

Date: 04th August 2021

التاريخ: 04 أغسطس 2021

M/S . / Boursa Kuwait Company

المحترمين

السادة/ شركة بورصة الكويت

Greetings,

تحية طيبة وبعد،،

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

**الموضوع: انعقاد مؤتمر المحللين/المستثمرين للربع الثاني 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 second quarter of the year 2021 was held at 2:00 PM (local time) on **Wednesday 04 August 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 الثاني من العام 2021 قد انعقد يوم الأربعاء الموافق 04 أغسطس 2021 في تمام الساعة الثانية ظهراً (وفق التوقيت المحلي)، ولم يتم تداول أي معلومة جوهرية خلاله وأن الشركة سوف تقوم بالإفصاح عن محضر المؤتمر خلال الموعد المحدد وفقاً للقواعد المعتمدة.

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

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Humansoft Holding Company KSCP
Investor Presentation
Q2 2021 Results
2 August 2021

HUMAN**SOFT**
Empowering People Through Knowledge

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Key highlights

New student admissions

- Kuwait's Private Universities Council (PUC) announced the local scholarship numbers for Fall 2021 in July 2021. These announced numbers are not final. Until the start of the Fall Semester, there can be changes on account of additions and withdrawals. Further, these numbers do not include self-pay students, or the ACM graduates who wish to continue and join AUM's undergraduate programs
- Humansoft will provide an update on new student numbers in due course

Times Higher Education University Ranking



AUM has been ranked by Times Higher Education (THE) as the 1st university in Kuwait and 24th in the region in the THE Arab University Rankings 2021

QS World University Ranking



- AUM has been ranked as the top university in Kuwait and in the top 751-800 universities globally in the QS World University Rankings 2022
- This achievement puts AUM among the top 3% of universities in the world

Key highlights (cont'd)

Approved new majors

- Masters in engineering programs at AUM
- Petroleum Engineering Technology at ACM
- Chemical Engineering Technology at ACM
- Civil Engineering Technology at ACM

AACSB accreditation



The College of Business Administration at AUM has earned business accreditation by the Association to Advance Collegiate Schools of Business (AACSB), the longest-serving global accrediting body for business schools

Principles for Responsible Management Education



AUM is a member of PRME, a United Nations-supported initiative that comprises over 850 leading business and management schools across 95 countries around the world that are committed to building a more sustainable future by implementing the 6 principles and supporting the achievement of the 17 Sustainable Development Goals

At a glance



Leading

private higher
education company
in the GCC

20+

years of operating
experience

13,763¹

enrolled students in
AUM and ACM

University of choice

for Engineering and
Business

**KD 98.2
million**

in revenue²

**KD 73.3
million**

in EBITDA²

29%

2014-2020 net profit
CAGR

400 fils

cash dividend per share for
FY 2020

¹ enrolled beginning of the Fall 2020 semester

² LTM Q2 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

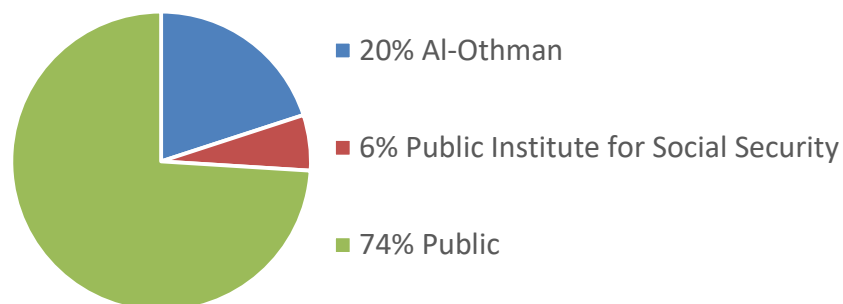
Name	Position
Ms. Dalal Hasan Al Sabti	Chairperson
Mr. Tareq Fahad Al Othman	Vice Chairman
Mr. Mayank Hasmukhlal Baxi	Director
Mr. Hasan Qasim Al Ali	Director
Mr. Abdulrazaq Abdulla Mohammad Ahmed	Director

