

**Humansoft Holding Company K.S.C.P.
and Subsidiaries**



**Interim condensed consolidated financial information
and independent auditor's review report
for the period from 1 January 2025 to 31 March 2025
(Unaudited)**

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**INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
TO THE BOARD OF DIRECTORS OF HUMANSOFT HOLDING COMPANY K.S.C.P.**

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Humansoft Holding Company K.S.C.P. ("the Parent Company") and subsidiaries (together referred to as "the Group") as at 31 March 2025 and the related interim condensed consolidated statement of profit or loss, the interim condensed consolidated statement of profit or loss and other comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the three-month period then ended. The Parent Company's management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34"). Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with IAS 34.

Report on other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Parent Company. We further report, nothing has come to our attention that causes us to believe that there is any violations of the Companies Law No. 1 of 2016 and its executive regulations, as amended, or the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, during the three-month period ended 31 March 2025 that might have had a material effect on the business of the Parent Company or on its financial position.

We further report that, during the course of our review, nothing has come to our attention that causes us to believe that there is any violations of the provisions of Law No 7 of 2010, concerning the Capital Markets Authority and its related regulations, as amended, during the three-month period ended 31 March 2025 that might have had a material effect on the business of the Parent Company or on its financial position.



Bader A. Al-Wazzan

Licence No. 62A

Deloitte & Touche - Al-Wazzan & Co.

Kuwait

05 May 2025

Interim condensed consolidated statement of financial position (Unaudited)
as at 31 March 2025

		Kuwaiti Dinars		
	Notes	31 March 2025 (Unaudited)	31 December 2024 (Audited)	31 March 2024 (Unaudited)
ASSETS				
Current assets				
Cash and bank balances	3	100,330,169	74,286,447	101,833,833
Trade and other receivables	4	22,756,203	25,029,757	22,230,617
Investment in associates		-	-	6,678
		<u>123,086,372</u>	<u>99,316,204</u>	<u>124,071,128</u>
Non-current assets				
Right-of-use assets		446,978	475,683	561,799
Property and equipment	6	36,354,629	37,160,267	39,262,913
Intangible assets	7	6,874,773	6,870,026	6,851,007
		<u>43,676,380</u>	<u>44,505,976</u>	<u>46,675,719</u>
Total assets		<u><u>166,762,752</u></u>	<u><u>143,822,180</u></u>	<u><u>170,746,847</u></u>
LIABILITIES AND EQUITY				
Current liabilities				
Trade and other payables		295,851	307,463	499,300
Accrued expenses and other liabilities		6,854,123	6,321,109	50,715,001
Lease liabilities		124,974	123,127	195,452
Deferred income	8	19,473,004	7,032,253	19,661,900
Retentions payable		126,164	127,925	133,062
		<u>26,874,116</u>	<u>13,911,877</u>	<u>71,204,715</u>
Non-current liabilities				
Lease liabilities		285,894	436,029	333,315
Provision for staff indemnity		7,540,391	7,336,848	6,688,579
		<u>7,826,285</u>	<u>7,772,877</u>	<u>7,021,894</u>
Total liabilities		<u><u>34,700,401</u></u>	<u><u>21,684,754</u></u>	<u><u>78,226,609</u></u>
Equity				
Share capital		13,476,607	13,476,607	12,834,864
Share premium		1,512,000	1,512,000	1,512,000
Statutory reserve		9,894,240	9,894,240	9,894,240
Voluntary reserve		6,739,304	6,739,304	6,418,432
Treasury shares	15	(288,877)	(288,877)	(288,877)
Treasury shares reserve	15	564,013	564,013	564,013
Retained earnings		100,162,745	90,237,905	61,570,416
Foreign currency translation reserve		2,319	2,234	15,150
Total equity		<u><u>132,062,351</u></u>	<u><u>122,137,426</u></u>	<u><u>92,520,238</u></u>
Total liabilities and equity		<u><u>166,762,752</u></u>	<u><u>143,822,180</u></u>	<u><u>170,746,847</u></u>

Mr. Tareq Fahad AlOthman
Chairman

The accompanying notes 1 to 16 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of profit or loss (Unaudited)
For the period from 1 January 2025 to 31 March 2025

