

Date: 16 August 2023

التاريخ: 16 أغسطس 2023

M/S . / Boursa Kuwait Company

المحترمين

السادة/ شركة بورصة الكويت

Greetings,

تحية طيبة وبعد،،

**Subject: Analysts/Investors Conference Call for the
second Quarter of 2023**

**الموضوع: انعقاد مؤتمر المحللين/المستثمرين للربع الثاني لعام
2023**

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) "الإلتزامات 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 2023 was held at 1:00 PM (local time) on **Wednesday 16 August 2023**. 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 2023 قد انعقد يوم الأربعاء الموافق **16 أغسطس 2023** 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 المعتمدة.

Kindly find attached the above-mentioned conference presentation.

مرفق طيه العرض التقديمي للمؤتمر سالف الذكر أعلاه.

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.): 12,834,864 رأس المال المدفوع (د.ك.): 12,834,864
تليفون: 22322588 (965) - فاكس: 22322587 (965) - ص.ب: 305 الصفاة 15454 الكويت

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NR

Q2 2023



Humansoft Holding Company KSCP

Investor Presentation

Q2 2023 Results

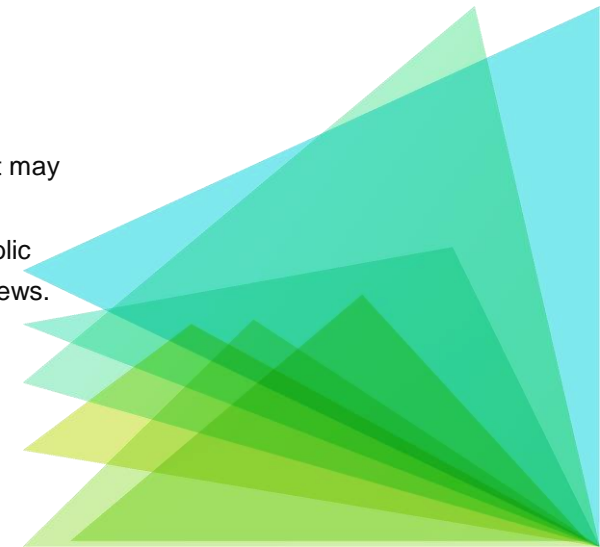
13 August 2023

Disclaimer: Nothing in this document constitutes an offer to sell or a solicitation of an offer to buy any securities



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- This presentation does not contain all of the information that is material for an investment decision.
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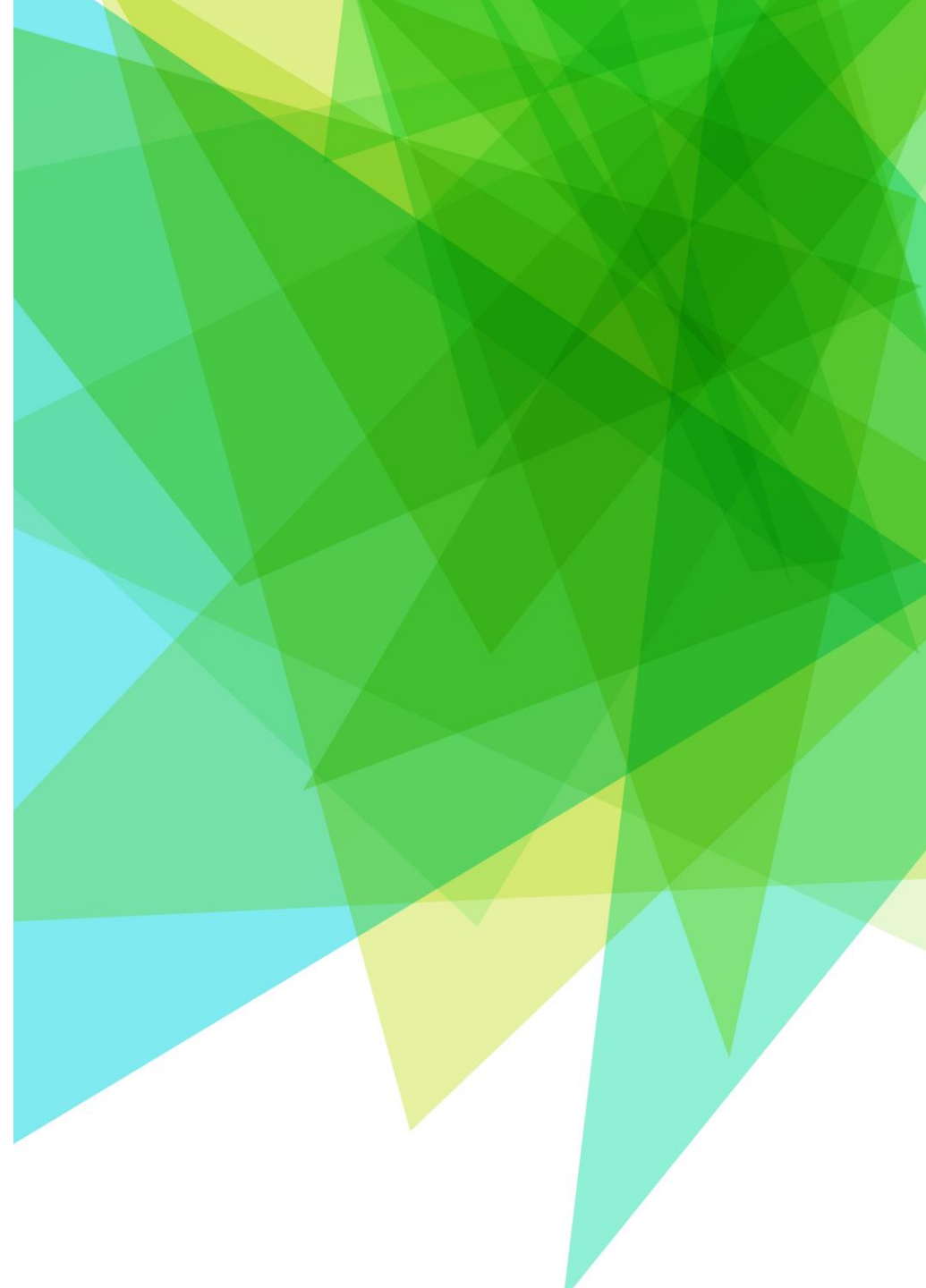
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Q2 2023

KEY HIGHLIGHTS



Key Highlights

AUM #1 University in Kuwait, advances to #671-680 globally in QS 2024

For the third year in a row, the American University of the Middle East (AUM) has been ranked the first university in Kuwait by QS World University Rankings 2024.

This new ranking places AUM #671-680 globally, advancing from the previous position of #701-750, and reaching Top 45% of the performing institutions.

