

Date: 06<sup>th</sup> May 2021

التاريخ: 06 مايو 2021

M/S . / Boursa Kuwait Company

المحترمين

السادة/ شركة بورصة الكويت

Greetings,

تحية طيبة وبعد،،

**Subject: Analysts/Investors Conference Call for the first Quarter of 2021**

**الموضوع: انعقاد مؤتمر المحللين/المستثمرين للربع الأول لعام 2021**

Pursuant to the provisions of the Article (8-4-2) "Premier Market Continuous Obligations" of the Boursa Rules issued under resolution No. 1 of 2018, and since Humansoft Holding (KSCP) is classified under the Premier Market.

عملاً بأحكام المادة رقم (8-4-2) "الالتزامات المستمرة للسوق الأول" من قواعد البورصة الصادرة بموجب القرار رقم (1) لسنة 2018، وحيث أن شركة هيومن سوفت القابضة (ش.م.ك.ع.) مصنفة ضمن مجموعة "السوق الأول".

Kindly note that the Investor/Analyst Conference Call for the first quarter of the year 2021 was held at 1:00 PM (local time) on **Thursday 06 May 2021**. No significant material information has been discussed during the Conference Call. Humansoft will disclose the minutes of the Conference Call in line with regulations.

يرجى الإحاطة بأن مؤتمر المحللين/المستثمرين للربع الأول من العام 2021 قد انعقد يوم الخميس الموافق **06 مايو 2021** في تمام الساعة الواحدة ظهراً (وفق التوقيت المحلي)، ولم يتم تداول أي معلومة جوهرية خلاله وأن الشركة سوف تقوم بالإفصاح عن محضر المؤتمر خلال الموعد المحدد وفقاً للقواعد المعمدة.

مرفق طيه العرض التقديمي للمؤتمر سالف الذكر أعلاه.

Kindly find attached the above-mentioned conference presentation.

وتفضلوا بقبول فائق الاحترام،،،

Yours Sincerely,



دلال حسن السبتي

رئيس مجلس الإدارة

**Dalal Hasan Al Sabti**  
**Chairperson of the Board of Directors**

سجل تجاري رقم: 71382 رأس المال (د.ك.): 12,223,680 رأس المال المدفوع (د.ك.): 12,223,680  
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MHR



**Humansoft Holding Company KSCP**  
Investor Presentation  
Q1 2021 Results  
4 May 2021

**HUMAN****SOFT**  
**Empowering People Through Knowledge**

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# Key highlights

## Dividends

- The General Assembly approved cash dividends of 400 fils per share
- 25 April 2021: ex-dividend date
- 3 May 2021: payment date

## New CEO

- Dr. Georges Yahchouchi took over as CEO effective 4 April 2021, in addition to his role as President of AUM

## 5 Stars

- AUM achieved an overall exemplary rating of 5 stars in the QS Stars Rating System, which is considered one of the most influential and credible ratings for universities globally. AUM has joined an exclusive group of 58 universities in the world and only 7 in the region to be awarded an overall 5 stars rating

## Green credentials

- AUM has been ranked as the most green and sustainable university in Kuwait, 22nd in the Arab Region, and 302nd globally, in the 2020 UI GreenMetric World University Rankings

# At a glance



## Leading

private higher education company in the GCC

**20+**

years of operating experience

**13,763<sup>1</sup>**

enrolled students in AUM and ACM

## University of choice

for Engineering and Business

**KD 83.2 million**

in revenue<sup>2</sup>

**KD 59.2 million**

in EBITDA<sup>2</sup>

**29%**

2014-2020 net profit CAGR

**400 fils**

cash dividend per share for FY 2020

<sup>1</sup> enrolled beginning of the Fall 2020 semester

<sup>2</sup> LTM Q1 2021

## We are proud of our achievements

**Over 700**  
trees have been  
planted in the  
campus

**Over 60%**  
female  
students

**Over 60**  
different staff  
nationalities

**Over 100**  
community  
engagement  
initiatives since  
2014

**Over 90**  
academic  
competitions  
since 2014

**Over 20**  
sports  
achievements  
since 2018

# Board & Executive Management

## Board of Directors

Name	Position
Ms. Dalal Hasan Al Sabti	Chairperson
Mr. Tareq Fahad Al Othman	Vice Chairman
Mr. Mayank Hasmukhlal Baxi	Director
Mr. Hasan Qasim Al Ali	Director
Mr. Abdulrazaq Abdulla Mohammad Ahmed	Director