		Kuwaiti Dinars	
		Three months period ended	
		31 March	
	Notes	2025	2024
		(Unaudited)	(Unaudited)
Revenue		20,156,734	20,271,010
Cost of operations	9	(4,946,654)	(4,486,669)
Gross profit		15,210,080	15,784,341
General and administrative expenses	10	(5,081,870)	(4,814,685)
Selling expenses	11	(409,024)	(623,142)
Finance charges		(8,452)	(10,406)
Other income		720,255	810,659
Profit before contribution to Kuwait Foundation for Advancement of Sciences ("KFAS"), National Labour Support Tax ("NLST"), Zakat and Directors' remuneration		10,430,989	11,146,767
Contribution to KFAS		(105,992)	(114,199)
NLST		(284,678)	(299,095)
Zakat		(115,479)	(122,216)
Directors' remuneration		-	(250,000)
Profit for the period		9,924,840	10,361,257
Basic and diluted earnings per share (fils)	12	74	77

The accompanying notes 1 to 16 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of profit or loss and other comprehensive income (Unaudited) for the period from 1 January 2025 to 31 March 2025

	Kuwaiti Dinars	
	Three months period ended 31 March	
	2025	2024
	(Unaudited)	(Unaudited)
Profit for the period	9,924,840	10,361,257
Other comprehensive income		
<i>Items that may be reclassified subsequently to interim condensed consolidated statement of profit or loss:</i>		
Foreign currency translation adjustments	85	304
Other comprehensive income for the period	85	304
Total comprehensive income for the period	9,924,925	10,361,561

The accompanying notes 1 to 16 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity (Unaudited)
For the period from 1 January 2025 to 31 March 2025

	Kuwaiti Dinars						
	Share capital	Share premium	Statutory reserve	Voluntary reserve	Treasury shares	Treasury shares reserve	Total
Balance as at 1 January 2025	13,476,607	1,512,000	9,894,240	6,739,304	(288,877)	564,013	122,137,426
Total comprehensive income for the period	-	-	-	-	-	-	9,924,925
Balance as at 31 March 2025	13,476,607	1,512,000	9,894,240	6,739,304	(288,877)	564,013	132,062,351
Balance as at 1 January 2024	12,834,864	1,512,000	9,894,240	6,418,432	(288,877)	564,013	126,866,561
Total comprehensive income for the period	-	-	-	-	-	-	304
Dividend for the year 2023 (Note 16)	-	-	-	-	-	-	(44,707,884)
Balance as at 31 March 2024	12,834,864	1,512,000	9,894,240	6,418,432	(288,877)	564,013	92,520,238

The accompanying notes 1 to 16 form an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows (Unaudited)
For the period from 1 January 2025 to 31 March 2025

	Notes	Kuwaiti Dinars	
		Three months period ended	
		2025	2024
		(Unaudited)	(Unaudited)
OPERATING ACTIVITIES			
Profit before contribution to Kuwait Foundation for Advancement of Sciences ("KFAS"), National Labour Support Tax ("NLST"), Zakat and Directors' remuneration		10,430,989	11,146,767
Adjustments for:			
Depreciation and amortisation	10	921,787	866,766
Provision for staff indemnity		292,659	289,752
Net expected credit loss on financial assets	10	605,489	499,597
Finance charges		8,452	10,406
Interest income		(709,174)	(794,963)
Gain on disposal of Property and equipment		(373)	-
Operating cash flows before working capital changes		11,549,829	12,018,325
Changes in:			
Trade and other receivables		2,038,981	2,209,050
Trade and other payables		(11,612)	(31,652)
Accrued expenses and other liabilities		766,454	731,660
Deferred income		12,440,751	12,637,009
Retentions payable		(1,761)	(19,889)
		26,782,642	27,544,503
Payment of staff indemnity		(89,116)	(119,390)
Payment of KFAS		(430,012)	(448,625)
Payment of Zakat		-	(495,675)
Net cash generated from operating activities		26,263,514	26,480,813
INVESTING ACTIVITIES			
Purchase of property and equipment	6	(79,695)	(531,935)
Proceeds from disposal of Property and equipment		380	-
Payment for intangible assets	7	(12,503)	-
Margin deposits and restricted balance		309,587	20,539
Term deposits		(6,000,000)	44,250,000
Interest income received		338,258	816,127
Net cash (used in)/generated from investing activities		(5,443,973)	44,554,731
FINANCING ACTIVITIES			
Finance charges paid		(8,452)	(10,375)
Repayment of lease liabilities		(148,288)	(146,546)
Dividend paid		(309,577)	(20,536)
Net cash used in financing activities		(466,317)	(177,457)
Net increase in cash and cash equivalents		20,353,224	70,858,087
Effects of exchange rate changes on cash and cash equivalents		85	352
Cash and cash equivalents at beginning of the period		42,793,204	7,132,841
Cash and cash equivalents at end of the period	3	63,146,513	77,991,280

