لا يوجد
Total Expenditures incurred from dealing with related parties (value, KWD)	بلغ إجمالي المصروفات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)
KD 603,139	603,139 د.ك.

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Corporate Actions		استحقاقات الأسهم (الإجراءات المؤسسية)	
النسبة	القيمة		
200%	KD 24,330,870.4	توزيعات نقدية Cash Dividends	
10%	KD 1,222,368	توزيعات أسهم منحة Bonus Share	
Not Applicable	لا يوجد	توزيعات أخرى Other Dividend	
Not Applicable	غير مطابق	عدم توزيع أرباح No Dividends	
Not Applicable	غير مطابق	زيادة رأس المال Capital Increase	
Not Applicable	غير مطابق	تخفيض رأس المال Capital Decrease	

The Company's comments in case the auditor has concerns or a qualified opinion	تعقيب الشركة في حال قيام مراقب الحسابات بإبداء ملاحظات أو تحفظات
There are no comments raised by the auditor	لا يوجد أي ملاحظات أبدأها مراقب الحسابات

ختم الشركة Company Seal	التوقيع Signature	المسمى الوظيفي Title	الاسم Name
		رئيس مجلس الإدارة	دلال حسن السبتي

Attach a copy of the financial statements approved by the Board of Directors and the approved auditor's report

يجب ارفاق نسخة البيانات المالية المعتمدة من مجلس الإدارة وتقرير مراقب الحسابات المعتمد

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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HUMANSOFT HOLDING COMPANY K.S.C.P.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Humansoft Holding Company K.S.C.P. (the "Parent Company") and its subsidiaries (together referred to as "the Group"), which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2019, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)* and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each key audit matter below, our description of how our audit addressed the matter is provided in that context.

We have identified the following key audit matter:

Impairment of goodwill and other intangible assets

As disclosed in note 9 of the consolidated financial statements, the Group has goodwill and other intangible assets of KD 7,281,989 (2018: KD 7,335,593) which are allocated across cash generating units (CGUs). Goodwill and other intangible assets with indefinite useful lives are required to be tested for impairment annually. Impairment of goodwill and other intangible assets was considered to be a key audit matter due to its significance to the Group's consolidated statement of financial position, and due to the judgment involved in the assessment of the value-in-use method of the Group's CGUs performed by the Group management. The judgment relates to the future results of the CGU and the discount rates applied to discount future cash flows.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HUMANSOFT HOLDING COMPANY K.S.C.P. (Continued)

As part of our audit procedures, we evaluated the design and implementation of the Group management's control process over impairment assessment. We obtained the Group management's impairment calculations and tested the reasonableness of key assumptions including the cash flow projections, discount rates and terminal growth rates. We assessed growth rates and discount rates by comparison with third party information. Future cash flow assumptions were also assessed through comparison of current performance with management forecasts. Additionally, we analysed the sensitivities such as the impact on the recoverable value if the growth rate would be decreased, or the discount rate would be increased. We also assessed the adequacy of the Group's disclosures included in note 9 of the consolidated financial statements about those assumptions to which the outcome of the impairment test is more sensitive. The Group's policy on assessing impairment of these items is given in notes 2.12 and 2.13 of the consolidated financial statements.

Other information included in the Parent Company's 2019 Annual Report

Management is responsible for the other information. Other information consists of the information included in the Group's 2019 Annual Report, other than the consolidated financial statements and our auditors' report thereon. We obtained the report of the Parent Company's Board of Directors, prior to the date of our auditors' report, and we expect to obtain the remaining sections of the Annual Report after the date of our auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HUMANSOFT HOLDING COMPANY K.S.C.P. (Continued)

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate to Those Charged with Governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Those Charged with Governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with Those Charged with Governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HUMANSOFT HOLDING COMPANY K.S.C.P. (Continued)

Report on Other Legal and Regulatory Requirements

Furthermore, in our opinion, proper books of account have been kept by the Parent Company and the consolidated financial statements, together with the contents of the report of the Parent Company's Board of Directors relating to these consolidated financial statements, are in accordance therewith. We further report that we obtained all the information and explanations that we required for the purpose of our audit and that the consolidated financial statements incorporate all information that is required by the Companies Law No. 1 of 2016 and its executive regulations, as amended; and by the Parent Company's Memorandum of Incorporation and Articles of Association, as amended; that an inventory was duly carried out; and that, to the best of our knowledge and belief, no violations of the Companies Law No. 1 of 2016 and its executive regulations, as amended; or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, have occurred during the year ended 31 December 2019 that might have had a material effect on the business of the Parent Company or on its financial position.