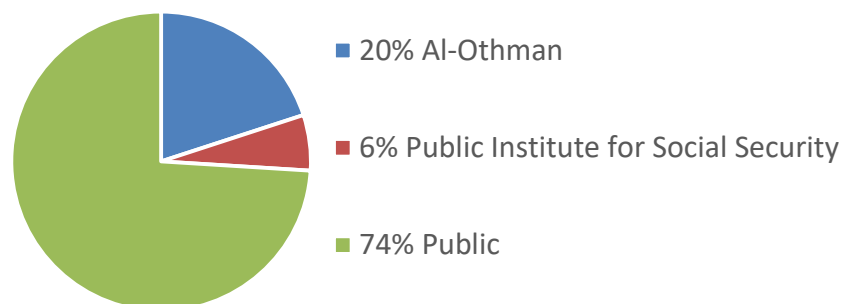
## Executive Management

Name	Position
Dr. Georges Yahchouchi	CEO, and President AUM
Mr. Rachad Challah	Deputy CEO
Mr. Anup Dhand	CFO
Dr. Mohaned Hassanin	President ACM



# Share price performance

## Shareholding (20 Apr 2021)



	KD
Closing price as at 31 Mar 2021	3.700
Market Cap (KD mn) <sup>1</sup>	450
Market Cap (USD bn)	1.5
6m avg. daily trading volume (% of shares outstanding)	0.21%
52-weeks high <sup>2</sup>	3.930
52-weeks low <sup>2</sup>	2.246

## Current trading multiples <sup>3</sup>

EV/EBITDA (LTM Q1 2021)	6.2x
P/E (LTM Q1 2021)	8.4x
Cash dividend yield (based on FY 2020 dividends)	10.8%

## 1-year share price performance



1) Based on 121,654,352 shares outstanding

2) Based on closing share price

3) Based on closing share price of KD 3.700 as at 31 Mar 2021 and LTM Q1 2021 financials

## 10th largest by market cap on Boursa Kuwait's Premier Market

Name	Description	Market Cap (KD million)	Rank	Boursa Kuwait segment
Kuwait Finance House	Banking	5,844	1	Premier
National Bank of Kuwait	Banking	5,805	2	Premier
Zain	Telecom	2,618	3	Premier
Ahli United Bank AUB (Bahrain)	Banking	2,056	4	Premier
Boubyan Bank	Banking	1,832	5	Premier
Agility Public Warehousing Co	Logistics	1,389	6	Premier
Mabanee	Real Estate	802	7	Premier
Gulf Bank	Banking	662	8	Premier
Burgan Bank	Banking	576	9	Premier
<b>Humansoft</b>	<b>Education</b>	<b>450</b>	<b>10</b>	<b>Premier</b>
Boubyan Petrochemicals	Diversified	427	11	Premier
Qurain Petrochemicals	Diversified	404	12	Premier
Warba Bank	Banking	373	13	Premier
KIPCO	Fin Services	319	14	Premier
Shamal Azzour Power & Water	Utilities	295	15	Premier
National Industries Group	Fin Services	267	16	Premier
Boursa Kuwait	Fin Services	227	17	Premier
Kuwait International Bank	Banking	204	18	Premier
Alafco	Aviation	194	19	Premier
Gulf Cable	Industrial	179	20	Premier
Mezzan Holding	Consumer	171	21	Premier
National Investments Company	Fin Services	133	22	Premier
Al Imtiaz Investment Group	Fin Services	117	23	Premier
Aqarat	Real Estate	117	24	Premier
Integrated Holding Company	Industrial	91	25	Premier