The accompanying notes 1 to 16 form an integral part of this interim condensed consolidated financial information.

Notes to the interim condensed consolidated financial information (Unaudited)
For the period from 1 January 2025 to 31 March 2025

1. Ownership and activities

Humansoft Holding Company K.S.C.P. ("the Parent Company") is a Kuwaiti shareholding company incorporated on 14 September 1997. The Parent Company and its subsidiaries are together referred to as "the Group".

The principal activities of the Parent Company are as follows:

1. Owning shares of Kuwaiti shareholding or foreign companies, as well as owning shares or stocks in Kuwaiti or foreign limited liability companies or participating in the establishment of these companies, in their two types, and their management, lending and guarantee for others.
2. Lending to companies, in which it owns shares and guaranteeing them with third parties. In this case, the Parent company's share in the capital of the borrowing company should not be less than 20%.
3. Owning industrial property rights such as patents, industrial trademarks, or industrial fees or any other related rights and lease them to other companies to exploit them, whether inside or outside Kuwait.
4. Owning movables and properties necessary to carry out its operations within parameters allowed as per law.
5. Exploit surplus funds available with the Parent Company through investing in portfolios managed by specialized companies.

The Parent Company is listed on Boursa Kuwait and its registered office is P.O. Box 305, Dasman 15454, State of Kuwait.

This interim condensed consolidated financial information for the three-month period ended 31 March 2025 was authorised for issue by the Board of Directors of the Parent Company on 05 May 2025.

2. Basis of preparation and material accounting policies

2.1 Basis of preparation

The interim condensed consolidated financial information of the Group has been prepared in accordance with IAS 34, "Interim Financial Reporting". Accordingly, it does not include all of the information and footnotes required for complete consolidated financial statements prepared in accordance with IFRS Accounting Standards.

The accounting policies used in the preparation of this interim condensed consolidated financial information are consistent with those used in the preparation of the annual audited consolidated financial statements of the Group for the year ended 31 December 2024.

In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for fair presentation have been included. Operating results for the interim period are not necessarily indicative of the results that may be expected for the year ending 31 December 2025. For further information, refer to the annual audited consolidated financial statements and notes thereto for the year ended 31 December 2024.

This interim condensed consolidated financial information is presented in Kuwaiti Dinars ("KD") which is the functional and presentation currency of the Parent Company.

2.2 New standards and amendments effective from 1 January 2025

Accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to IFRS Accounting Standards which are effective for annual accounting period starting from 1 January 2025, did not have any material impact on the interim condensed consolidated financial information of the Group.

Notes to the interim condensed consolidated financial information (Unaudited)
For the period from 1 January 2025 to 31 March 2025

2.3 Judgments and estimates

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The key sources of estimates and judgements are consistent with those disclosed in the annual audited consolidated financial statements of the Group for the year ended 31 December 2024.

3. Cash and bank balances

	Kuwaiti Dinars		
	31 March 2025 (Unaudited)	31 December 2024 (Audited)	31 March 2024 (Unaudited)
Cash on hand	19,841	18,192	29,719
Balance with banks	53,212,561	10,670,488	78,082,851
Term deposits with banks	47,097,767	63,597,767	23,750,000
Less: Bank overdraft	-	-	(28,737)
Cash and bank balances	100,330,169	74,286,447	101,833,833
Less: Margin deposits with banks whose original maturity period exceeds three months from the date of acquisition, included above	(136,167)	(136,166)	(136,165)
Less: Restricted balance	(949,722)	(1,259,310)	(956,388)
Less: Term deposits with bank whose original maturity period exceeds three months from the date of acquisition, included above	(36,097,767)	(30,097,767)	(22,750,000)
Cash and cash equivalents in the interim condensed consolidated statement of cash flows	63,146,513	42,793,204	77,991,280

Term deposits are denominated in Kuwaiti Dinars and are placed with local banks carrying an effective rate of interest of 4.16% (31 December 2024: 4.72% and 31 March 2024: 4.90%) per annum.

