

Date: 15 February 2024

التاريخ: 15 فبراير 2024

M/S./ Bursa Kuwait

المحترمين

السادة/ شركة بورصة الكويت

Greetings,

تحية طيبة وبعد،،

**Subject: Analyst/Investor Conference Call for the
Financial year ending 31/12/2023**

**الموضوع: انعقاد مؤتمر المحللين/المستثمرين للسنة المنتهية
2023/12/31**

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 financial year 2023 was held at 1:00 PM (local time) on **Thursday 15 February 2024**. 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 (Conference Call) للسنة المنتهية 2023/12/31 قد انعقد يوم الخميس الموافق 15 فبراير 2024 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.

Yours Sincerely

وتفضلوا بقبول فائق الاحترام،،،



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

www.human-soft.com

NR

FY 2023



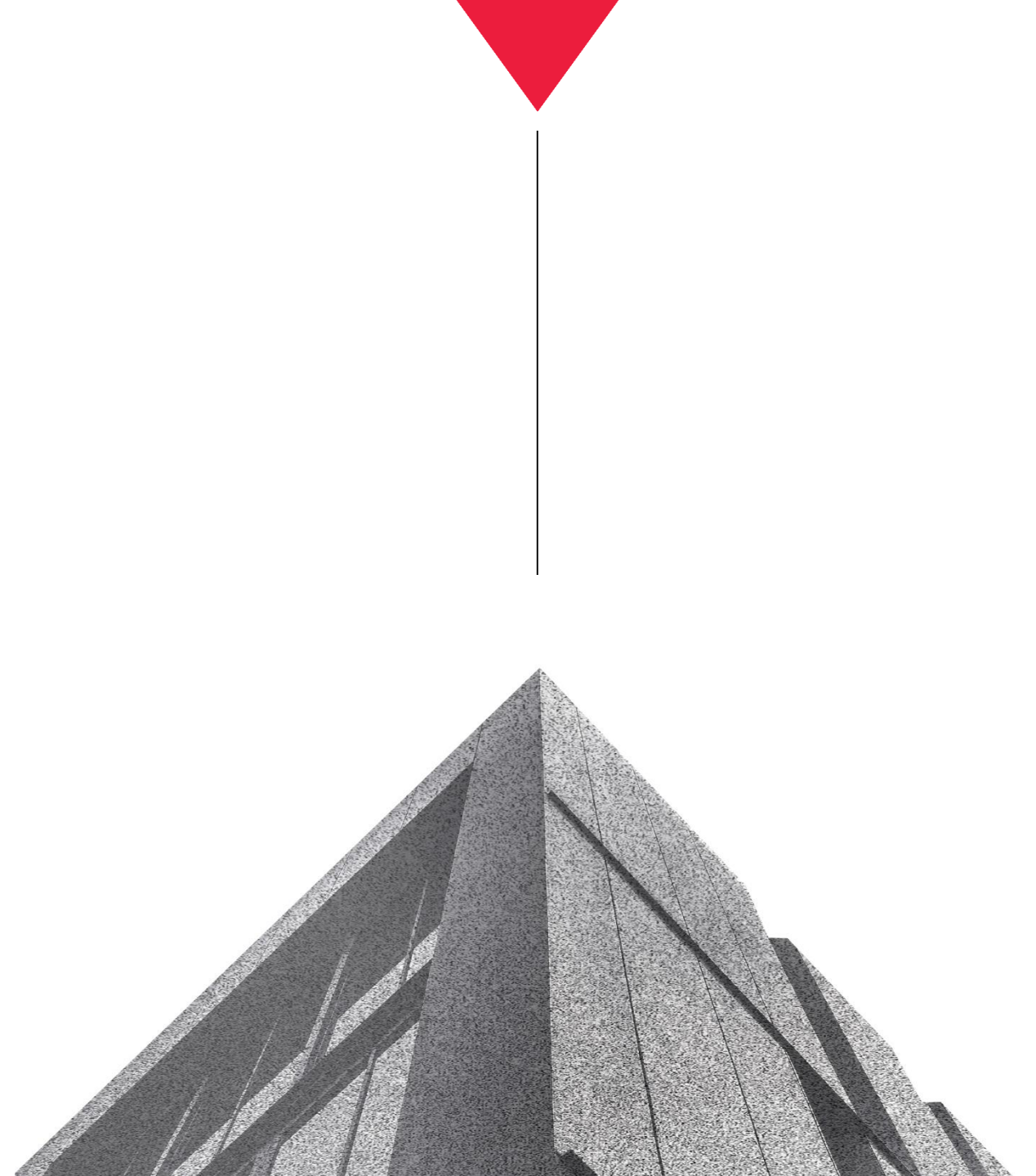
Humansoft Holding Company KSCP

Investor Presentation

FY 2023 Results

13 February 2024

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



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FY 2023

KEY HIGHLIGHTS



Key Highlights

AUM receives global institutional accreditation from The Quality Assurance Agency for Higher Education (QAA)

AUM has successfully obtained global accreditation having completed the International Quality Review (IQR) by the Quality Assurance Agency for Higher Education (QAA).

Based in UK, QAA is a world-leading quality agency with unmatched experience of providing impartial regulatory and collaborative quality assurance and enhancement.

IQR is a rigorous process, which benchmarks global higher education institutions against international quality assurance standards set out in Part 1 of the Standards and Guidelines for Quality Assurance in the European Higher Education Area (ESG).



Key Highlights

Driving Positive Change and Making an Impact through a Culture of Excellence

The Culture of Excellence and continuous improvement are part of AUM Community members' daily practices whether in teaching, research, workplace and campus life.

This is being echoed in various international recognitions. For instance, QAA review team identified 11 examples of good practices as part of the global accreditation. Also, AUM sustained its No. 1 rank in Kuwait in THE Arab Rankings 2023 and UI Greenmetric 2023.

In its turn, the institution recognizes the great efforts of its people who are part of the success. AUM and ACM organized Faculty related Award Ceremonies in Fall 2023.



QAA Review Team identified **11 Examples of Good Practice** at AUM, which is a **record number** to date in QAA International Quality Reviews.