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 (30 Jun 2021)

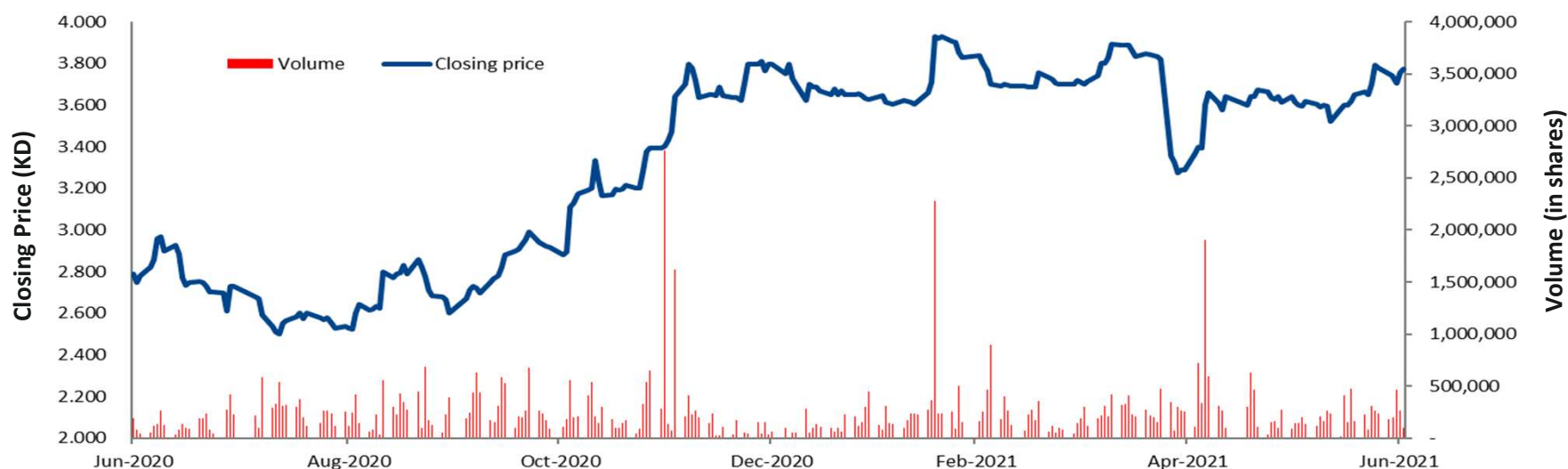


	KD
Closing price as at 30 Jun 2021	3.755
Market Cap (KD mn) ¹	457
Market Cap (USD bn)	1.5
6m avg. daily trading volume (% of shares outstanding)	0.21%
52-weeks high ²	3.930
52-weeks low ²	2.502

Current trading multiples ³

EV/EBITDA (LTM Q2 2021)	5.6x
P/E (LTM Q2 2021)	6.8x
Cash dividend yield (based on FY 2020 dividends)	10.7%

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 3.755 as at 30 Jun 2021 and LTM Q2 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	6,353	1	Premier
National Bank of Kuwait	Banking	6,107	2	Premier
Zain	Telecom	2,549	3	Premier
Ahli United Bank AUB (Bahrain)	Banking	2,432	4	Premier
Boubyan Bank	Banking	2,327	5	Premier
Agility Public Warehousing Co	Logistics	1,932	6	Premier
Mabanee	Real Estate	840	7	Premier
Gulf Bank	Banking	762	8	Premier
Burgan Bank	Banking	622	9	Premier
Humansoft	Education	457	10	Premier
Boubyan Petrochemicals	Diversified	434	11	Premier
Qurain Petrochemicals	Diversified	399	12	Premier
Warba Bank	Banking	397	13	Premier
National Industries Group	Fin Services	334	14	Premier
KIPCO	Fin Services	315	15	Premier
Boursa Kuwait	Fin Services	255	16	Premier
Shamal Azzour Power & Water	Utilities	251	17	Premier
Kuwait International Bank	Banking	228	18	Premier
Alafco	Aviation	212	19	Premier
Mezzan Holding	Consumer	196	20	Premier
Gulf Cable	Industrial	157	21	Premier
National Investments Company	Fin Services	135	22	Premier
Al Imtiaz Investment Group	Fin Services	130	23	Premier
Aqarat	Real Estate	117	24	Premier
Integrated Holding Company	Industrial	95	25	Premier