As at 31 March 2025, the undrawn bank overdraft facilities amounted to KD 7,000,000 (31 December 2024: KD 7,000,000 and 31 March 2024: KD 6,971,263).

Margin deposits with banks are held against letter of guarantees facilities from local commercial banks.

Restricted balance represents balance with a bank restricted for dividend payments to the shareholders.

4. Trade and other receivables

	Kuwaiti Dinars		
	31 March 2025 (Unaudited)	31 December 2024 (Audited)	31 March 2024 (Unaudited)
Trade receivables	26,608,892	28,659,150	24,101,693
Less: Provision for ECL	(6,379,889)	(5,774,387)	(3,755,864)
	20,229,003	22,884,763	20,345,829
Advance to suppliers	201,136	228,714	264,240
Staff receivables	109,219	126,003	111,123
Refundable deposits	53,475	53,474	55,145
Accrued interest income	1,139,968	769,052	427,110
Prepaid expenses and other receivables	1,023,402	967,751	1,027,170
	22,756,203	25,029,757	22,230,617

Notes to the interim condensed consolidated financial information (Unaudited)
For the period from 1 January 2025 to 31 March 2025
5. Related party transactions

Related parties comprise of major shareholders and executive officers of the Group, their families and companies of which they are the principal owners. The Group enters into transactions with related parties. Pricing policies and terms are approved by the Group's management.

The related party transactions and balances included in this interim condensed consolidated financial information are as follows:

	Kuwaiti Dinars	
	Three months period ended	
	31 March	
	2025	2024
	(Unaudited)	(Unaudited)
Compensation of key management personnel		
Short-term and post employment benefits	116,725	123,120

6. Property and equipment

	Kuwaiti Dinars		
	31 March	31 December	31 March
	2025	2024	2024
	(Unaudited)	(Audited)	(Unaudited)
Net fixed assets	36,119,817	36,925,455	38,534,717
Capital work in progress	234,812	234,812	728,196
	36,354,629	37,160,267	39,262,913

During the three-month period ended 31 March 2025, the Group acquired property and equipment amounting to KD 79,695 (31 March 2024: KD 531,935). Depreciation charge for the period amounted to KD 885,325 (31 March 2024: KD 820,849).

7. Intangible assets

	Kuwaiti Dinars		
	31 March	31 December	31 March
	2025	2024	2024
	(Unaudited)	(Audited)	(Unaudited)
University and college licenses	6,752,000	6,752,000	6,752,000
Other intangible assets	122,773	118,026	99,007
	6,874,773	6,870,026	6,851,007

During the three-month period ended 31 March 2025, the Group acquired intangible assets amounting to KD 12,503 (31 March 2024: nil). Amortisation charged for the period amounted to KD 7,756 (31 March 2024: KD 17,212).

8. Deferred income

This represents fees received/billed in advance to be recognized as revenue as and when the service is rendered.

9. Cost of operations

Cost of operations represent staff salaries and related costs.

Notes to the interim condensed consolidated financial information (Unaudited)
For the period from 1 January 2025 to 31 March 2025

10. General and administrative expenses

	Kuwaiti Dinars	
	Three months period ended 31 March	
	2025	2024
	(Unaudited)	(Unaudited)
Staff salaries and related costs	1,434,669	1,356,229
Facilities costs	711,437	798,460
Net expected credit loss	605,489	499,597
Depreciation and amortisation	921,787	866,766
Student activities costs	459,705	311,987
Other administration expenses	948,783	981,646
	<u>5,081,870</u>	<u>4,814,685</u>

11. Selling expenses

	Kuwaiti Dinars	
	Three months period ended 31 March	
	2025	2024
	(Unaudited)	(Unaudited)
Advertising and sales promotion expenses	390,323	610,789
Others	18,701	12,353
	<u>409,024</u>	<u>623,142</u>

12. Basic and diluted earnings per share

Basic and diluted earnings per share are computed by dividing the profit for the period attributable to shareholders of the Parent Company by the weighted average number of shares outstanding during the period net of treasury shares.