Bader A. Al-Wazzan
License No. 62A
Deloitte & Touche
Al-Wazzan & Co.



Ali Abdulrahman Al-Hasawi
License No. 30-A
Rödl Middle East
Burgan-International Accountants

Kuwait
04 February 2020

Consolidated Statement of Financial Position as at 31 December 2019

	Notes	Kuwaiti Dinars	
		2019	2018
ASSETS			
Current assets			
Cash and bank balances	4	35,355,264	26,602,059
Trade and other receivables	5	22,425,454	20,994,756
Inventories		48,024	52,043
		<u>57,828,742</u>	<u>47,648,858</u>
Non-current assets			
Right-of-use assets	7	1,049,789	-
Property and equipment	8	51,556,641	54,222,104
Intangible assets	9	7,281,989	7,335,593
Investment in associates	10	626,073	707,439
		<u>60,514,492</u>	<u>62,265,136</u>
Total assets		<u>118,343,234</u>	<u>109,913,994</u>
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables		748,898	1,025,981
Accruals and other liabilities	11	6,494,450	6,402,888
Lease liabilities	12	156,676	-
Deferred income	13	6,443,789	6,244,841
Retentions payable		466,557	966,509
Current portion of long-term debts	14	7,890,000	7,700,000
		<u>22,200,370</u>	<u>22,340,219</u>
Non-current liabilities			
Lease liabilities	12	881,966	-
Long-term debts	14	10,879,265	17,208,526
Provision for staff indemnity		3,972,194	3,318,334
		<u>15,733,425</u>	<u>20,526,860</u>
Total liabilities		<u>37,933,795</u>	<u>42,867,079</u>
Equity			
Share capital	15	12,223,680	12,223,680
Share premium		1,512,000	1,512,000
Statutory reserve	16	9,894,240	6,112,840
Voluntary reserve	17	6,112,840	6,112,840
Treasury shares	18	(288,877)	(288,877)
Treasury shares reserve	18	564,013	564,013
Retained earnings		50,299,035	40,713,526
Foreign currency translation reserve		92,508	96,893
Total equity		<u>80,409,439</u>	<u>67,046,915</u>
Total liabilities and equity		<u>118,343,234</u>	<u>109,913,994</u>

Ms. Dalal Hasan Al-Sabti
Chairperson

The accompanying notes form an integral part of these consolidated financial statements.

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Consolidated Statement of Profit or Loss - year ended 31 December 2019

	Notes	Kuwaiti Dinars	
		2019	2018
Revenue		73,294,166	69,250,695
Cost of operations	19	(16,575,784)	(15,717,901)
Gross profit		56,718,382	53,532,794
General and administrative expenses	20	(15,032,484)	(15,732,869)
Selling expenses	21	(2,947,526)	(3,382,070)
Finance charges		(1,290,396)	(1,513,401)
Share of profit of associates	10	30,804	44,014
Other income		335,218	272,452
Profit before contribution to Kuwait Foundation for Advancement of Sciences ("KFAS"), National Labour Support Tax ("NLST"), Zakat and Directors' remuneration		37,813,998	33,220,920
Contribution to KFAS	22	(383,608)	(330,199)
NLST	23	(965,576)	(854,510)
Zakat	24	(391,850)	(347,347)
Directors' remuneration		(200,000)	(200,000)
Profit for the year		35,872,964	31,488,864
Basic and diluted earnings per share (fils)	25	295	259

The accompanying notes form an integral part of these consolidated financial statements.

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