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

Based on market cap as at 30 Jun 2021
Source: Boursa Kuwait

Research coverage

Broker	Target price	Date of report	Analyst
 BELTONE FINANCIAL	5.130	10 May 2021	<ul style="list-style-type: none"> • Aly Adel • Toka Elwazery
 HSBC	5.000	19 May 2021	<ul style="list-style-type: none"> • Ankur Agarwal
 EFG HERMES	4.850	25 November 2020	<ul style="list-style-type: none"> • Hatem Alaa • Mirna Maher
 arqaam CAPITAL	4.200	12 July 2021	<ul style="list-style-type: none"> • Christine Kalindjian
 SICO سيكو	4.200	13 July 2021	<ul style="list-style-type: none"> • Nishit Lakhota • Reem Al Barri
 KAMCO INVEST	4.050	21 March 2021	<ul style="list-style-type: none"> • Thomas Mathew
 citi	3.600	13 July 2021	<ul style="list-style-type: none"> • Nithin Pejaver

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

Q2

- 75% Spring 2021

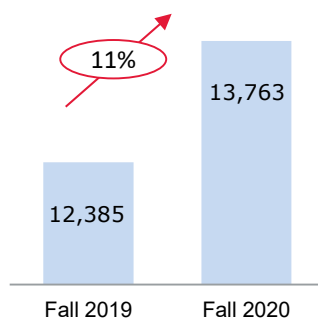
Q2 2021 financial performance

- H1 2021 revenue was 121% higher compared to H1 2020 mainly due to higher student enrolment and changes to the academic calendar due to Covid-19
- H1 2021 EBITDA of KD 40.4 million was 296% higher than H1 2020
- H1 2021 net profit of KD 36.9 million was 389% higher than H1 2020
- Total equity at KD 106.1 million in H1 2021 was 21% higher than H1 2020

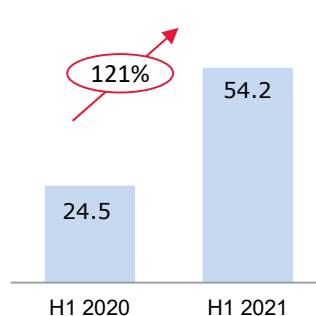
Key figures and ratios	Q2 2020	Q2 2021	Change
Number of students (Fall)	12,385	13,763	11%
Revenue (KD mn)	11.7	26.7	129%
EBITDA (KD mn)	5.2	19.4	270%
EBITDA margin (%)	45%	73%	28%
Net profit (KD mn)	4.2	17.6	321%
Net margin (%)	36%	66%	30%
EPS (in fils)	34	144	324%
Equity (KD mn)	88.0	106.1	21%
Total assets (KD mn)	132.0	127.3	-4%

H1 2020	H1 2021	Change
12,385	13,763	11%
24.5	54.2	121%
10.2	40.4	296%
42%	75%	33%
7.5	36.9	389%
31%	68%	37%
62	303	389%
88.0	106.1	21%
132.0	127.3	-4%

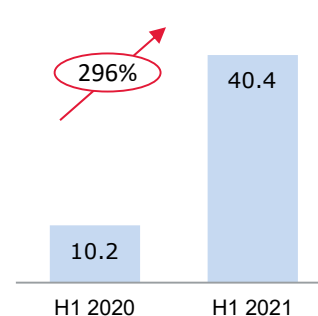
Number of students *



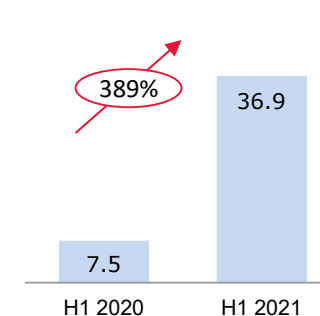
Revenue (KD mn)



