

Date: 9<sup>th</sup> February 2022

التاريخ: 09 فبراير 2022

M/S./ Boursa Kuwait

المحترمين

السادة/ شركة بورصة الكويت

Greetings,

تحية طيبة وبعد،،

**Subject: Analyst/Investor Conference Call for the  
Financial year ending 31/12/2021**

**الموضوع: انعقاد مؤتمر المحللين/المستثمرين لسنة المنتهية  
2021/12/31**

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 2021 was held at 3:00 PM (local time) on **Wednesday 09 February 2022**. 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 2021/12/31 قد انعقد يوم **الأربعاء الموافق 09 فبراير 2022** في تمام الساعة الثالثة عصراً (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.): 12,223,680 رأس المال المدفوع (د.ك.): 12,223,680  
تليفون: 22322588 (965) - فاكس: 22322587 (965) - ص.ب: 305 دسمان 15454 الكويت

[www.human-soft.com](http://www.human-soft.com)

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# Humansoft Holding Company KSCP

Investor Presentation

FY 2021 Results

7 February 2022

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



# Disclaimer

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# KEY HIGHLIGHTS



## Key Highlights

### Always Striving for Excellence and Continuous Improvement

AUM sustained its rank as #1 Green and Sustainable University in Kuwait and advanced 34 places globally. Our students, faculty and staff are continuously striving for excellence and for doing better.



**AUM #1 Green & Sustainable University in Kuwait | UI GreenMetric Rankings**



**AUM Students won the First Gold Prize in Hackathon 2021**

AUM Faculty Publications in **World's Top 10% Journals is doubled** compared to the period prior to Covid-19 pandemic.



**Rising Quality in Research Publications**



**Certificate Program for Faculty and staff involved in Career guidance for students**

## Key Highlights

**A vibrant campus life and festive spirit throughout the Fall 2021 semester**

A special festive spirit was created in Fall 2021 on the occasion of the students return to campus. Students are enjoying a fully integrated campus life with a culture of continuous upgrade.



Series of AUM Career Days



Fiesta by the Lake



Trivia Champ 2021



Sports activities on World Diabetes Day

## Key Highlights

### Heart-warming homecoming events for Alumni

Workshops and events are being organized for Alumni, especially for the batches that graduated online during the Covid19 pandemic.



AUM Podcasts hosting Alumni



AUM Outdoor Gathering for Alumni



Workshop "Thriving Personally"



Workshop "Emotional Intelligence"



## Key Highlights

### CSR, Sustainability and Climate Action are our priority

Fall 2021 marked many initiatives inside the campus and across the local community to tackle CSR and the multiple challenges of climate change in order to transform our world to a more sustainable place.

Our Sustainability & CSR Report 2021 is now released

Scan here



**AUM Participation in Green Kuwait: the First Kuwait Electric Road Show**



**Sample Graduation Project: Small Solar Cars**



**PC-based Paperless Exams on Campus**

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# AT A GLANCE



## At a Glance



### Leading

private higher education company in the GCC

**20+**

years of operating experience

**13,753<sup>1</sup>**

enrolled students in AUM and ACM

### University of choice

for Engineering and Business

**KD 95.9 million**

in revenue<sup>2</sup>

**KD 69.1 million**

in EBITDA<sup>2</sup>

**44%**

2012-2021 net profit CAGR

**400 fils**

cash dividend per share proposed for FY 2021

<sup>1</sup> enrolled beginning of the Fall 2021 semester

<sup>2</sup> FY 2021

**We are proud of our achievements**

**#1 Ranking**

University  
in Kuwait

**#1 Ranking**

Green & Sustainable  
University in Kuwait

**Internationally  
Accredited**

Engineering & Business Majors

**Over 700**

trees have been  
planted in the campus

**Over 60%**

female  
students

**Over 70**

different staff  
nationalities

**Over 130**

community engagement  
initiatives since 2014

**Over 100**

academic competitions  
since 2014

**Over 20**

sports achievements  
since 2018

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# Board & Executive Management

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## Board & Executive Management

### Board of Directors

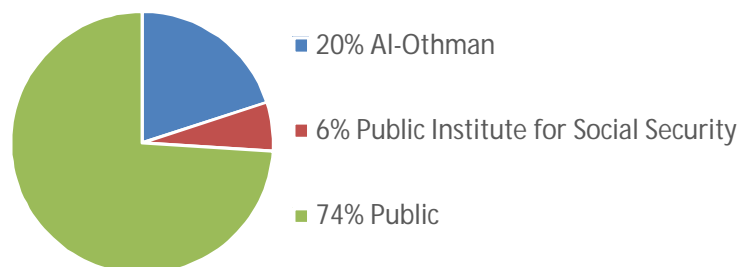
Name	Position
Ms. Dalal Hasan Al Sabti	Chairperson
Mr. Tareq Fahad Al Othman	Vice Chairman
Mr. Mayank Hasmukhlal Baxi	Director
Mr. Hasan Qasim Al Ali	Director
Mr. Abdulrazaq Abdulla Mohammad Ahmed	Director

### 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 2021)



	KD
Closing price as at 30 Dec 2021	3.224
Market Cap (KD mn) <sup>1</sup>	392
Market Cap (USD bn)	1.3
6m avg. daily trading volume (% of shares outstanding)	0.18%
52-weeks high <sup>2</sup>	3.930
52-weeks low <sup>2</sup>	3.198

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

EV/EBITDA (FY 2021)	4.5X
P/E (FY 2021)	6.3X
Cash dividend yield (Proposed FY 2021 dividends)	12.4%