AUM and ACM celebrated Faculty milestones and achievements through **AUM Research Impact Award** and **ACM Faculty Awards Ceremonies**.



For the third year in a row, AUM has been ranked **#1 in Kuwait** in THE Arab University Rankings, with rank **#21 in the Arab countries**.



AUM continues to be ranked as the **most Sustainable and Green University in Kuwait**, advancing to **#229 worldwide**, and **Top 4 in the Gulf Region**.

Glimpses from Fall 2023 Enriched with Intellectual and Wellbeing Activities



AUM Statistics Day Celebration through delving into the World of Statistics



Beat Diabetes Day including Walkathon, sharing experiences and support awareness campaign



Taxation Awareness Week powered by AUM in collaboration with the Ministry of Finance



Live Outdoor Drawing Activity



Engineering Students Field Visit



Marketing Capstone Competition

Expanding Efforts and Building Collaborations to Empower Youth



Participation in Gulf Petrochemicals and Chemicals Association Youth Forum in Qatar and Signing of Memorandum of Understanding with GPCA



AUM primary sponsor for the 6th Children's Science Exhibition organized by the Kuwait Institute for Scientific Research



"2023 Vivid Leadership" at AUM, Youth Leadership Development Conference powered by AIESEC



Participation in "Watheefiti" Exhibition for the second consecutive year



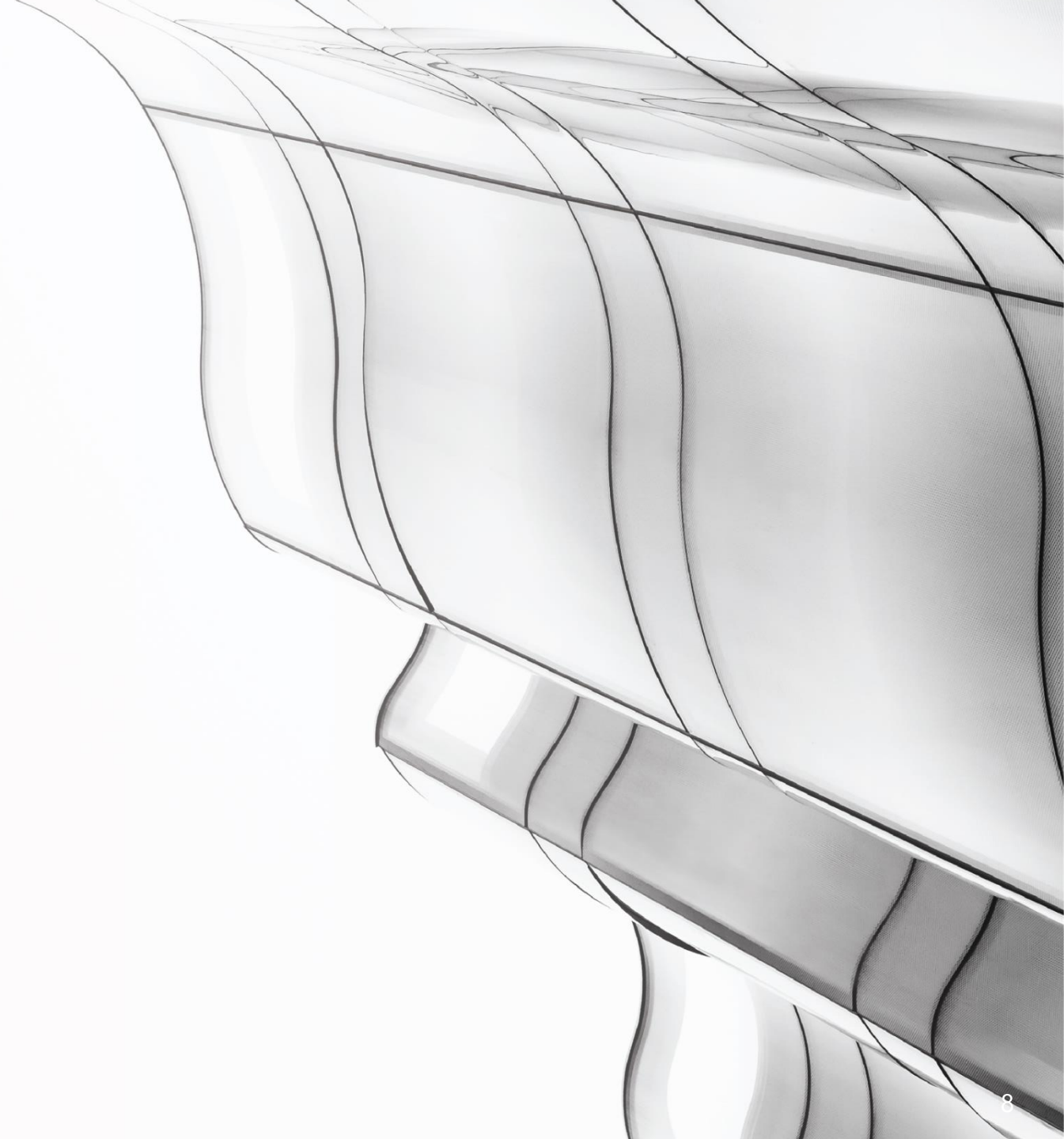
Hosting of New English School NES Speech Day



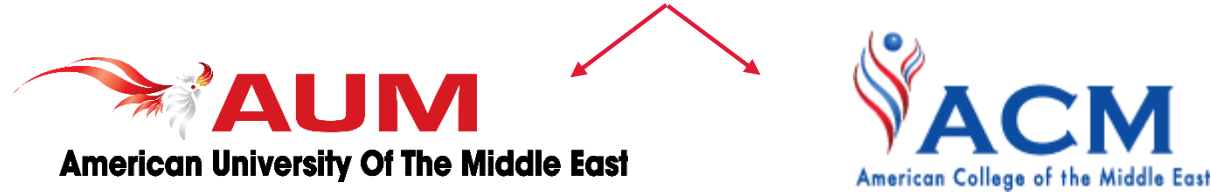
Hosting of ISACK Football League for High School students