EBITDA (KD mn)



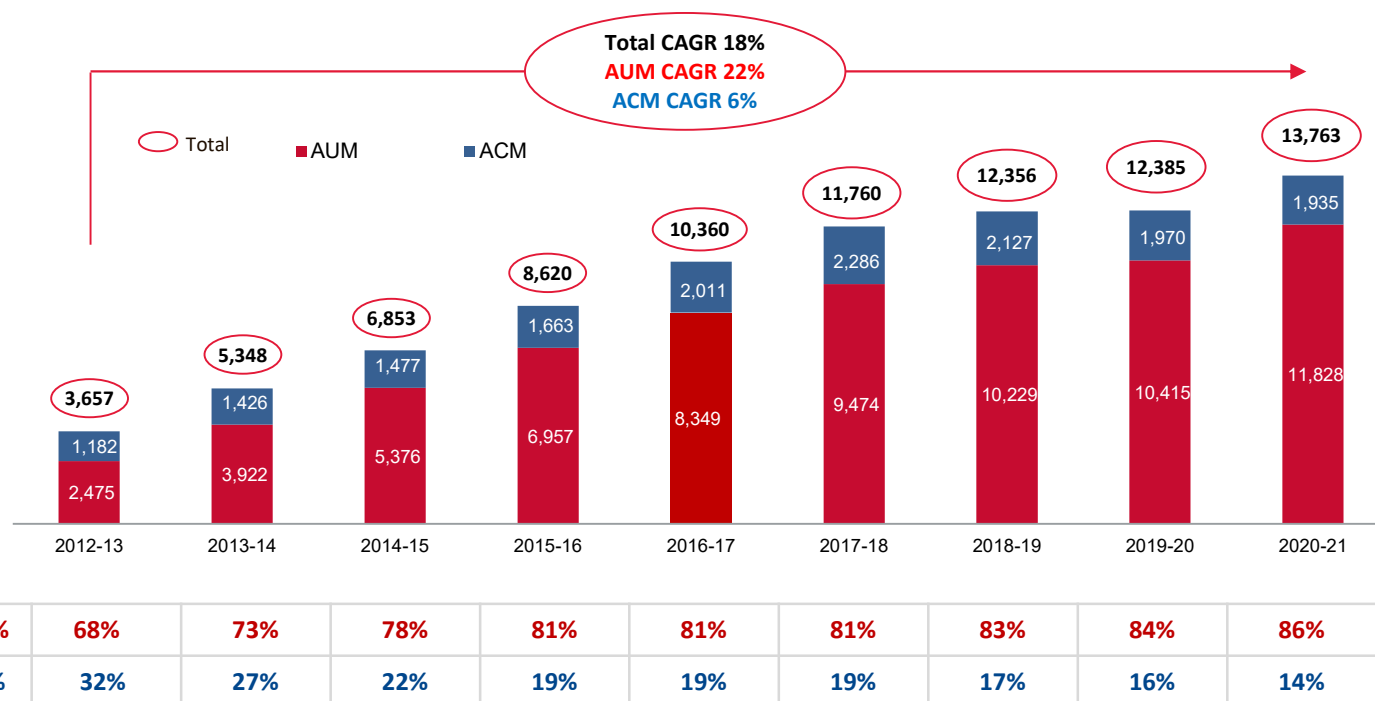
Net profit (KD mn)



* enrolled beginning of the Fall semester

Student enrollment

Total students enrolled
(beginning of the Fall semester)