Source: QS World University Rankings 2024, Quacquarelli Symonds (QS), June 27, 2023

#1
IN KUWAIT
FOR THE THIRD YEAR IN A ROW
#671-680 WORLDWIDE

AUM

QS WORLD UNIVERSITY RANKINGS **2024**

The graphic features a white background with red geometric shapes on the left and right sides. The text is centered and uses a bold, sans-serif font. The AUM logo is in red, and the QS logo is in orange. The year 2024 is in black.

Key Highlights

Creating Impact through comprehensive strategy for sustainability

AUM has been ranked #1 University in Kuwait and in #401-600 globally in the Overall Ranking of **THE Impact Rankings 2023** that assess universities against the United Nations' Sustainable Development Goals (SDGs). Also, remarkable performance is achieved in various Individual SDGs Rankings.

AUM Glassee's student team won the 2nd Place worldwide and the 1st in the Middle East in the **Babson's Global Student Challenge**, a global competition by Babson addressing the UN SDGs. The team was selected from 2200+ students from 22 universities across 17 countries.

AUM #1 in Kuwait and #401-600 Worldwide and Remarkable performance in four selected SDGs

AUM Team Wins the Second Place Worldwide in Babson's Global Student Challenge addressing UN SDGs

Key Highlights

AUM Career Fair 2023 and Recognition of Leading Companies through AUM Corporate Award 2023

In May 2023, AUM held its ninth annual Career Fair that connects students and alumni with top employers through a wide range of networking opportunities, such as booths exhibition, on-spot interviews, workshops and seminars by local and international experts.

On this occasion, AUM hosted the Corporate Awards Ceremony in its second edition to honor an outstanding selection of leaders and leading local and international companies from private and public sectors in Kuwait.



Key Highlights

Reinventing Student Learning Experience

AUM creates a student learning environment that **inspires students and enriches their journey with creativity, determination, and success**, in addition to the commitment to sustainability.

Throughout the year, students and the community celebrate important institutional milestones which vibes echo beyond the campus, in local and international competitions.



AUM Innovation Fair 2023 and Awards Ceremony recognizing students' innovative works



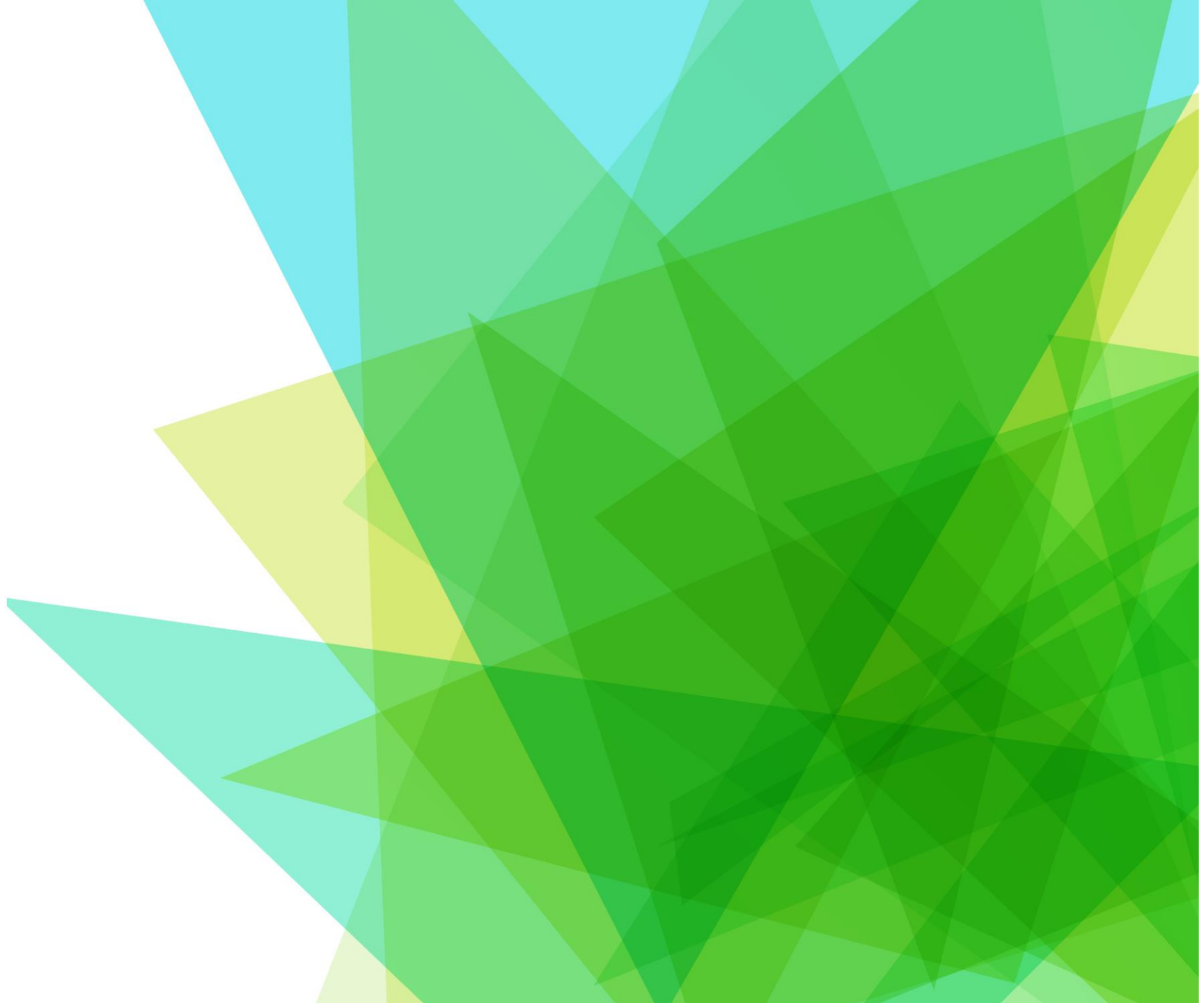
AUM in the First and Third Places in the International Conference on Bio-engineering for Smart Technologies BioSmart 2023 | Free-Topic Competition



Sports Awards Ceremony honoring AUM Champions in University Athletics Association of Kuwait League