Basic and diluted earnings per share is calculated as follows:

	Kuwaiti Dinars	
	Three months period ended 31 March	
	2025	2024
	(Unaudited)	(Unaudited)
Profit for the period	<u>9,924,840</u>	<u>10,361,257</u>
Number of shares outstanding:	Shares	
Weighted average number of paid up shares	134,766,072	134,766,072
Less: Weighted average number of treasury shares outstanding	(642,741)	(642,741)
Weighted average number of outstanding shares	<u>134,123,331</u>	<u>134,123,331</u>
Basic and diluted earnings per share (fils)	<u>74</u>	<u>77</u>

Notes to the interim condensed consolidated financial information (Unaudited)
For the period from 1 January 2025 to 31 March 2025

13. Segment information

Primary segment information – business segments:

All of the segment revenue reported below is from external customers. For the purpose of segment reporting, the Parent Company's management has grouped its activities into the following business segments:

- a) Higher education
- b) Others

Segment results include revenues and expenses directly attributable to a segment. There are no significant inter-segment transactions.

Segment information by business segments is as follows:

	Kuwaiti Dinars Three months period ended 31 March 2025 (Unaudited)		
	Higher education	Others	Total
Segment revenues - point over time	20,156,734	-	20,156,734
Segment expenses	(9,477,325)	(544,585)	(10,021,910)
Depreciation and amortisation	(919,863)	(1,924)	(921,787)
Finance charges	(8,388)	(64)	(8,452)
Other income	626,557	93,698	720,255
Profit/(loss) for the period	10,377,715	(452,875)	9,924,840
Assets			
Segment total assets	151,110,441	15,652,311	166,762,752
Liabilities			
Segment total liabilities	31,954,186	2,746,215	34,700,401
	Kuwaiti Dinars Three months period ended 31 March 2024 (Unaudited)		
	Higher education	Others	Total
Segment revenues - point over time	20,271,010	-	20,271,010
Segment expenses	(9,002,239)	(841,001)	(9,843,240)
Depreciation and amortisation	(861,018)	(5,748)	(866,766)
Finance charges	(10,247)	(159)	(10,406)
Other income	810,659	-	810,659
Profit/(loss) for the period	11,208,165	(846,908)	10,361,257
Assets			
Segment total assets	163,554,339	7,192,508	170,746,847
Liabilities			
Segment total liabilities	30,380,433	47,846,176	78,226,609

Notes to the interim condensed consolidated financial information (Unaudited)
For the period from 1 January 2025 to 31 March 2025

14. Commitments and contingent liabilities

Kuwaiti Dinars			
	31 March 2025 (Unaudited)	31 December 2024 (Audited)	31 March 2024 (Unaudited)
Commitments			
Capital commitments for construction	311,647	311,647	86,631
Contingent liabilities			
Letters of guarantee	4,154,068	4,154,067	3,886,969

15. Treasury shares

	31 March 2025 (Unaudited)	31 December 2024 (Audited)	31 March 2024 (Unaudited)
Number of shares	642,741	642,741	611,829
Percentage of issued shares	0.48%	0.48%	0.48%
Market value (KD)	1,693,623	1,748,256	2,037,391

An amount equivalent to the cost of purchase of the treasury shares have been earmarked as non-distributable from statutory reserve, share premium, treasury shares reserve and retained earnings throughout the holding period of treasury shares. The balance in the treasury share reserve account is not available for distribution.

16. Shareholders' General Assembly

Annual General Assembly Meeting

The shareholders' annual general meeting (AGM) held on 14 April 2025 approved the audited consolidated financial statements of the Group for the year ended 31 December 2024 and approved the followings:

- Dividend of 350 fils per share (2023: 350 fils and bonus shares of 5% of issued and paid-up capital) for the year ended 31 December 2024
- Directors remuneration of KD 250,000 for the year ended 31 December 2024 (2023: KD 250,000).