Deferred income as of 30 June 2021

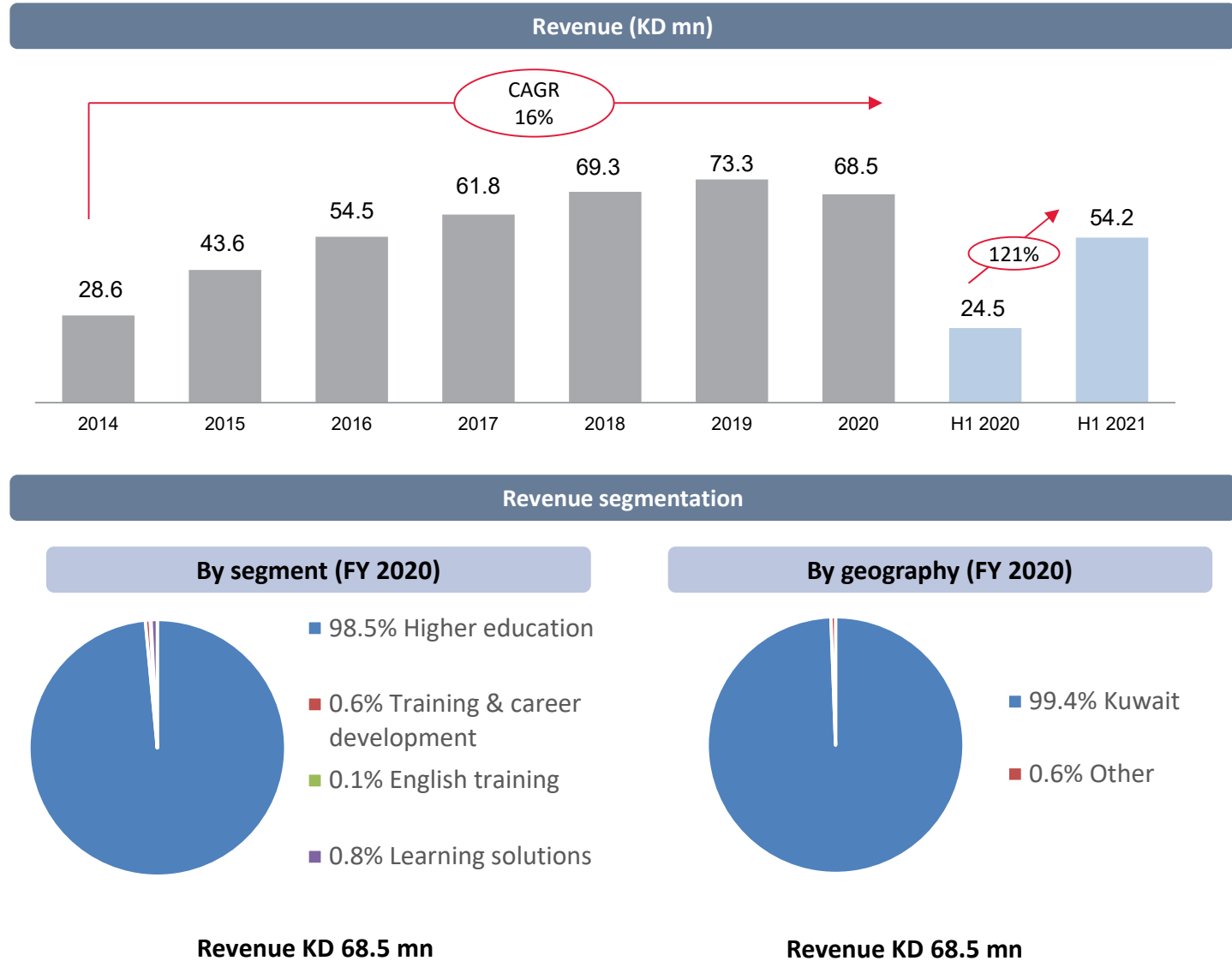
- No deferred income from higher education

Key financials

Revenues more than doubled in H1 2021

- H1 2021 revenue was 121% higher compared to H1 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 H1 2021

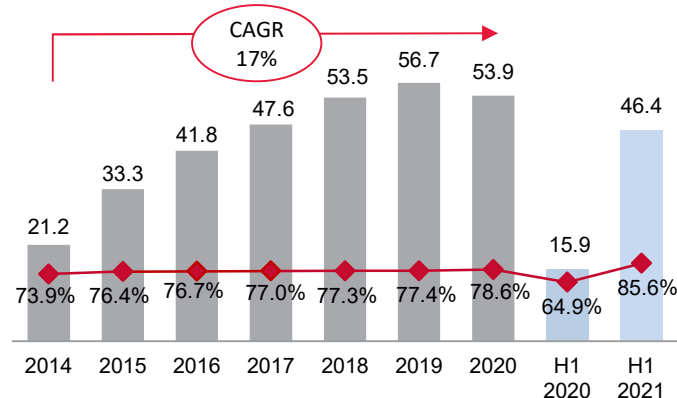
- Gross profit grew at a CAGR of 17% in the period 2014-2020. Gross profit margin increased to 86% in H1 2021