Q2 2023

AT A GLANCE



At a Glance



Leading

private higher education company in the GCC

20+

years of operating experience

13,684¹

enrolled students in AUM and ACM

University of choice

for Engineering and Business

KD 80.5 million

in revenue²

KD 46.8 million

in EBITDA²

29%

2013-2022 net profit CAGR

400 fils Cash + 5% Bonus Shares

Dividend per share for FY 2022

¹ enrolled beginning of the Fall 2022 semester

² LTM Q2 2023

We are proud of our achievements

#1 Ranking

University
in Kuwait

#1 Ranking

Green & Sustainable
University in Kuwait

Internationally Accredited

Engineering &
Business Majors

International Relations

Purdue University

UC Berkeley

HEC Montreal

Babson College

CMS – CERN

PRME

Over 750

trees have been
planted in the campus

Over 60%

female
students

Over 70

different staff
nationalities

Over 150

community engagement
initiatives since 2018

Over 100

academic competitions
since 2018

Over 30

sports achievements
since 2018

Q2 2023

Board & Executive Management

HUMAN**SOFT**
Empowering People Through Knowledge

Board & Executive Management

Board of Directors

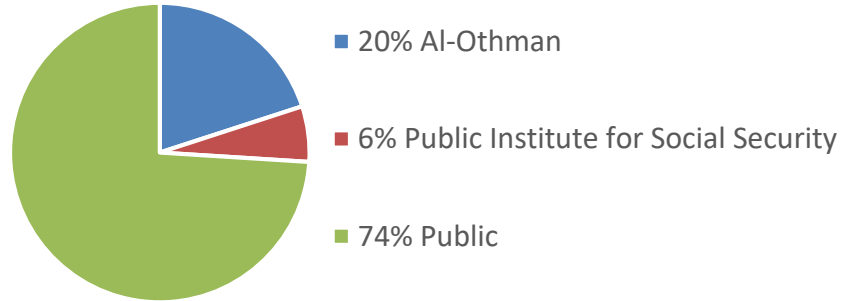
Name	Position
Ms. Dalal Hasan Al Sabti	Chairperson
Mr. Tareq Fahad Al Othman	Vice Chairman
Mr. Mayank Hasmukhlal Baxi	Director
Mr. Hasan Qasim Al Ali	Director
Mr. Abdulrazaq Abdulla Mohammad Ahmed	Director

Executive Management

Name	Position
Dr. Georges Yahchouchi	Humansoft CEO, & President AUM
Mr. Anup Dhand	CFO
Dr. Mohaned Hassanin	President ACM

Share Price Performance

Shareholding (30 June 2023)

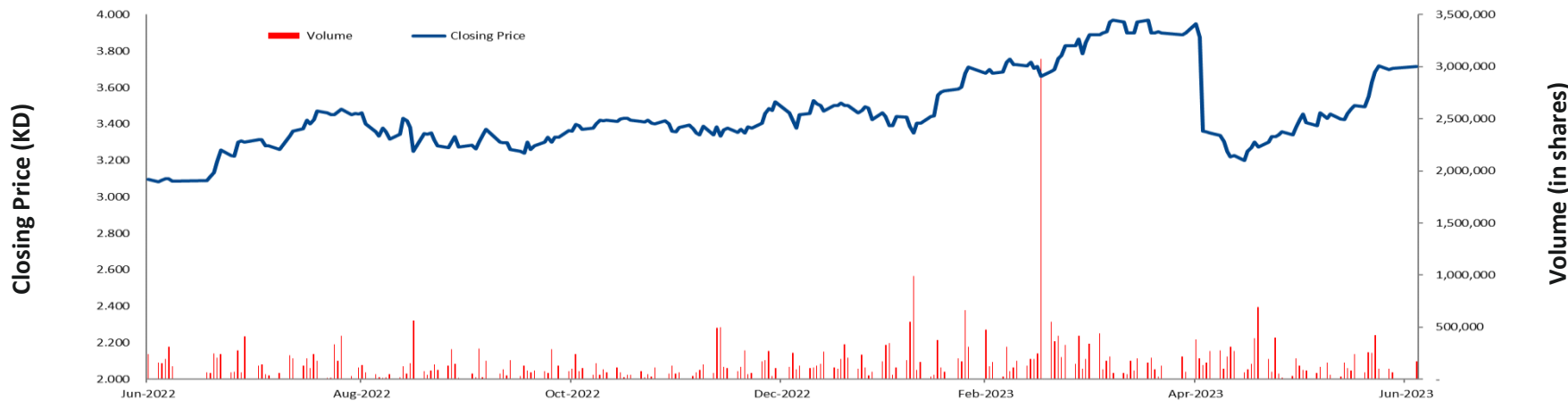


	KD
Closing price as at 26 June 2023	3.706
Market Cap (KD mn) ¹	473
Market Cap (USD bn)	1.5
6m avg. daily trading volume (% of shares outstanding)	0.17%
52-weeks high ²	3.804
52-weeks low ²	2.925

Current trading multiples ³

EV/EBITDA (LTM Q2 2023)	9.1X
P/E (LTM Q2 2023)	10.9X
Cash dividend yield (based on FY 2022 dividends)	10.8%