FY 2023

AT A GLANCE



At a Glance



Leading

private higher education company in the GCC

20+

years of operating experience

13,425¹

enrolled students in AUM and ACM

University of choice

for Engineering and Business

KD 79.0 million

in revenue²

KD 44.6 million

in EBITDA²

20%

2014-2023 net profit CAGR

350 fils Cash + 5% Bonus Shares

Proposed Dividend per share for FY 2023

¹ enrolled beginning of the Fall 2023 semester

² FY 2023

We are proud of our achievements

#1 Ranking

University in Kuwait
By QS and THE

#1 Ranking

Green & Sustainable
University in Kuwait

#21 Ranking

In the Arab
Region by THE

Internationally

Accredited

Institution &
Programmes

Over 1200

trees have been
planted in the campus

Over 60%

female
students

Over 60

different staff
nationalities

International

Relations

Purdue University

UC Berkeley

HEC Montreal

Babson College

CMS – CERN

PRME

Over 150

community engagement
initiatives since 2020

Over 100

academic competitions
since 2020

Over 30

sports achievements in
last 5 years

FY 2023

Board & Executive Management

HUMAN**SOFT**
Empowering People Through Knowledge

Board & Executive Management

Board of Directors

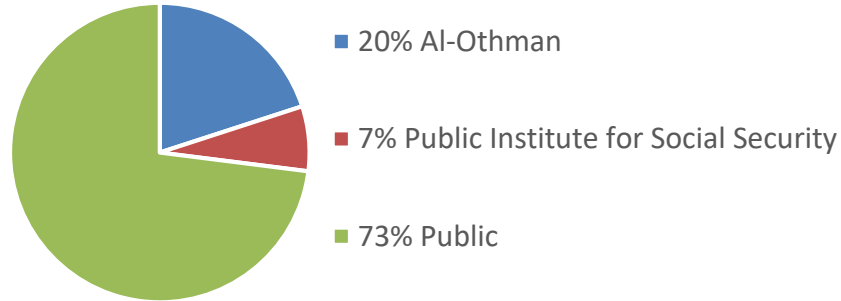
Name	Position
Ms. Dalal Hasan Al Sabti	Chairperson
Mr. Tareq Fahad Al Othman	Vice Chairman
Mr. Mayank Hasmukhlal Baxi	Director
Mr. Hasan Qasim Al Ali	Director
Mr. Abdulrazaq Abdulla Mohammad Ahmed	Director

Executive Management

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

Share Price Performance

Shareholding (31 December 2023)

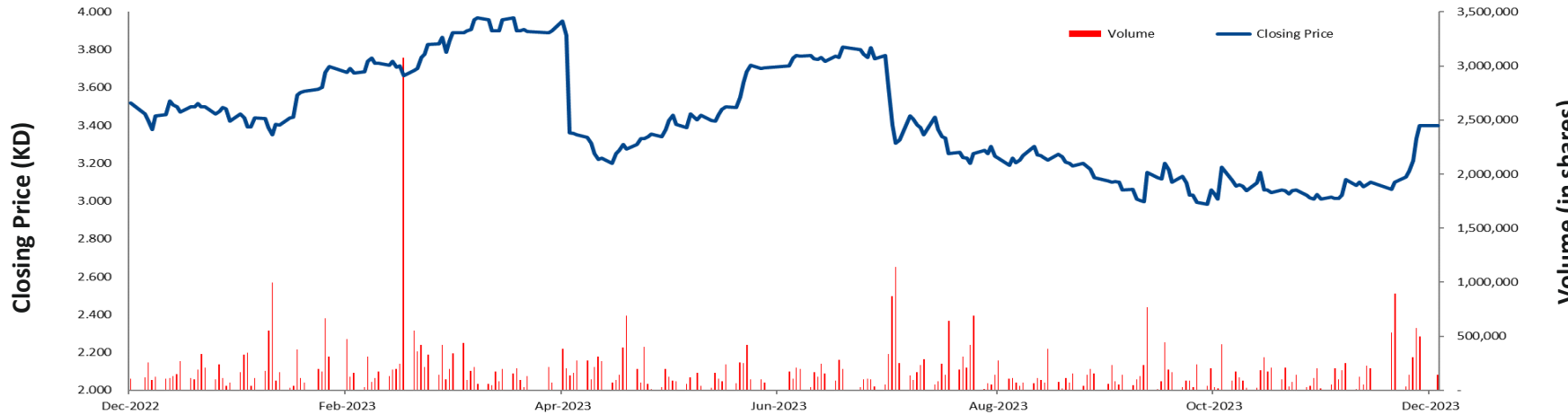


	KD
Closing price as at 28 December 2023	3.399
Market Cap (KD mn) ¹	434
Market Cap (USD bn)	1.4
6m avg. daily trading volume (% of shares outstanding)	0.14%
52-weeks high ²	3.815
52-weeks low ²	2.983

Current trading multiples ³

EV/EBITDA (FY 2023)	8.0X
P/E (FY 2023)	10.4X
Cash dividend yield (proposed FY 2023 dividends)	10.3%