- EBITDA grew at a CAGR of 22% in the period 2014-2020. EBITDA margin increased to 75% in H1 2021

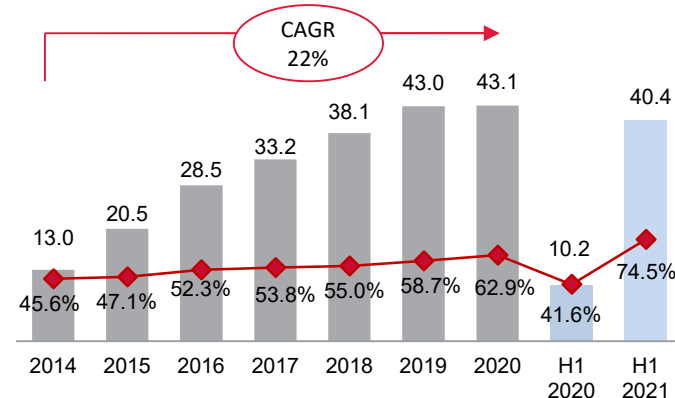
- Net profit grew at a CAGR of 29% in the period 2014-2020. Net margin increased to 68% in H1 2021

- Cash dividend of 400 fils per share was paid for FY 2020 (payout ratio of 130%)

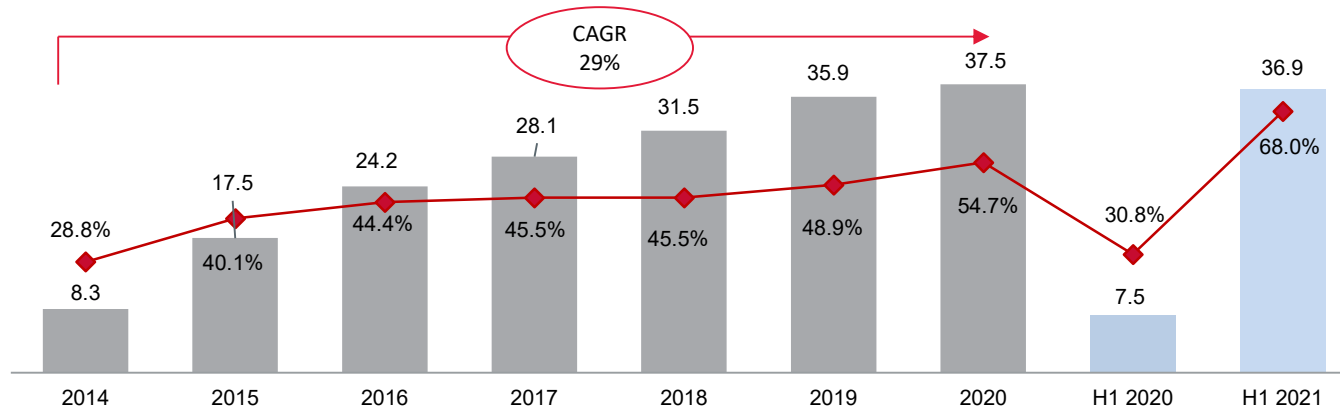
Gross profit (KD mn) and gross profit margin