10th largest by market cap  
4th largest non-banking stock

Based on market cap as at 31 Mar 2021  
Source: Boursa Kuwait

# Research coverage

Broker	Target price	Date of report	Analyst
	5.000	8 January 2019	<ul style="list-style-type: none"> <li>• Alaa Tolba</li> <li>• Mirna Mohsen</li> </ul>
	4.850	25 November 2020	<ul style="list-style-type: none"> <li>• Hatem Alaa</li> <li>• Mirna Maher</li> </ul>
	4.800	9 November 2020	<ul style="list-style-type: none"> <li>• Ankur Agarwal</li> </ul>
	4.540	15 February 2021	<ul style="list-style-type: none"> <li>• Mehwish Zafar</li> <li>• Christine Kalindjian</li> </ul>
	4.530	24 September 2019	<ul style="list-style-type: none"> <li>• Aly Adel</li> <li>• Toka Elwazery</li> </ul>
	4.400	17 March 2021	<ul style="list-style-type: none"> <li>• Nishit Lakhotia</li> <li>• Reem Al Barri</li> </ul>
	4.050	21 March 2021	<ul style="list-style-type: none"> <li>• Thomas Mathew</li> </ul>
	3.950	27 January 2021	<ul style="list-style-type: none"> <li>• Nithin Pejaver</li> </ul>

# Revenue recognition

## FY 2019

### Q1

- 20% Fall 2018/2019
- 40% Spring 2019

### Q2

- 60% Spring 2019

### Q3

- 100% Summer 2019
- 20% Fall 2019/2020

### Q4

- 60% Fall 2019/2020

## FY 2020

### Q1

- 20% Fall 2019/2020
- 20% Spring 2020

### Q2

- 38% Spring 2020

### Q3

- 42% Spring 2020
- 100% Summer 2020

### Q4

- 50% Fall 2020/2021

## FY 2021

### Q1

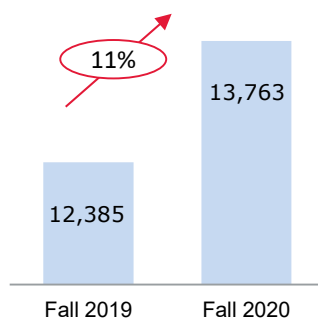
- 50% Fall 2020/2021
- 25% Spring 2021

# Q1 2021 financial performance

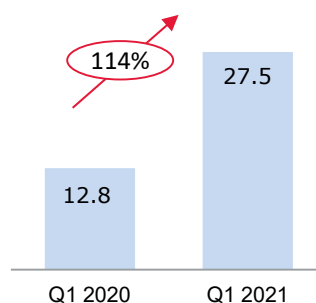
- Q1 2021 revenue was 114% higher as compared to Q1 2020 mainly due to higher student enrolment and changes to the academic calendar due to Covid-19
- Q1 2021 EBITDA of KD 21.0 million was 323% higher than Q1 2020
- Q1 2021 net profit of KD 19.3 million was 472% higher than Q1 2020
- Total equity at KD 137.2 million in Q1 2021 was 64% higher than Q1 2020

Key figures and ratios	Q1 2020	Q1 2021	Change
Number of students (Fall)	12,385	13,763	11%
Revenue (KD mn)	12.8	27.5	114%
EBITDA (KD mn)	5.0	21.0	323%
EBITDA margin (%)	38.7%	76.4%	38%
Net profit (KD mn)	3.4	19.3	472%
Net margin (%)	26.3%	70.2%	44%
EPS (in fils)	28	159	468%
Equity (KD mn)	83.9	137.2	64%
Total assets (KD mn)	137.9	183.5	33%

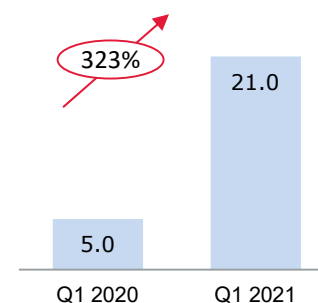
Number of students \*



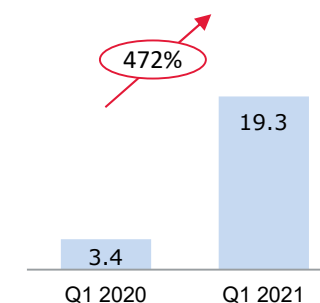
Revenue (KD mn)



EBITDA (KD mn)