1-year share price performance

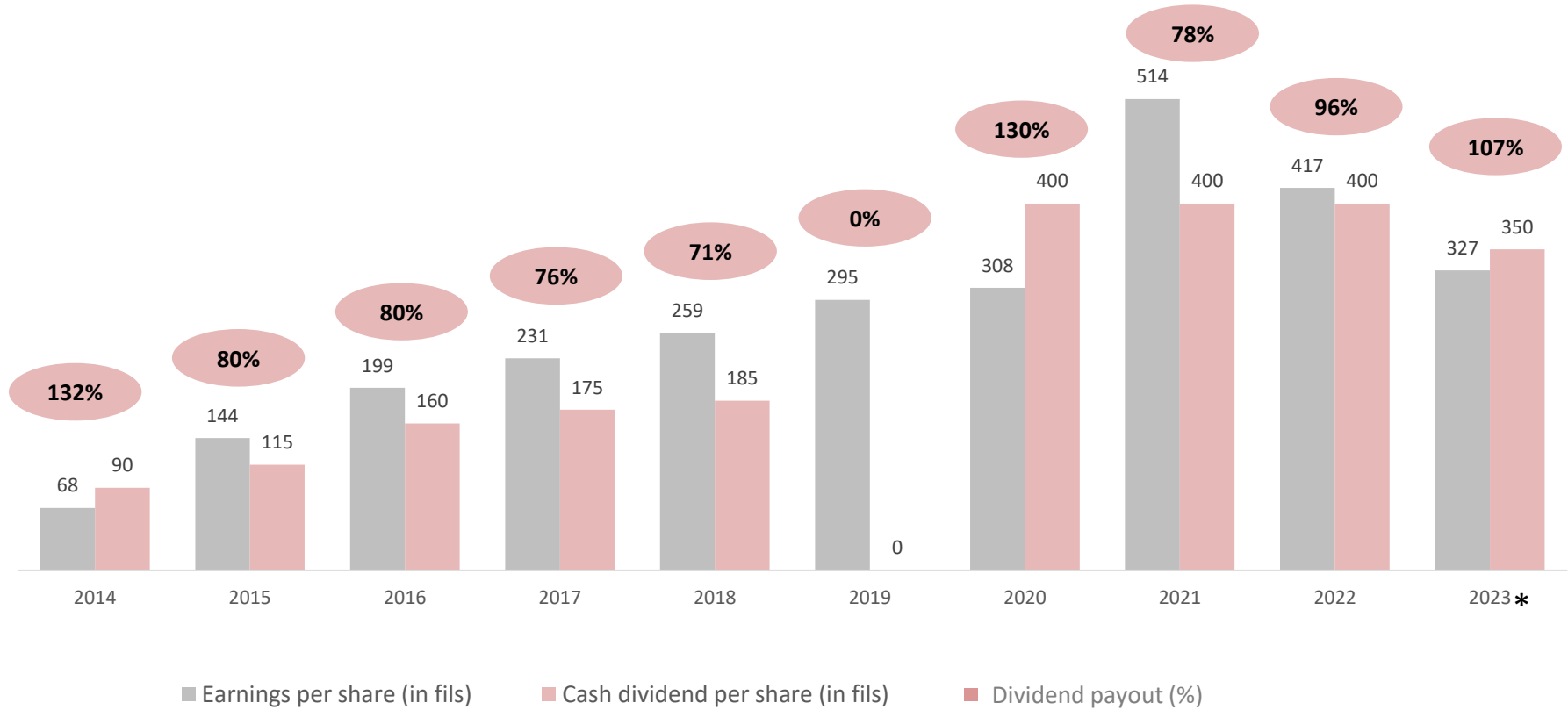


1) Based on 127,736,811 shares outstanding
 2) Based on closing share price
 3) Based on closing share price of KD 3.399 as at 28 December 2023 and FY 2023 financials

Consistently high EPS & Dividend payout

- Average dividend payout in last 10 years has been in excess of 70%.
- Cash dividend of 350 fils per share and Bonus shares of 5% is proposed for FY 2023
- The proposed payout ratio of the dividend for FY 2023 is 107% as compared to 96% for FY 2022.

EPS / Dividend / Dividend payout



* Cash dividend of 350 fils and Bonus shares of 5% has been proposed for FY 2023.

Research Coverage

Broker	Target price	Date of report	Analyst
	5.000	30 May 2023	<ul style="list-style-type: none"> • Ankur Agarwal
	4.810	28 February 2023	<ul style="list-style-type: none"> • Hatem Alaa • Mirna Maher
	4.200	22 February 2023	<ul style="list-style-type: none"> • Michel Salameh
	4.000	14 December 2023	<ul style="list-style-type: none"> • Christine Kalindjian
	3.600	28 August 2023	<ul style="list-style-type: none"> • Reem Albarri
	3.300	16 November 2023	<ul style="list-style-type: none"> • Thomas Mathew

Revenue Recognition – Back to Normal in FY 2023

FY 2019 (Normal Year)	FY 2020 (COVID Year)	FY 2021 (COVID Year)	FY 2022 (Converging to normalcy)	FY 2023 (Normal Year)
<u>Q1</u> <ul style="list-style-type: none"> • 20% Fall 2018/2019 • 40% Spring 2019 	<u>Q1</u> <ul style="list-style-type: none"> • 20% Fall 2019/2020 • 20% Spring 2020 	<u>Q1</u> <ul style="list-style-type: none"> • 50% Fall 2020/2021 • 25% Spring 2021 	<u>Q1</u> <ul style="list-style-type: none"> • 25% Fall 2021/2022 • 40% Spring 2022 	<u>Q1</u> <ul style="list-style-type: none"> • 20% Fall 2022/2023 • 40% Spring 2023
<u>Q2</u> <ul style="list-style-type: none"> • 60% Spring 2019 	<u>Q2</u> <ul style="list-style-type: none"> • 38% Spring 2020 	<u>Q2</u> <ul style="list-style-type: none"> • 75% Spring 2021 	<u>Q2</u> <ul style="list-style-type: none"> • 60% Spring 2022 	<u>Q2</u> <ul style="list-style-type: none"> • 60% Spring 2023
<u>Q3</u> <ul style="list-style-type: none"> • 100% Summer 2019 • 20% Fall 2019/2020 	<u>Q3</u> <ul style="list-style-type: none"> • 42% Spring 2020 • 100% Summer 2020 	<u>Q3</u> <ul style="list-style-type: none"> • 100% Summer 2021 	<u>Q3</u> <ul style="list-style-type: none"> • 100% Summer 2022 • 20% Fall 2022/2023 	<u>Q3</u> <ul style="list-style-type: none"> • 100% Summer 2023 • 20% Fall 2023/2024
<u>Q4</u> <ul style="list-style-type: none"> • 60% Fall 2019/2020 	<u>Q4</u> <ul style="list-style-type: none"> • 50% Fall 2020/2021 	<u>Q4</u> <ul style="list-style-type: none"> • 75% Fall 2021/2022 	<u>Q4</u> <ul style="list-style-type: none"> • 60% Fall 2022/2023 	<u>Q4</u> <ul style="list-style-type: none"> • 60% Fall 2023/2024