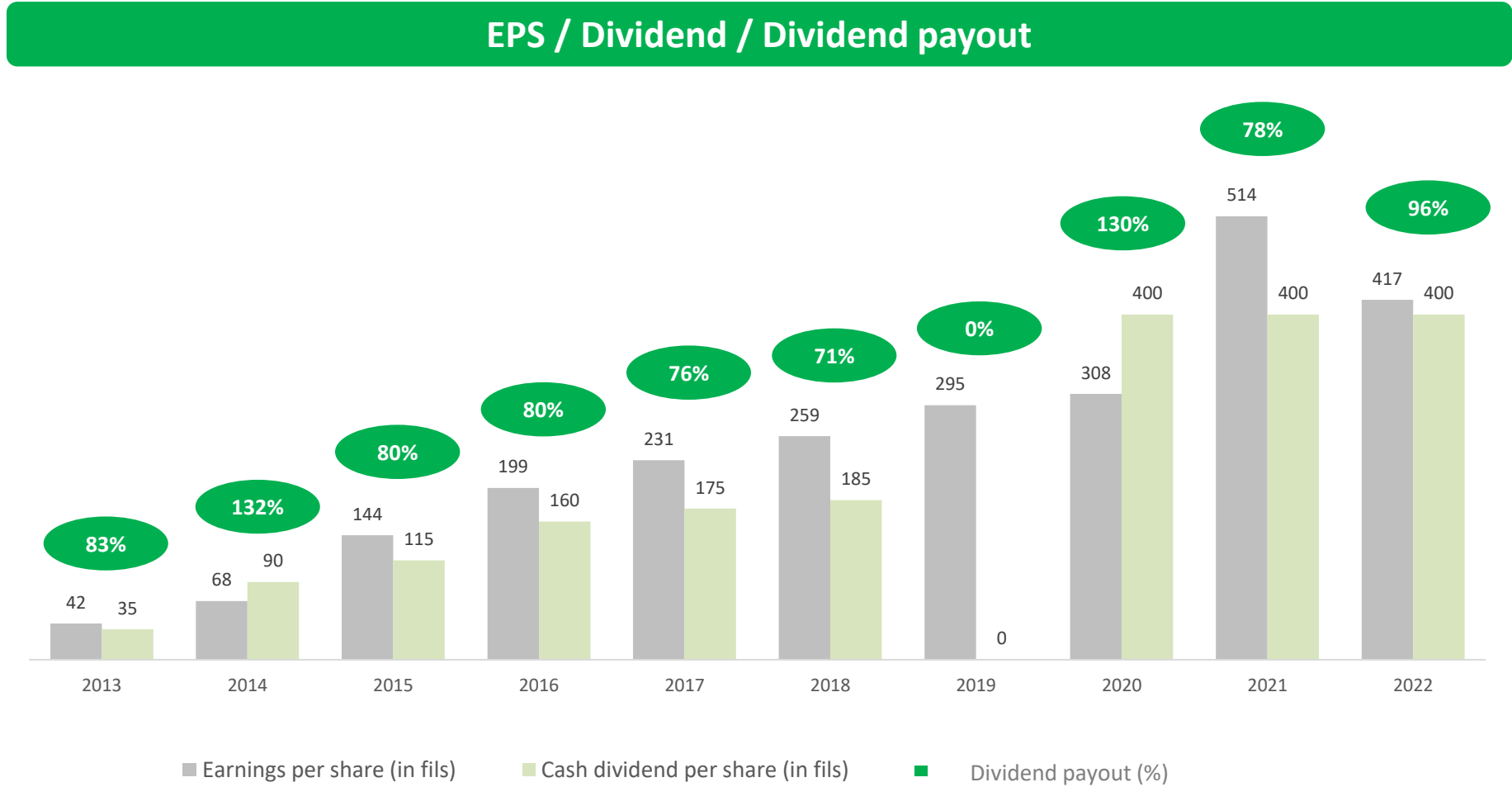
1-year share price performance



- 1) Based on 127,736,811 shares outstanding
- 2) Based on closing share price
- 3) Based on closing share price of KD 3.706 as at 26 June 2023 and LTM Q2 2023 financials

Consistently high EPS & Dividend payout

- Average dividend payout in last 10 years has been in excess of 70%.
- EPS for 2022 was 417 fils as compared to 514 fils in FY2021.
- Cash dividend of 400 fils per share and Bonus shares of 5% was distributed for FY 2022
- The payout ratio of the dividend for FY 2022 is 96% as compared to 78% for FY 2021.



Research Coverage

Broker	Target price	Date of report	Analyst
	5.050	28 February 2023	<ul style="list-style-type: none"> • Hatem Alaa • Mirna Maher
	5.000	30 May 2023	<ul style="list-style-type: none"> • Ankur Agarwal
	4.500	10 May 2023	<ul style="list-style-type: none"> • Christine Kalindjian
	4.300	16 August 2022	<ul style="list-style-type: none"> • Reem Albarri
	4.200	22 February 2023	<ul style="list-style-type: none"> • Michel Salameh
	3.715	15 November 2022	<ul style="list-style-type: none"> • Thomas Mathew