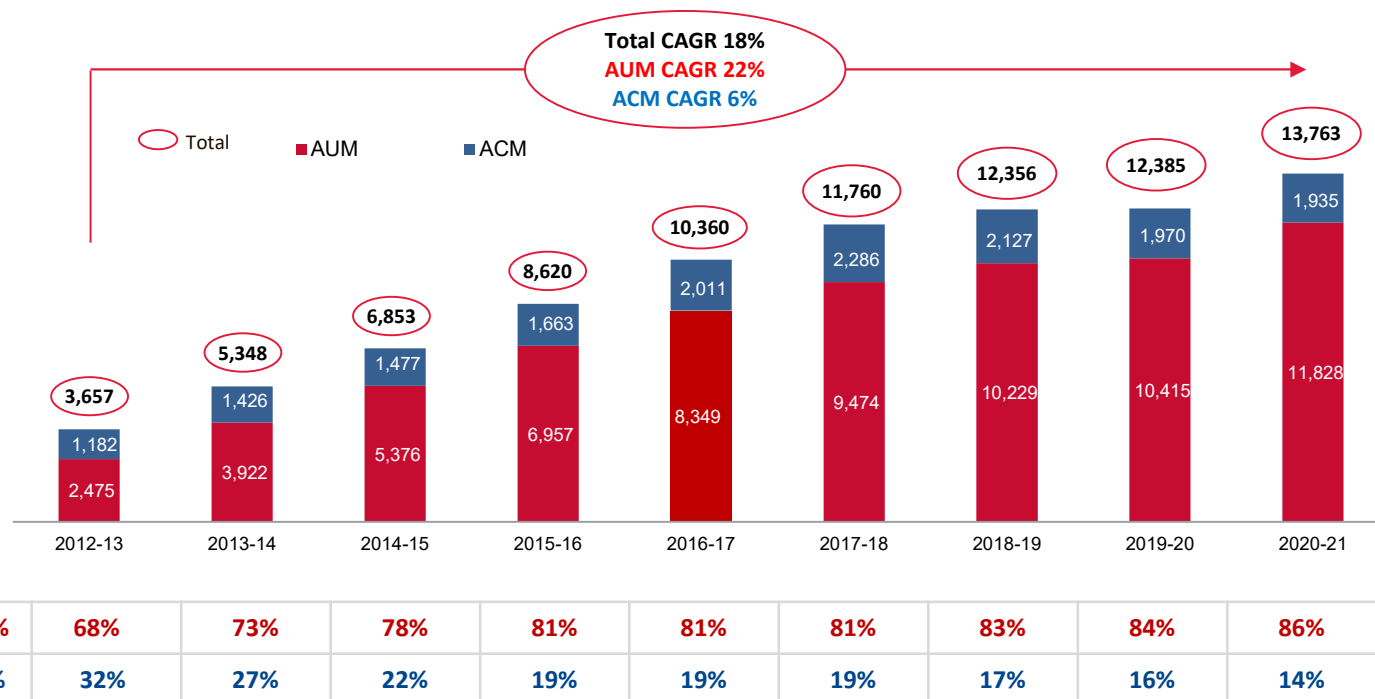
Net profit (KD mn)



\* enrolled beginning of the Fall semester

# Student enrollment

**Total students enrolled**  
(beginning of the Fall semester)



**Deferred income as of 31 Mar 2021**

- KD 26.6 million deferred income as of 31 March 2021, compared to KD 24.1 million as of 31 March 2020