FY 2023

FY 2023 Financial Performance

HUMANSOFT
Empowering People Through Knowledge

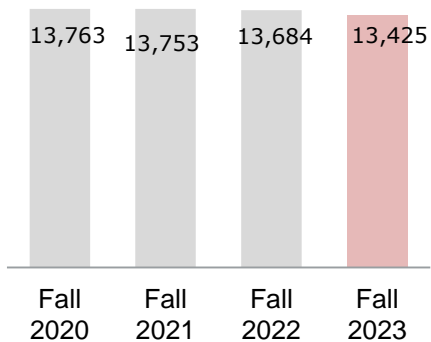


Financial Performance – FY 2023

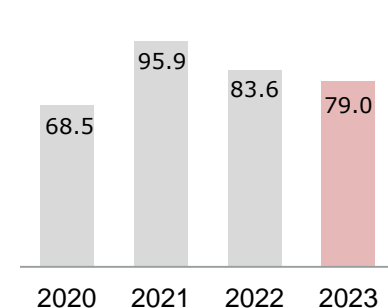
- FY 2023 revenue was 6% lower compared to FY 2022 mainly due to the changes in the academic calendar in Q1 2022 and lower revenue for the Spring and Summer 2023 semester.
- FY 2023 EBITDA of KD 44.6 million was 19% lower than FY 2022.
- FY 2023 net profit of KD 41.8 million was 18% lower than FY 2022.
- Total equity and Total assets as of 31 December 2023 were 5% lower than 31 December 2022.

Key figures and ratios	Q4 2022	Q4 2023	Change	FY 2022	FY 2023	Change
Number of Students (Fall)	13,684	13,425	-2%	13,684	13,425	-2%
Revenue (KD mn)	21.0	20.8	-1%	83.6	79.0	-6%
EBITDA (KD mn)	13.7	12.4	-10%	55.1	44.6	-19%
EBITDA margin (%)	65%	59%	-6%	66%	57%	-9%
Net Profit (KD mn)	12.8	11.6	-10%	50.7	41.8	-18%
Net margin (%)	61%	56%	-5%	61%	53%	-8%
EPS (in fils)	101	91	-10%	397	327	-18%
Equity (KD mn)	133.7	126.9	-5%	133.7	126.9	-5%
Total Assets (KD mn)	155.4	147.2	-5%	155.4	147.2	-5%

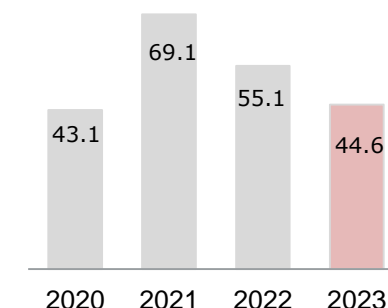
Number of students *



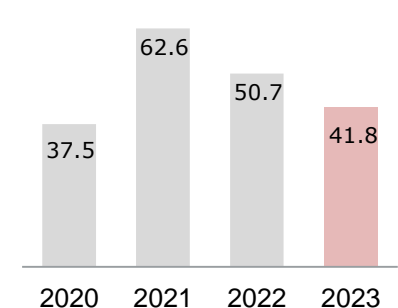
Revenue (KD mn)



EBITDA (KD mn)



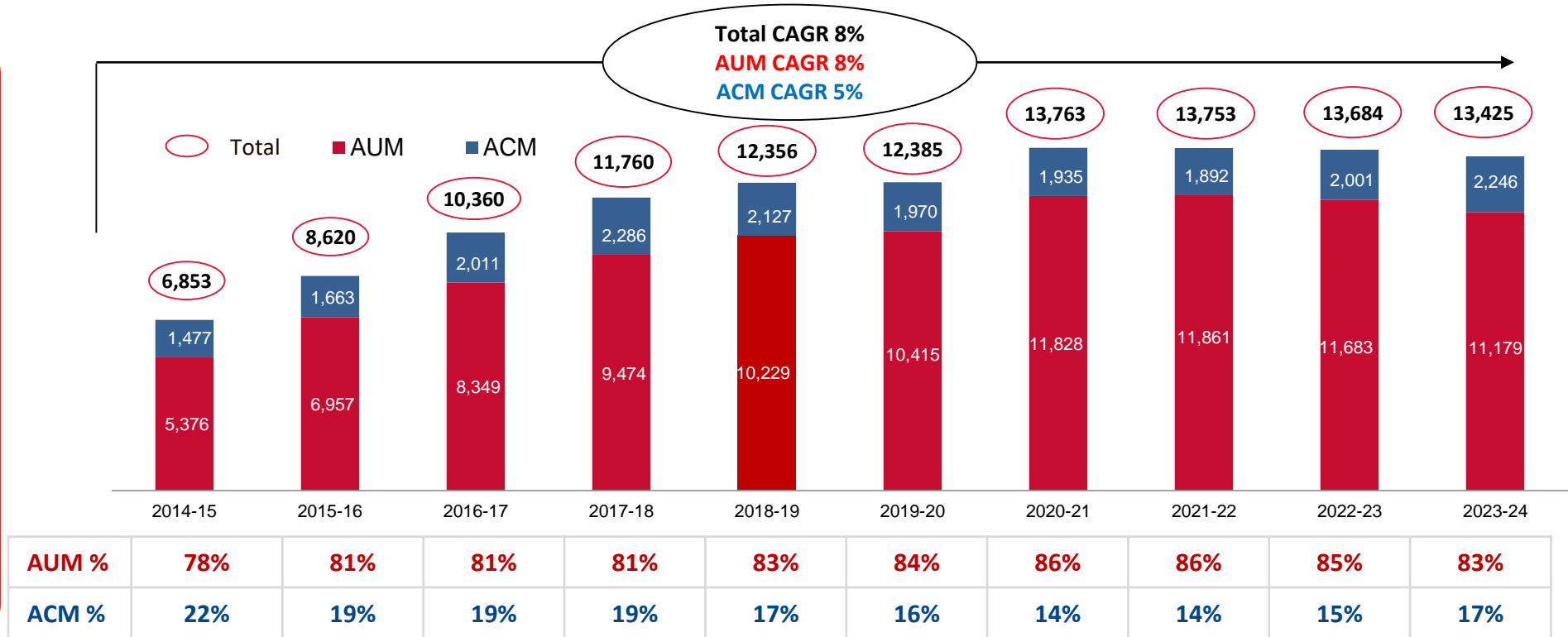
Net profit (KD mn)