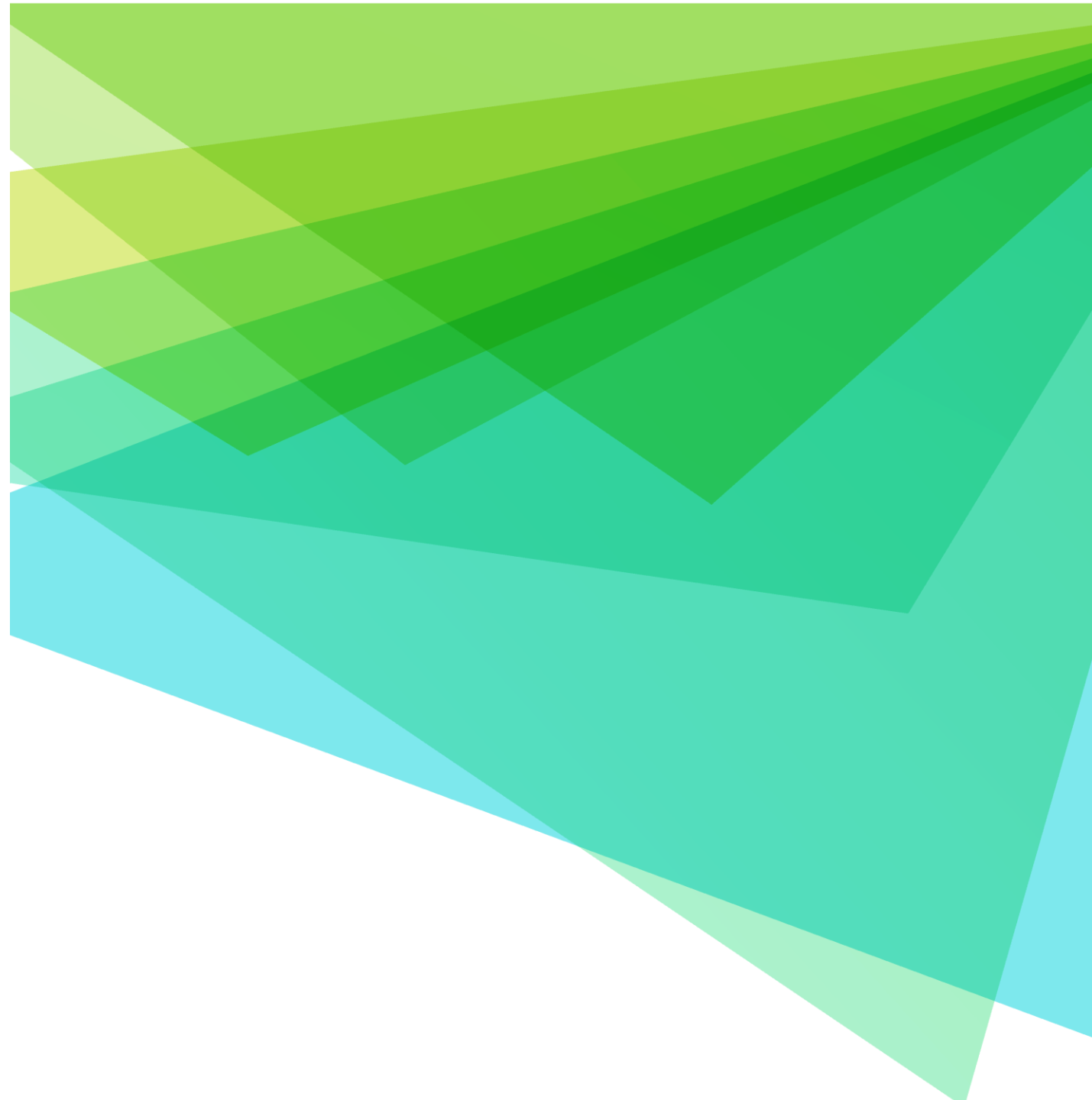
Revenue Recognition

FY 2019 (Normal Year)	FY 2020 (COVID Year)	FY 2021 (COVID Year)	FY 2022 (Converging to normalcy)	FY 2023 (Normal Year)
<p><u>Q1</u></p> <ul style="list-style-type: none"> • 20% Fall 2018/2019 • 40% Spring 2019 	<p><u>Q1</u></p> <ul style="list-style-type: none"> • 20% Fall 2019/2020 • 20% Spring 2020 	<p><u>Q1</u></p> <ul style="list-style-type: none"> • 50% Fall 2020/2021 • 25% Spring 2021 	<p><u>Q1</u></p> <ul style="list-style-type: none"> • 25% Fall 2021/2022 • 40% Spring 2022 	<p><u>Q1</u></p> <ul style="list-style-type: none"> • 20% Fall 2022/2023 • 40% Spring 2023
<p><u>Q2</u></p> <ul style="list-style-type: none"> • 60% Spring 2019 	<p><u>Q2</u></p> <ul style="list-style-type: none"> • 38% Spring 2020 	<p><u>Q2</u></p> <ul style="list-style-type: none"> • 75% Spring 2021 	<p><u>Q2</u></p> <ul style="list-style-type: none"> • 60% Spring 2022 	<p><u>Q2</u></p> <ul style="list-style-type: none"> • 60% Spring 2023
<p><u>Q3</u></p> <ul style="list-style-type: none"> • 100% Summer 2019 • 20% Fall 2019/2020 	<p><u>Q3</u></p> <ul style="list-style-type: none"> • 42% Spring 2020 • 100% Summer 2020 	<p><u>Q3</u></p> <ul style="list-style-type: none"> • 100% Summer 2021 	<p><u>Q3</u></p> <ul style="list-style-type: none"> • 100% Summer 2022 • 20% Fall 2022/2023 	
<p><u>Q4</u></p> <ul style="list-style-type: none"> • 60% Fall 2019/2020 	<p><u>Q4</u></p> <ul style="list-style-type: none"> • 50% Fall 2020/2021 	<p><u>Q4</u></p> <ul style="list-style-type: none"> • 75% Fall 2021/2022 	<p><u>Q4</u></p> <ul style="list-style-type: none"> • 60% Fall 2022/2023 	

Q2 2023

Q2 2023 Financial Performance

HUMANSOFT
Empowering People Through Knowledge

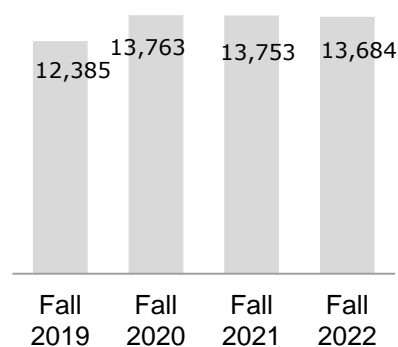


Financial Performance – H1 2023

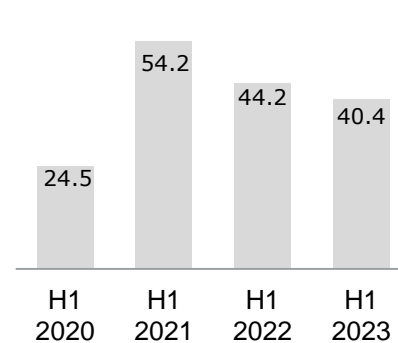
- H1 2023 revenue was 9% lower compared to H1 2022 mainly due to the changes in the academic calendar in Q1 2022 and lower revenue for the Spring 2023 semester.
- H1 2023 EBITDA of KD 21.1 million was 28% lower than H1 2022.
- H1 2023 net profit of KD 19.8 million was 26% lower than H1 2022.
- Total equity and Total assets as of 30 June 2023 were 5% lower than 30 June 2022.

Key figures and ratios	Q2 2022	Q2 2023	Change	H1 2022	H1 2023	Change
Number of students (Fall)	13,753	13,684	-0.5%	13,753	13,684	-0.5%
Revenue (KD mn)	20.9	19.9	-5%	44.2	40.4	-9%
EBITDA (KD mn)	13.1	9.5	-28%	29.5	21.1	-28%
EBITDA margin (%)	63%	48%	-15%	67%	52%	-14%
Net profit (KD mn)	11.9	8.8	-26%	27.0	19.8	-26%
Net margin (%)	57%	44%	-13%	61%	49%	-12%
EPS (in fils)	93	69	-26%	211	155	-27%
Equity (KD mn)	110.1	104.9	-5%	110.1	104.9	-5%
Total assets (KD mn)	136.5	129.2	-5%	136.5	129.2	-5%

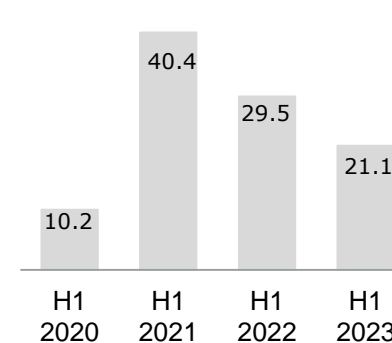
Number of students *



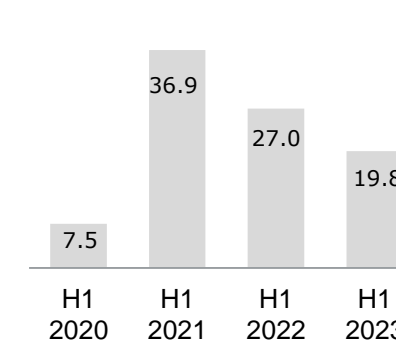
Revenue (KD mn)



EBITDA (KD mn)