EBITDA (KD mn) and EBITDA margin



Net profit (KD mn) and net profit margin



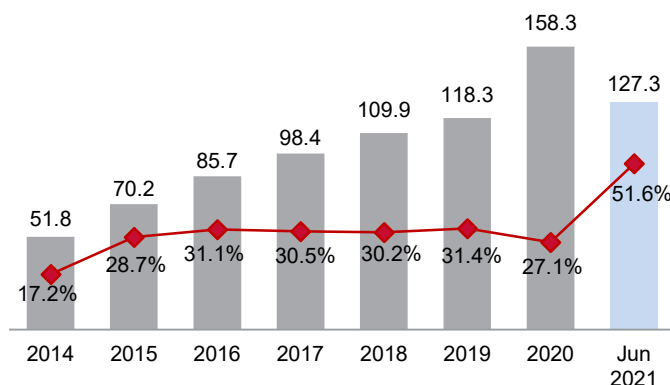
Earnings per share (in fils)	68	144	199	231	259	295	308
Cash dividend per share (in fils)	90	115	160	175	185	-	400
Cash Dividend Payout (%)	132%	80%	80%	76%	71%	-	130%

Key financials

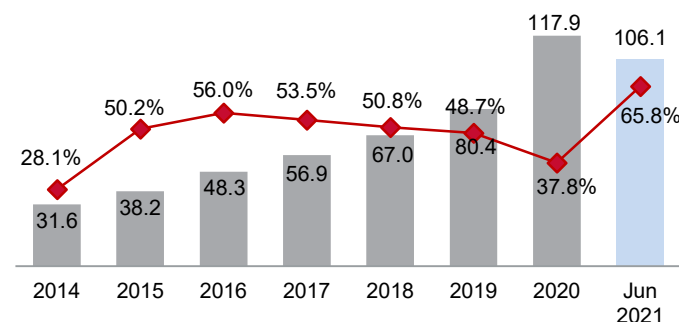
Humansoft has a fortress balance sheet

- Humansoft has a net cash position of KD 47 mn as at 30 June 2021
- Humansoft's strong earnings have resulted in ROAE of 66% in H1 2021
- Humansoft's fortress balance sheet provides protection, resilience, and enables Humansoft to withstand stress events like Covid-19

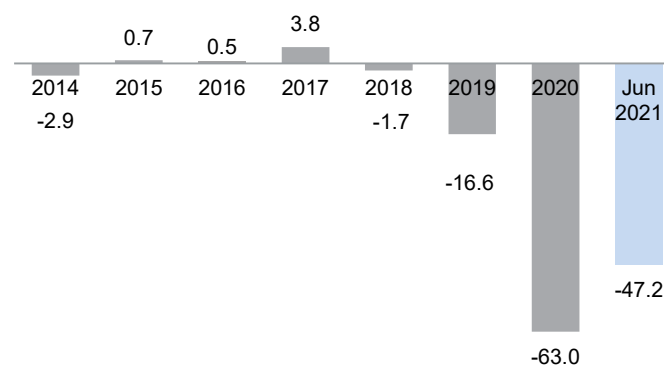
Total assets (KD mn) and ROAA



Total equity (KD mn) and ROAE

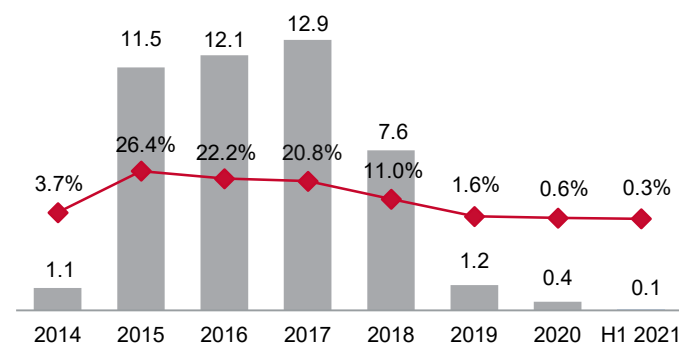


Net Debt ¹ (KD mn)



¹ 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



Top university ranking, high quality online learning, state of the art campus



Highest number of students among private universities in Kuwait



Internationally accredited Engineering & Business majors



Solid financial performance, fortress balance sheet



One of the largest free floats on Boursa Kuwait

Strategic pillars

1

**Academic
excellence**

2

**Operating
efficiency**

3

**Shareholder
value**

Long term focus

Academic excellence

- We are building new capabilities and continuously 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 new programs, and continuously developing our 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