* enrolled beginning of the Fall semester

Student Enrollment growing at a CAGR of 8%

Total students enrolled
(beginning of the Fall semester)

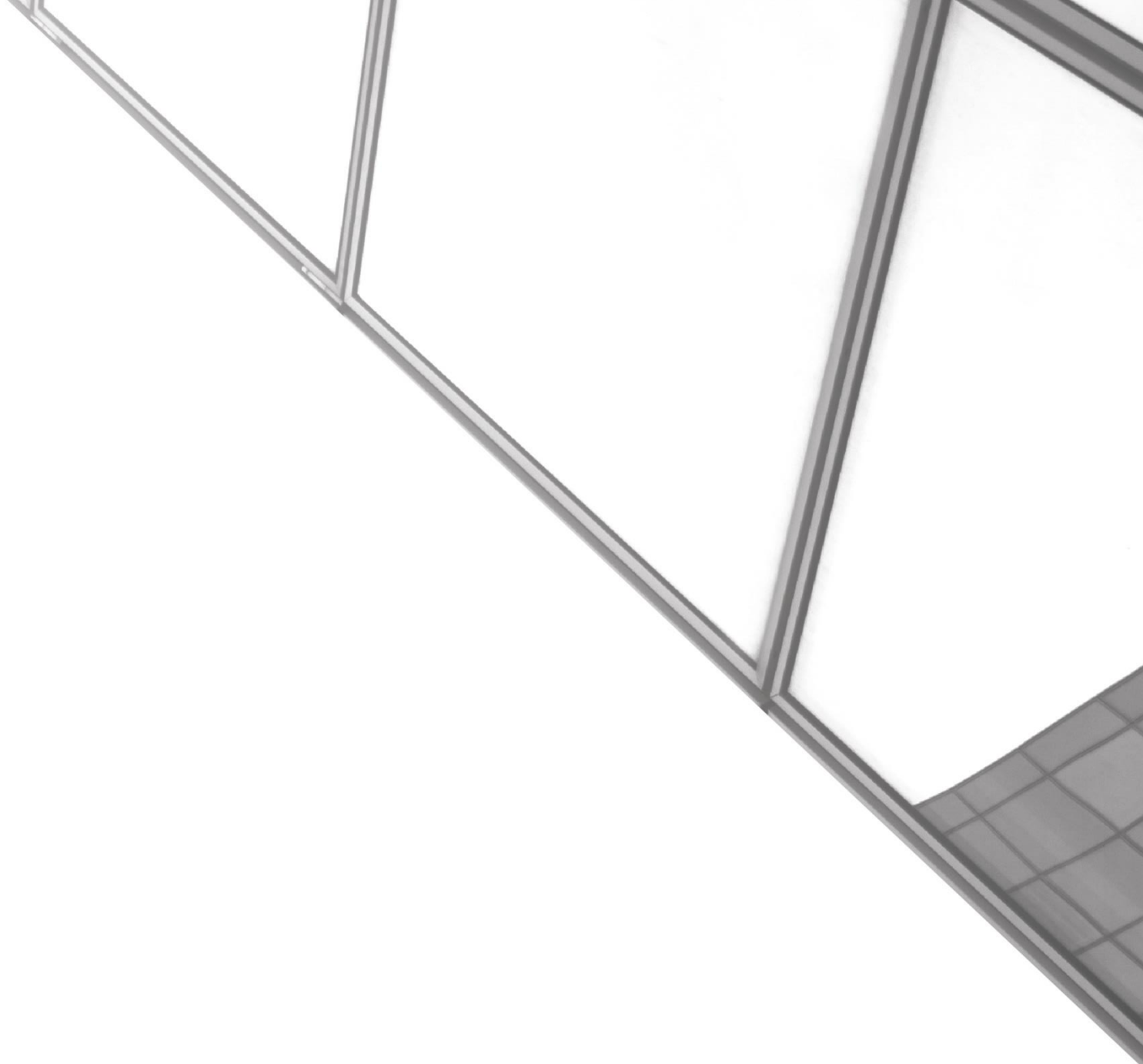


Deferred income as of 31 December 2023

- Deferred Income of KD 7.0 million as of 31 December 2023, relates to unrecognised revenue of the Fall 2023 semester.