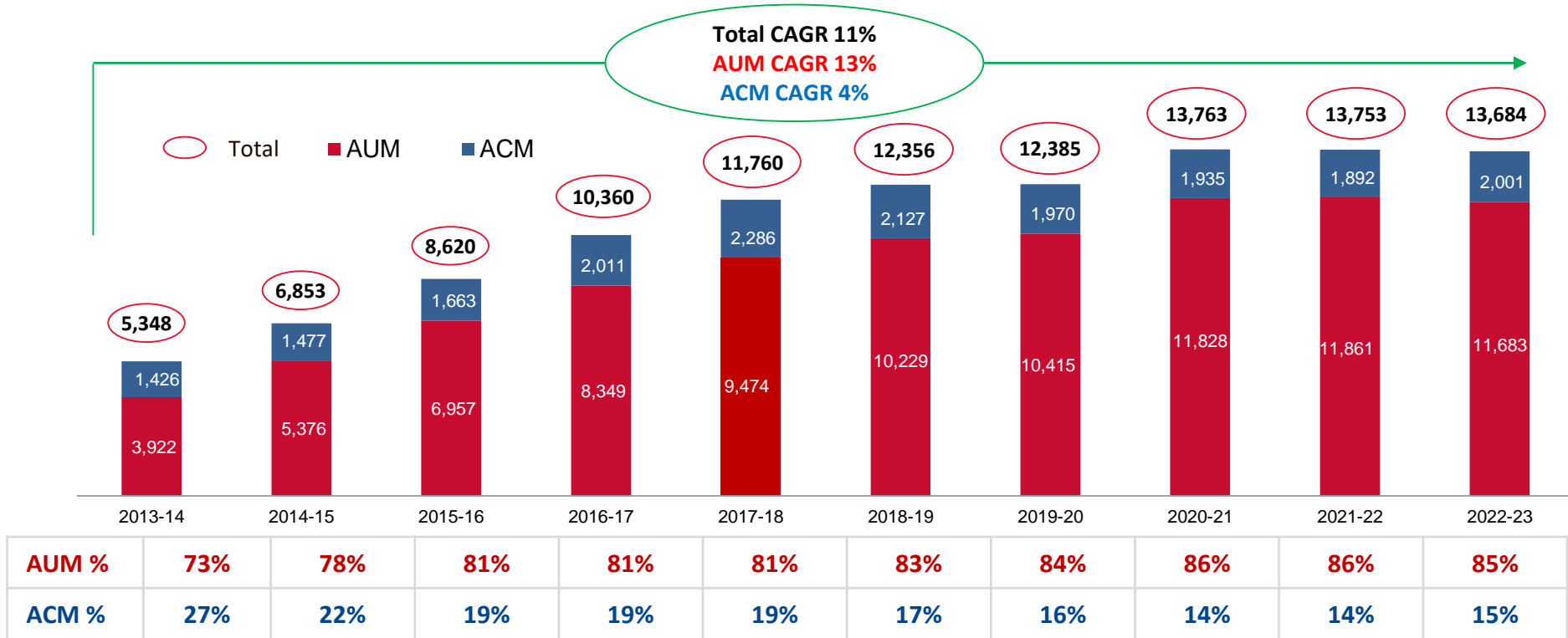
Net profit (KD mn)



* enrolled beginning of the Fall semester

Student Enrollment growing at a CAGR of 11%

Total students enrolled
(beginning of the Fall semester)



Deferred income as of 30 June 2023

- Deferred Income of KD 10.6 million as of 30 June 2023, relates to unrecognised revenue of Summer 2023 semester.

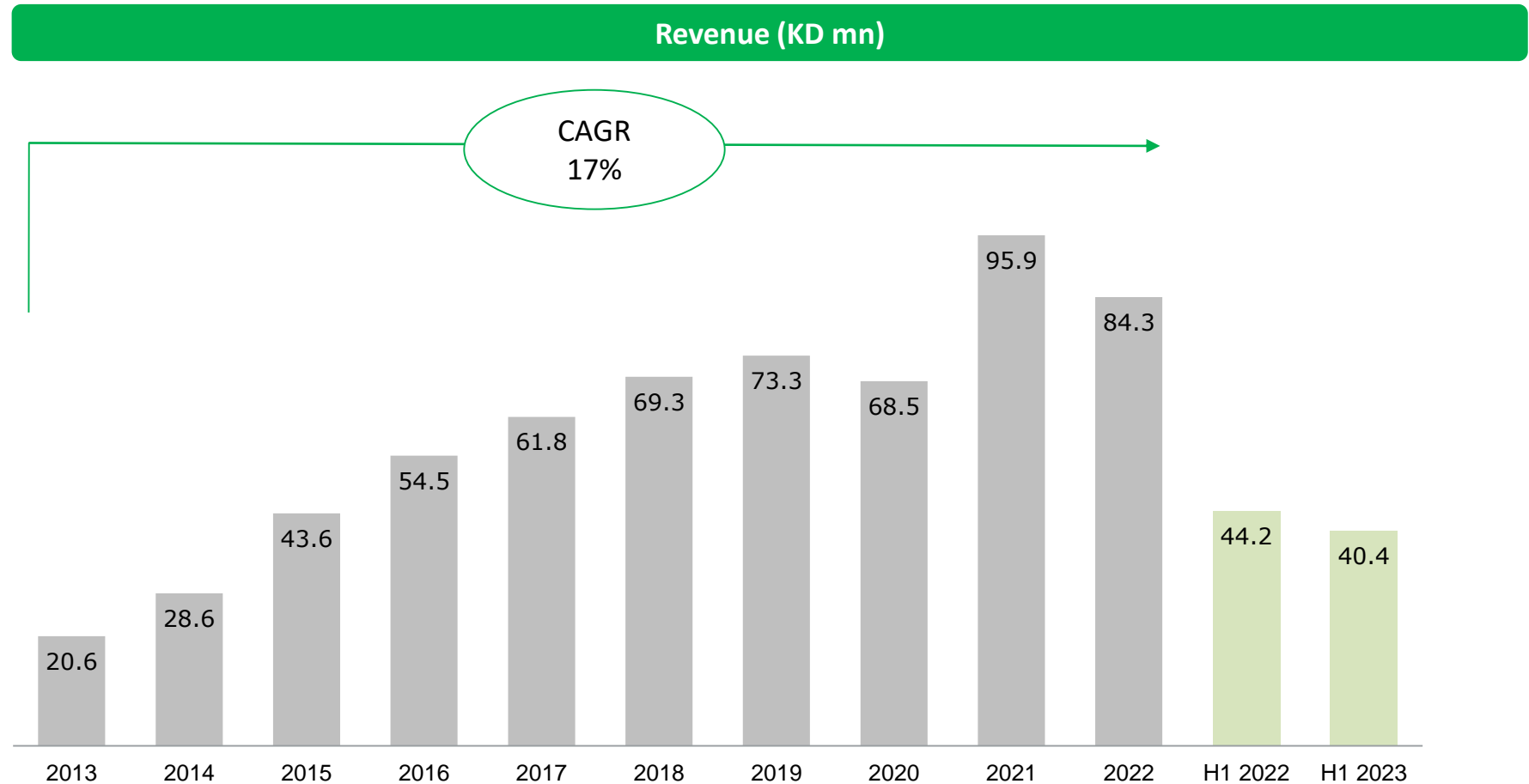
Q2 2023

Key Financials



Key Financials – Revenue Trends

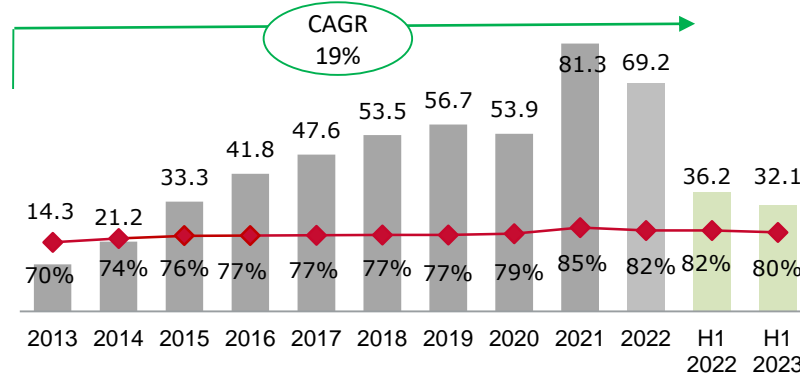
- Revenue grew at a CAGR of 17% in the period 2013-2022 and was KD 40.4 million in H1 2023.
- H1 2023 revenue was 9% lower compared to H1 2022 mainly due to the changes in the academic calendar in Q1 2022 and lower revenue for the Spring 2023 semester.
- 25% of revenue for the Fall 2021 semester was recognized in Q1 2022 as against 20% for Fall 2022 in Q1 2023.
- Academic calendar in H1 2023 is back to normal.