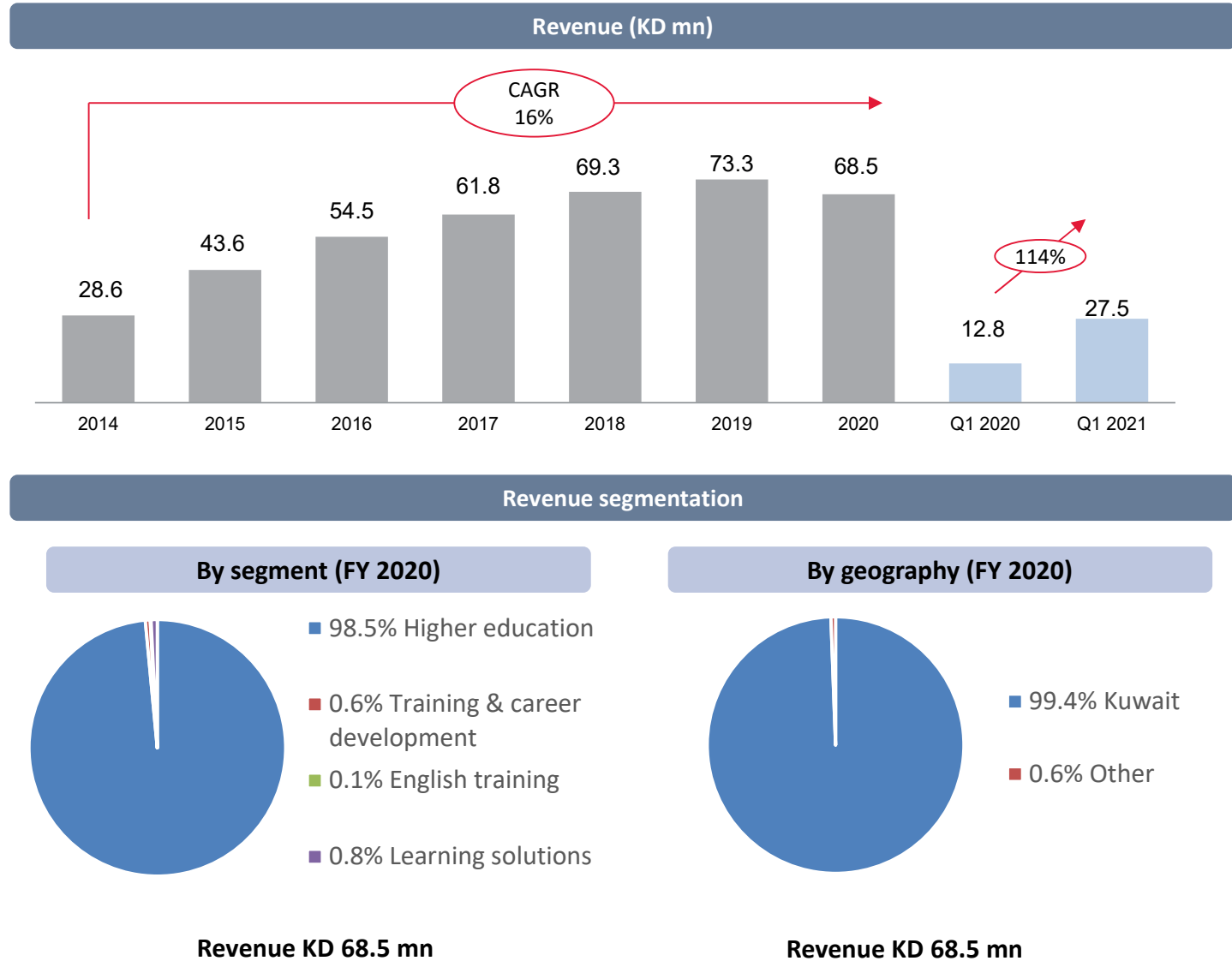


# Key financials

## Revenues more than doubled in Q1 2021

- Q1 2021 revenue was 114% higher as compared to Q1 2020 mainly due to higher student enrolment and changes to the academic calendar due to Covid-19

- The higher education segment accounted for 98.5% of Humansoft's revenues in FY 2020