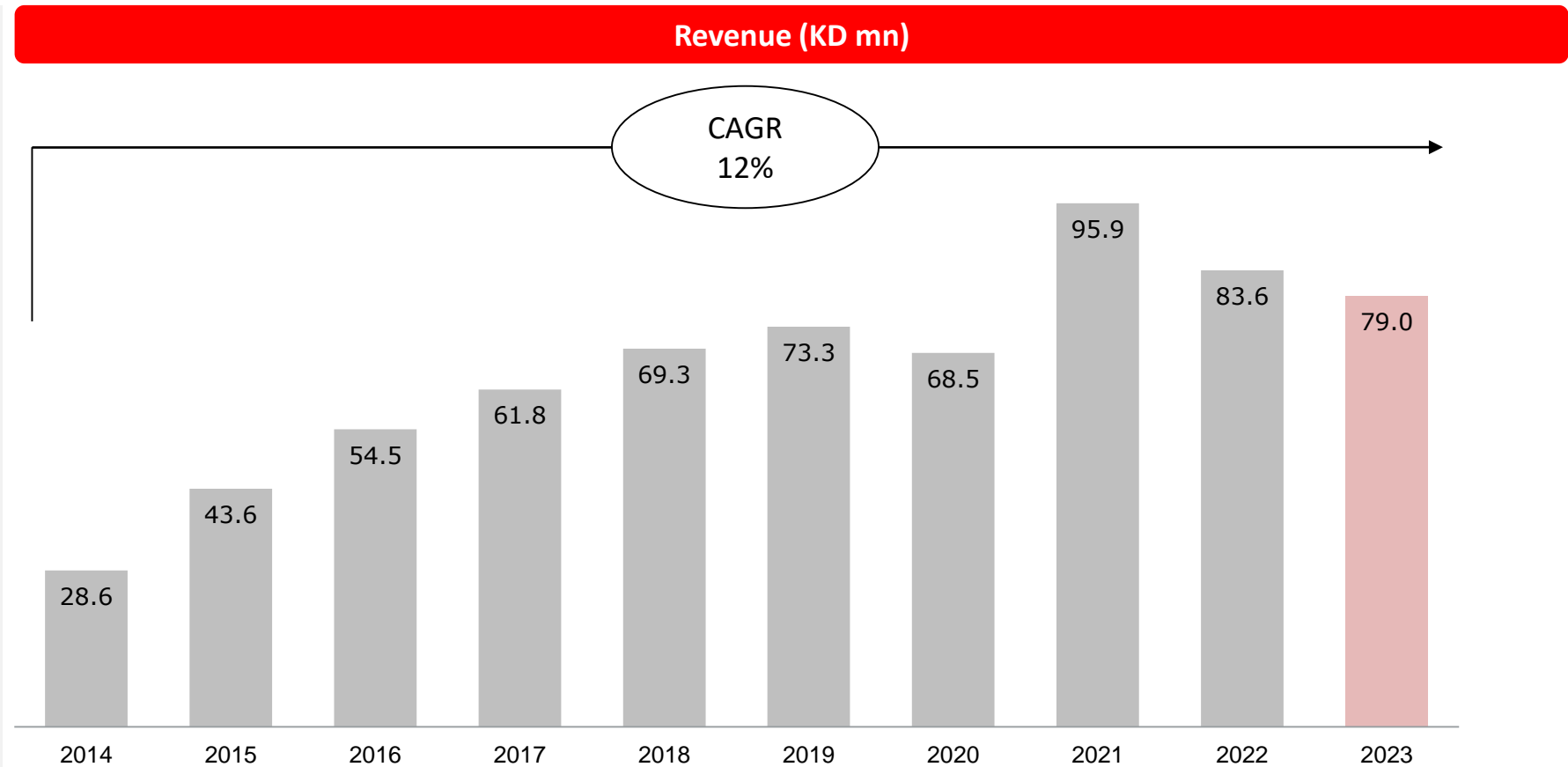
FY 2023

Key Financials



Key Financials – Revenue Trends

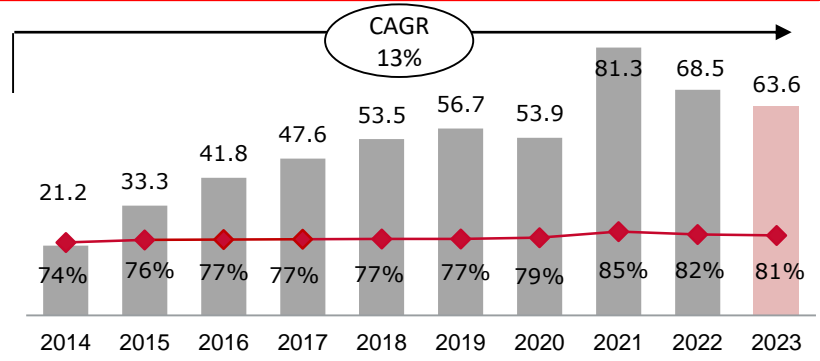
- Revenue grew at a CAGR of 12% in the period 2014-2023 and was KD 79.0 million in FY 2023.
- FY 2023 revenue was 6% lower compared to FY 2022 mainly due to the changes in the academic calendar in Q1 2022 and lower revenue for the Spring and Summer 2023 semester.
- 25% of revenue for the Fall 2021 semester was recognized in Q1 2022 as against 20% for Fall 2022 in Q1 2023.
- Academic calendar in FY 2023 is back to normal.



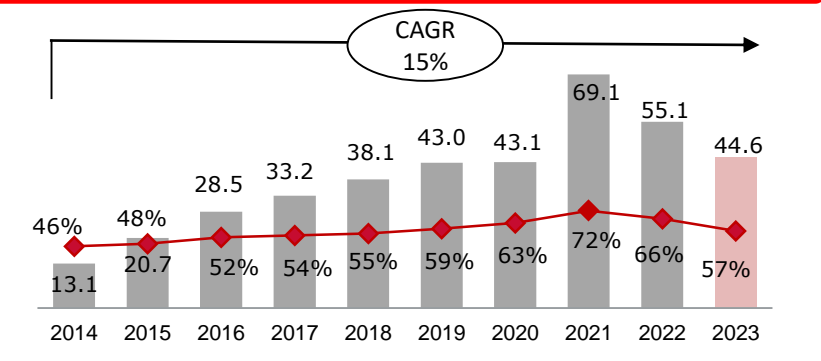
Key Financials – Consistently High Margins

- Gross profit grew at a CAGR of 13% in the period 2014-2023. Gross profit margin was 81% in FY 2023
- EBITDA grew at a CAGR of 15% in the period 2014-2023. EBITDA margin was 57% in FY 2023
- Net profit grew at a CAGR of 20% in the period 2014-2023. Net profit margin was 53% in FY 2023