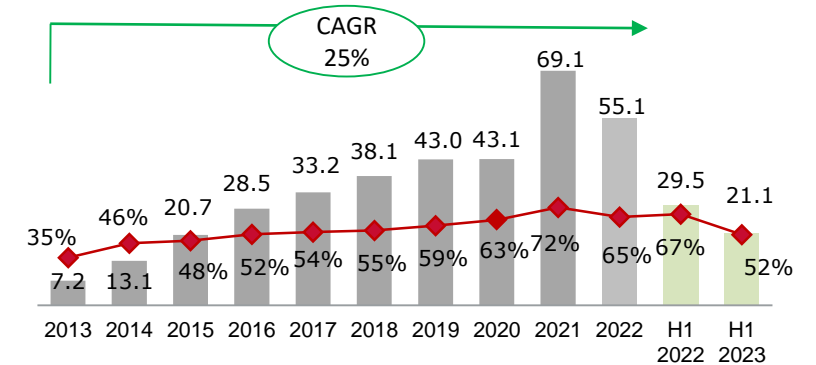
Key Financials – Consistently High Margins

- Gross profit grew at a CAGR of 19% in the period 2013-2022. Gross profit margin was 80% in H1 2023
- EBITDA grew at a CAGR of 25% in the period 2013-2022. EBITDA margin was 52% in H1 2023
- Net profit grew at a CAGR of 29% in the period 2013-2022. Net profit margin was 49% in H1 2023

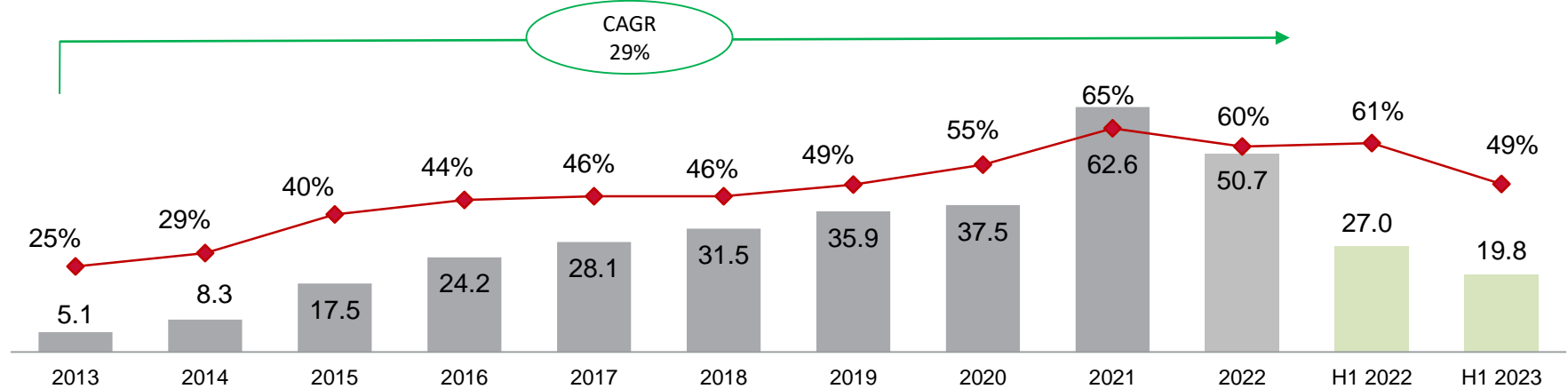
Gross profit (KD mn) and gross profit margin



EBITDA (KD mn) and EBITDA margin



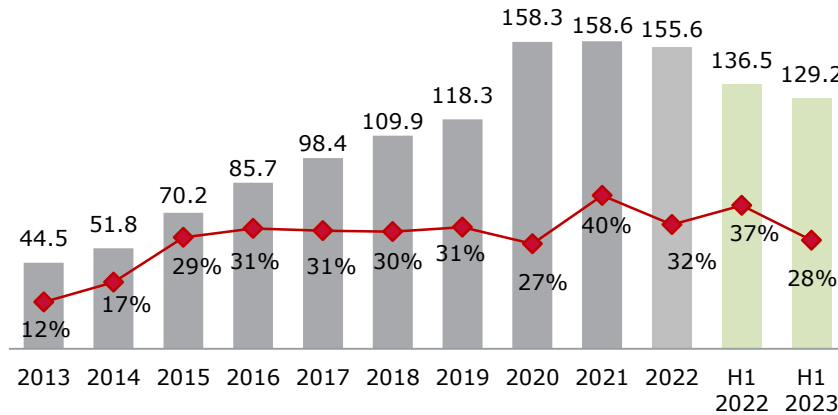
Net profit (KD mn) and net profit margin



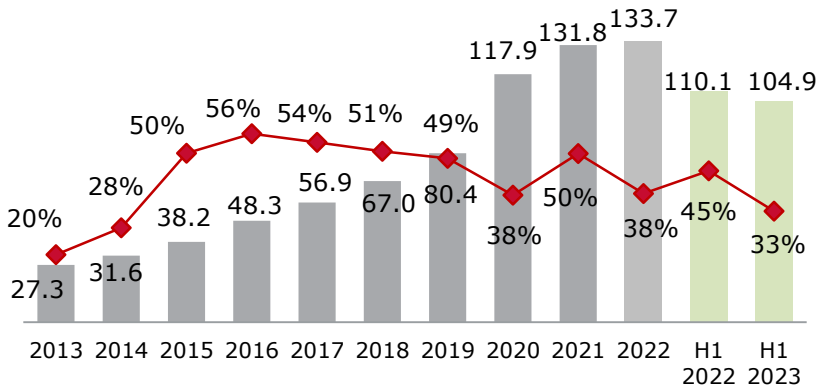
Key Financials – High ROAA and ROAE

- Humansoft’s fortress balance sheet, high ROAA & ROAE provides protection, resilience, and enables Humansoft to withstand stress events like Covid-19
- Humansoft’s annualized ROAA was 28% in H1 2023
- Humansoft’s earnings have resulted in an annualised ROAE of 33% in H1 2023
- Humansoft has a net cash position of KD 49.3 million as at 30 June 2023
- KD 44 million capex was incurred during the year 2015 to 2018 to make significant additions to the campus infrastructure