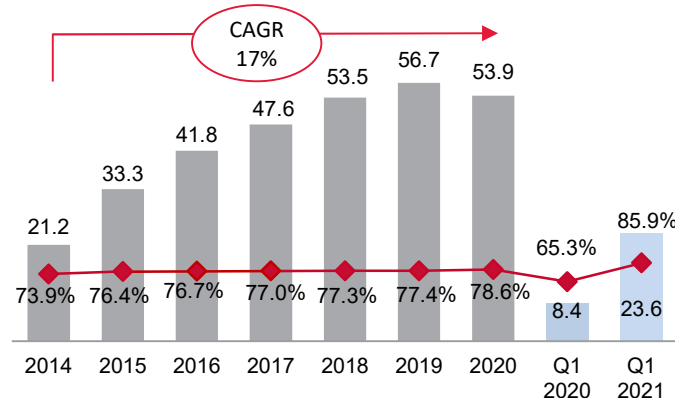


# Key financials

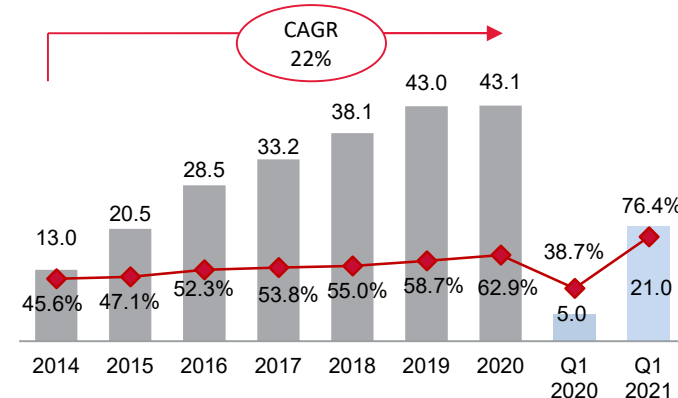
## Margins increased to new highs in Q1 2021

- Gross profit grew at a CAGR of 17% in the period 2014-2020. Gross profit margin increased to 86% in Q1 2021
- EBITDA grew at a CAGR of 22% in the period 2014-2020. EBITDA margin increased to 76% in Q1 2021
- Net profit grew at a CAGR of 29% in the period 2014-2020. Net margin increased to 70% in Q1 2021
- Humansoft's shareholders have approved payment of 400 fils as cash dividend (payout ratio of 130%) for FY 2020

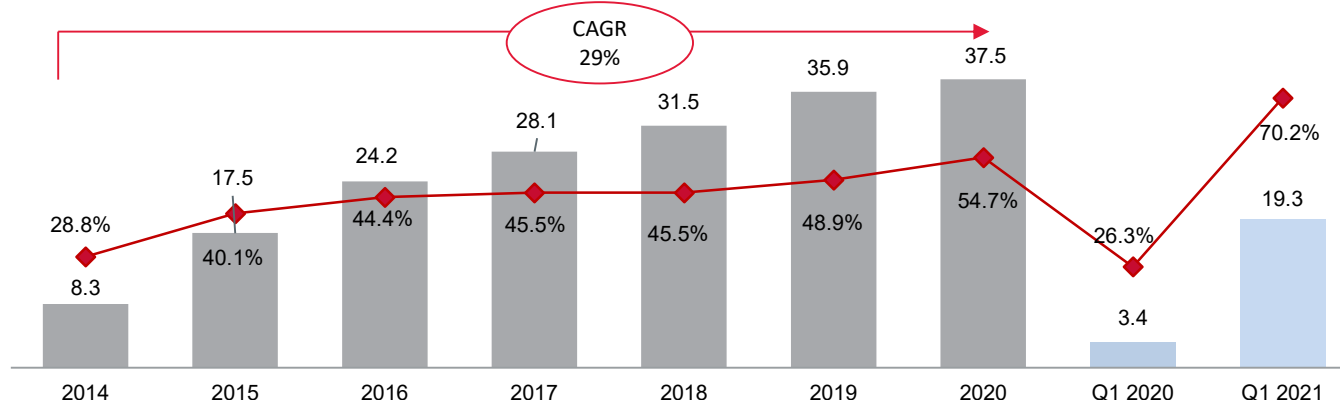
Gross profit (KD mn) and gross profit margin



EBITDA (KD mn) and EBITDA margin



Net profit (KD mn) and net profit margin



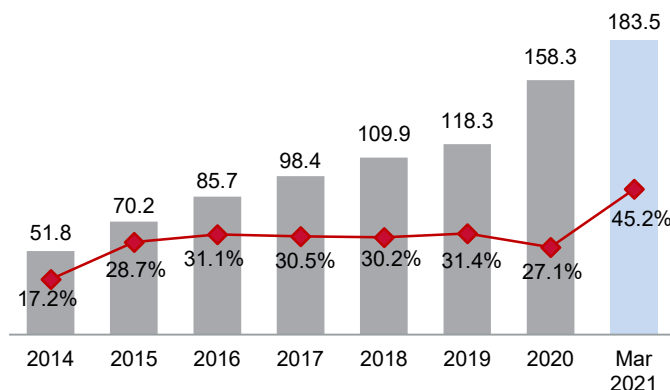
Earnings per share (in fils)	68	144	199	231	259	295	308
Cash dividend per share (in fils)	90	115	160	175	185	-	400
Cash Dividend Payout (%)	132%	80%	80%	76%	71%	-	130%