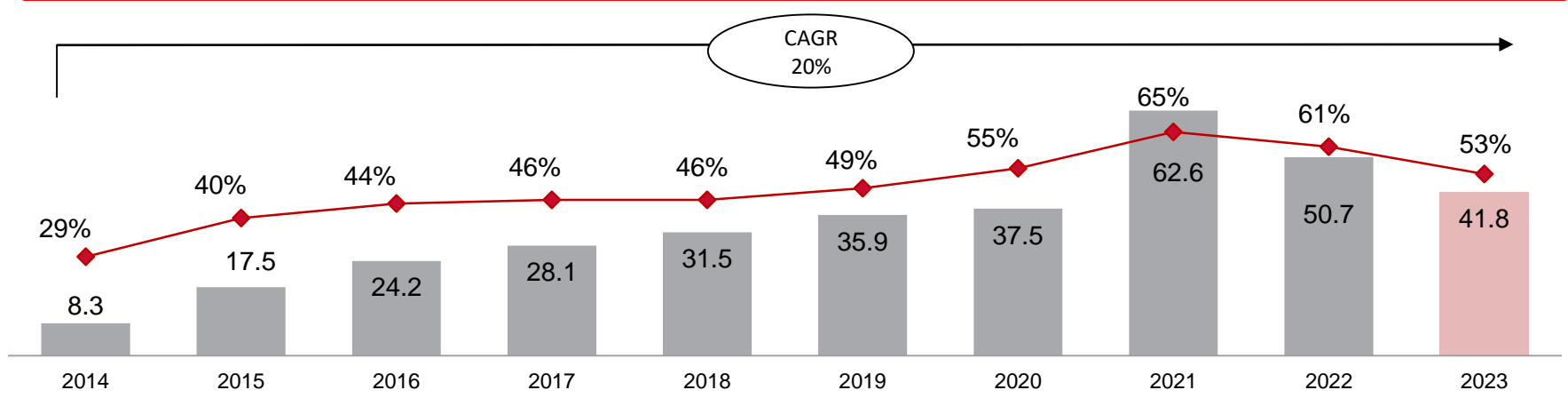
Gross profit (KD mn) and gross profit margin



EBITDA (KD mn) and EBITDA margin



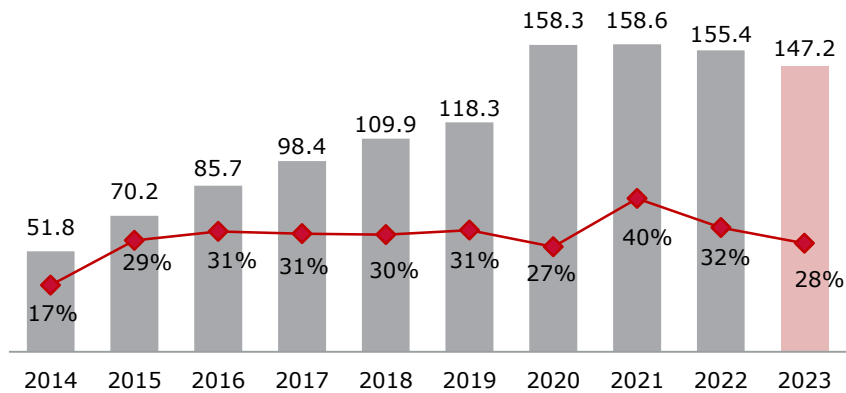
Net profit (KD mn) and net profit margin



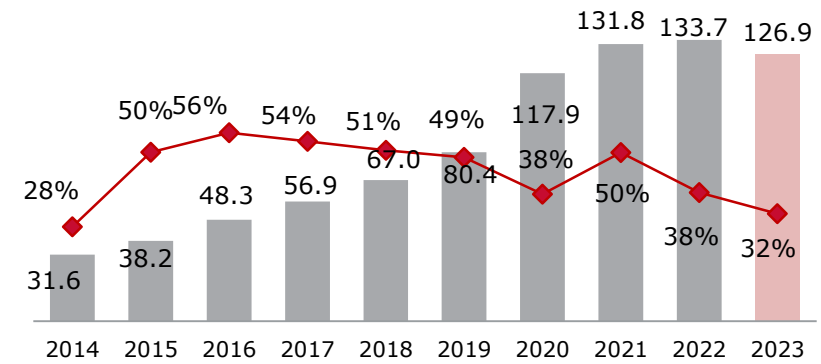
Key Financials – High ROAA and ROAE

- Humansoft’s fortress balance sheet, high ROAA & ROAE provide protection, resilience, and enable Humansoft to withstand stress events.
- Humansoft’s ROAA was 28% in FY 2023
- Humansoft’s earnings have resulted in an ROAE of 32% in FY 2023
- Humansoft has a net cash position of KD 75.2 million as of 31 December 2023
- KD 44 million capex was incurred during the year 2015 to 2018 to make significant additions to the campus infrastructure

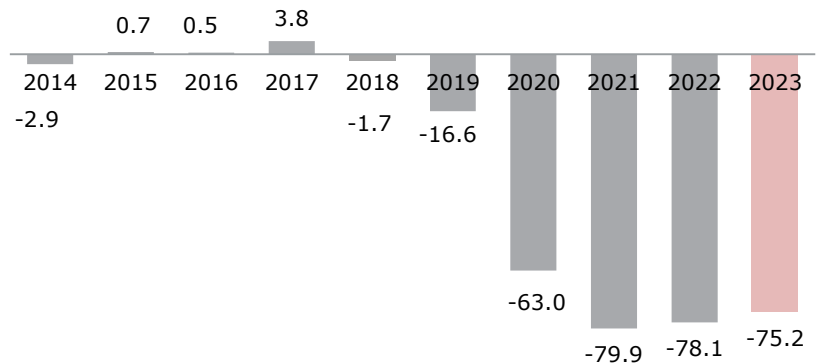
Total assets (KD mn) and ROAA



Total equity (KD mn) and ROAE

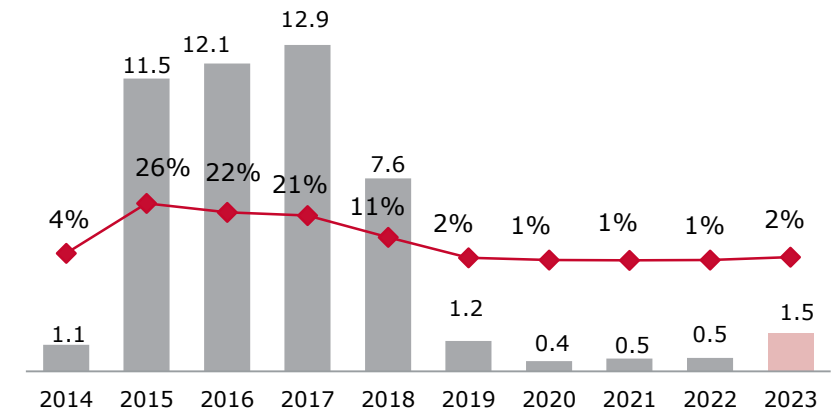


Net Debt ¹ (KD mn)



¹ Debt less cash

Capex (KD mn) and capex as % of revenue



FY 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