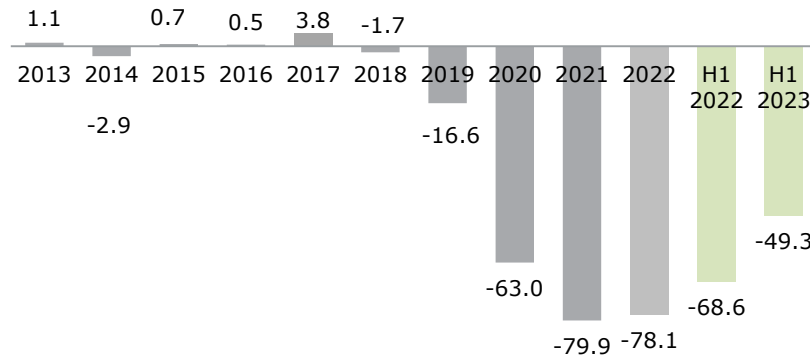
Total assets (KD mn) and ROAA



Total equity (KD mn) and ROAE

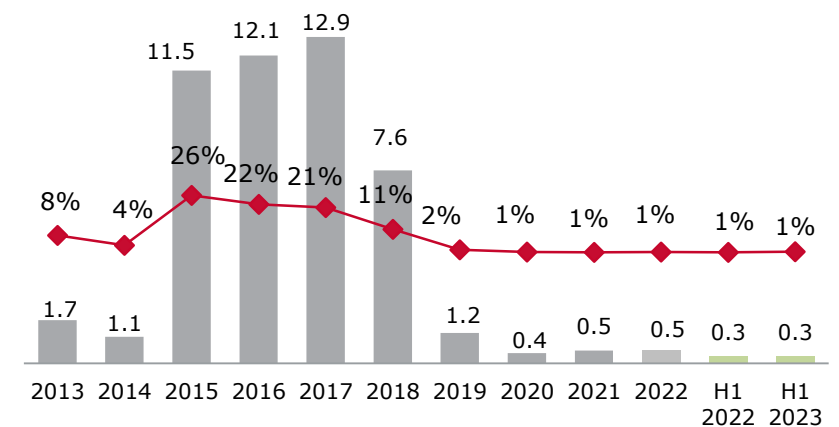


Net Debt ¹ (KD mn)



¹ Debt less cash

Capex (KD mn) and capex as % of revenue

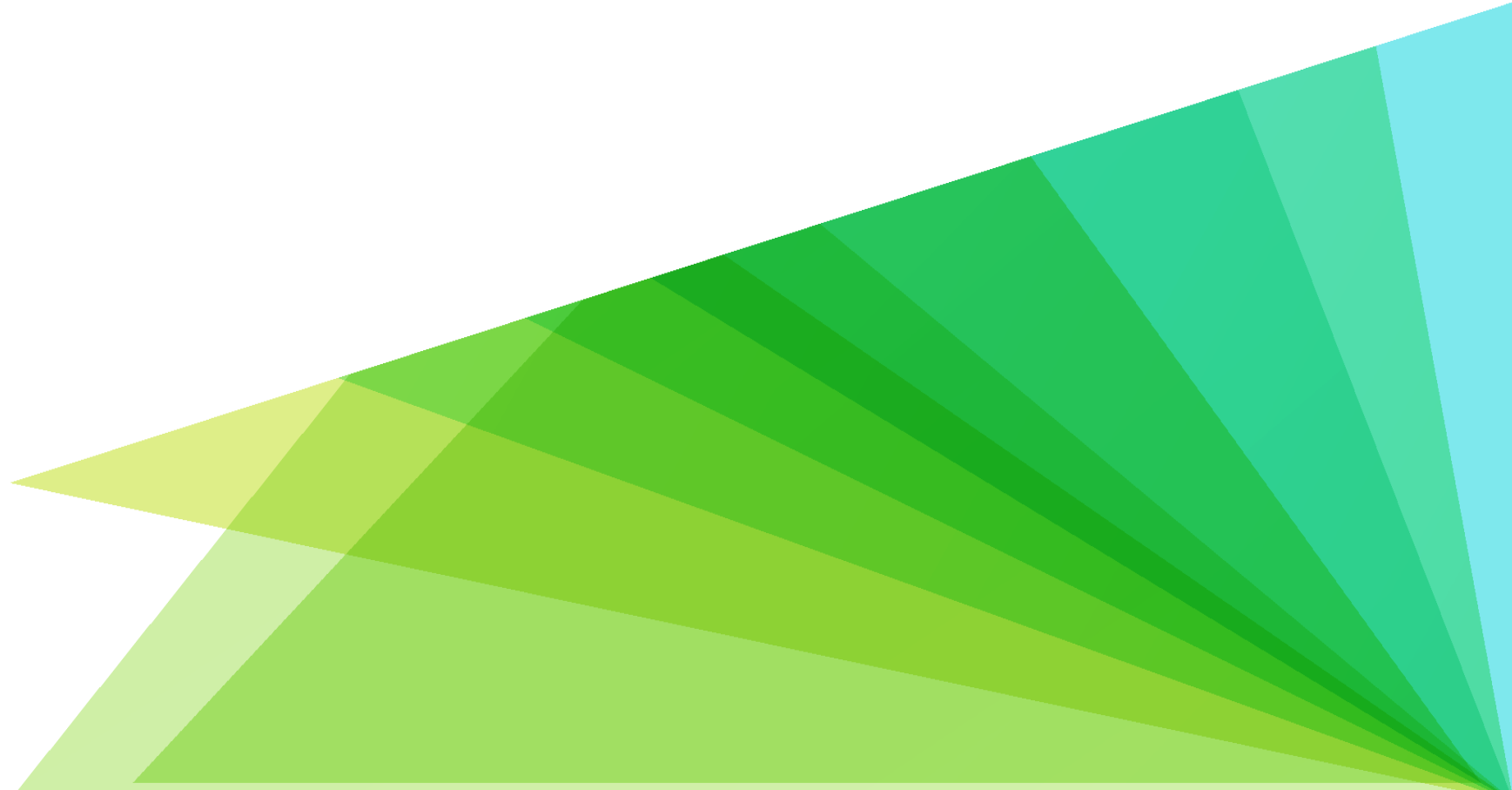


Q2 2023



STRONG EQUITY STORY

Solid track record
Strategic pillars
Long term focus



SOLID TRACK RECORD

- ✓ **Top university ranking, high quality 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**

Strategic pillars

1

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, expanding international collaborations and accreditations, and continuously developing our research capabilities

2

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

3

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