# Key financials

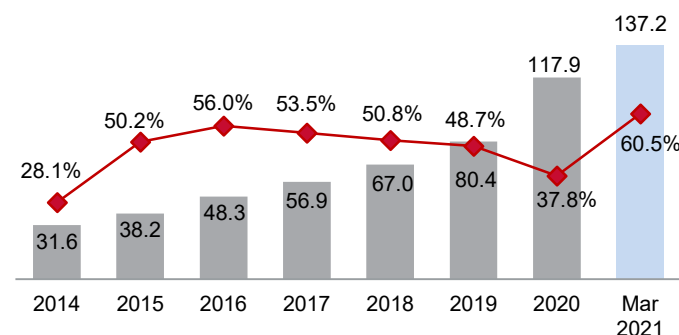
## Humansoft has a fortress balance sheet

- Humansoft has a net cash position of KD 83 mn as at 31 March 2021
- Humansoft's strong earnings have resulted in growth in shareholders equity to KD 137.2 mn as at 31 March 2021
- Humansoft's fortress balance sheet provides protection, resilience, and enables Humansoft to withstand stress events like Covid-19

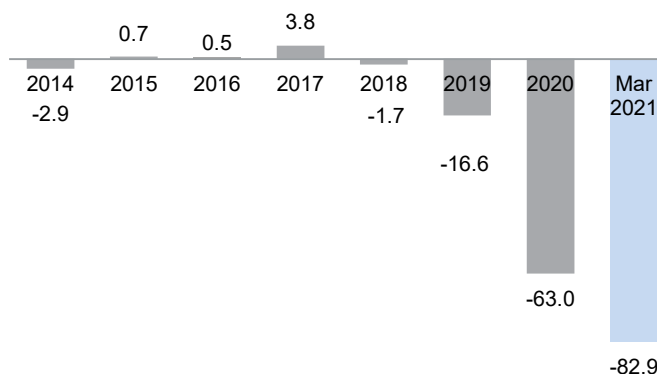
Total assets (KD mn) and ROAA



Total equity (KD mn) and ROAE

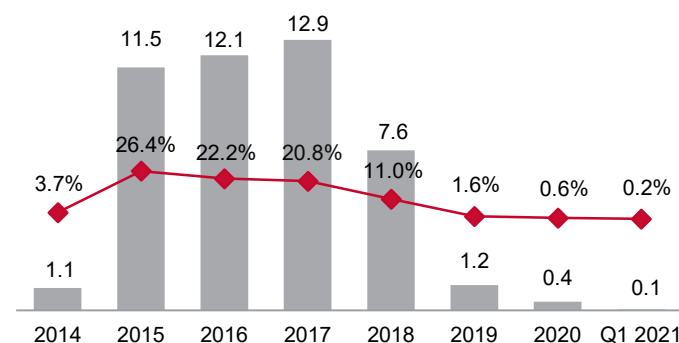


Net Debt <sup>1</sup> (KD mn)



<sup>1</sup> Debt less cash

Capex (KD mn) and capex as % of revenue



## **Strong equity story**

- **Solid track record**
- **Strategic pillars**
- **Long term focus**

## Solid track record



**Online learning, and state of the art campus**



**Highest number of students among private universities in Kuwait**



**Focus on Engineering & Business majors**



**Solid financial performance, fortress balance sheet**



**One of the largest free floats on Boursa Kuwait**

# Strategic pillars

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1

**Academic  
excellence**

2

**Operating  
efficiency**

3

**Shareholder  
value**



# Long term focus

## Academic excellence

- We are building new capabilities and developing new offerings to secure our long term prospects
- This includes widening the undergraduate offering by introducing new majors, offering new masters programs, securing accreditation for the remaining programs, and developing our academic research capabilities

## Operating efficiency

- We are always striving to improve our operating performance. Our EBITDA margins have consistently been strong, and we aim to maintain high efficiency levels

## Shareholder value

- We continue to focus on shareholder value. We have delivered high levels of ROAE and have grown dividend distribution
- We aim to deliver sustainable dividends going forward whilst maintaining financial flexibility