### 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 3.224 as at 30 Dec 2021 and FY 2021 financials

## 14th largest by market cap on Boursa Kuwait's Premier Market

Name	Description	Market Cap (KD million)	Rank	Boursa Kuwait segment
National Bank of Kuwait	Banking	7,171	1	Premier
Kuwait Finance House	Banking	6,964	2	Premier
Ahli United Bank AUB (Bahrain)	Banking	2,817	3	Premier
Zain	Telecom	2,575	4	Premier
Boubyan Bank	Banking	2,512	5	Premier
Agility Public Warehousing Co	Logistics	1,989	6	Premier
Mabaneer	Real Estate	929	7	Premier
Gulf Bank	Banking	840	8	Premier
Burgan Bank	Banking	785	9	Premier
Warba Bank	Banking	548	10	Premier
Boubyan Petrochemicals	Diversified	444	11	Premier
National Industries Group	Fin Services	424	12	Premier
Boursa Kuwait	Fin Services	406	13	Premier
<b>Humansoft</b>	<b>Education</b>	<b>392</b>	<b>14</b>	<b>Premier</b>
KIPCO	Fin Services	368	15	Premier
Qurain Petrochemicals	Diversified	355	16	Premier
Shamal Azzour Power & Water	Utilities	251	17	Premier
Kuwait International Bank	Banking	222	18	Premier
Alafco	Aviation	208	19	Premier
Gulf Cable	Industrial	182	20	Premier
Mezzan Holding	Consumer	181	21	Premier
National Investments Company	Fin Services	175	22	Premier
Aqarat	Real Estate	166	23	Premier
Al Imtiaz Investment Group	Fin Services	127	24	Premier
Integrated Holding Company	Industrial	94	25	Premier



14th largest by market cap  
7th largest non-banking stock

Based on market cap as at 31 Dec 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"> <li>• Aly Adel</li> <li>• Toka Elwazery</li> </ul>
 HSBC	5.000	19 May 2021	<ul style="list-style-type: none"> <li>• Ankur Agarwal</li> </ul>
 EFG HERMES	4.850	25 November 2020	<ul style="list-style-type: none"> <li>• Hatem Alaa</li> <li>• Mirna Maher</li> </ul>
 S/CO سيكو	4.200	13 July 2021	<ul style="list-style-type: none"> <li>• Nishit Lakhota</li> <li>• Reem Al Barri</li> </ul>
 arqaam CAPITAL	3.800	13 December 2021	<ul style="list-style-type: none"> <li>• Christine Kalindjian</li> </ul>
 KAMCO INVEST	3.745	19 August 2021	<ul style="list-style-type: none"> <li>• Thomas Mathew</li> </ul>
 citi	3.600	13 July 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

#### Q2

- 75% Spring 2021

#### Q3

- 100% Summer 2021

#### Q4

- 75% Fall 2021/2022

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# 2021 Financial Performance

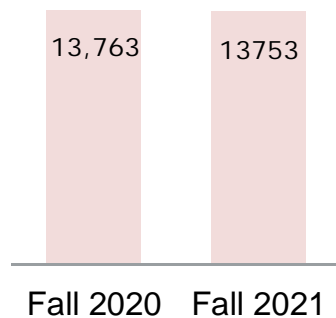


## 2021 Financial Performance

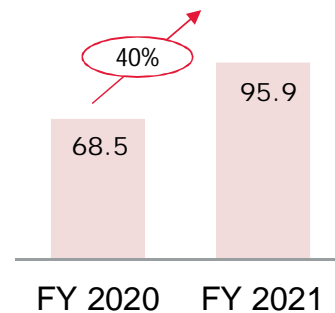
- FY 2021 revenue was 40% higher compared to FY 2020 mainly due to changes to the academic calendar due to Covid-19
- FY 2021 EBITDA of KD 69.1 million was 60% higher than FY 2020
- FY 2021 net profit of KD 62.6 million was 67% higher than FY 2020
- Total equity of KD 131.8 million as at 31 Dec 2021 was 12% higher than 31 Dec 2020

Key figures and ratios	Q4 2020	Q4 2021	Change	FY 2020	FY 2021	Change
Number of students (Fall)	13,763	13,753	-	13,763	13,753	-
Revenue (KD mn)	18.6	28.1	51%	68.5	95.9	40%
EBITDA (KD mn)	14.5	21.4	48%	43.1	69.1	60%
EBITDA margin (%)	78%	76%	-2%	63%	72%	9%
Net profit (KD mn)	13.4	19.9	49%	37.5	62.6	67%
Net margin (%)	72%	71%	-1%	55%	65%	10%
EPS (in fils)	110	163	48%	308	514	67%
Equity (KD mn)	117.9	131.8	12%	117.9	131.8	12%
Total assets (KD mn)	158.3	158.6	-	158.3	158.6	-

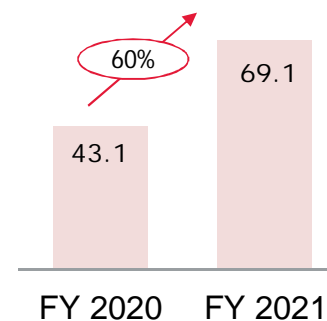
### Number of students \*



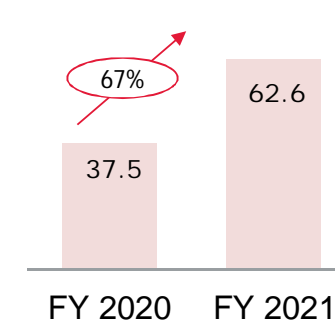
### Revenue (KD mn)



### EBITDA (KD mn)

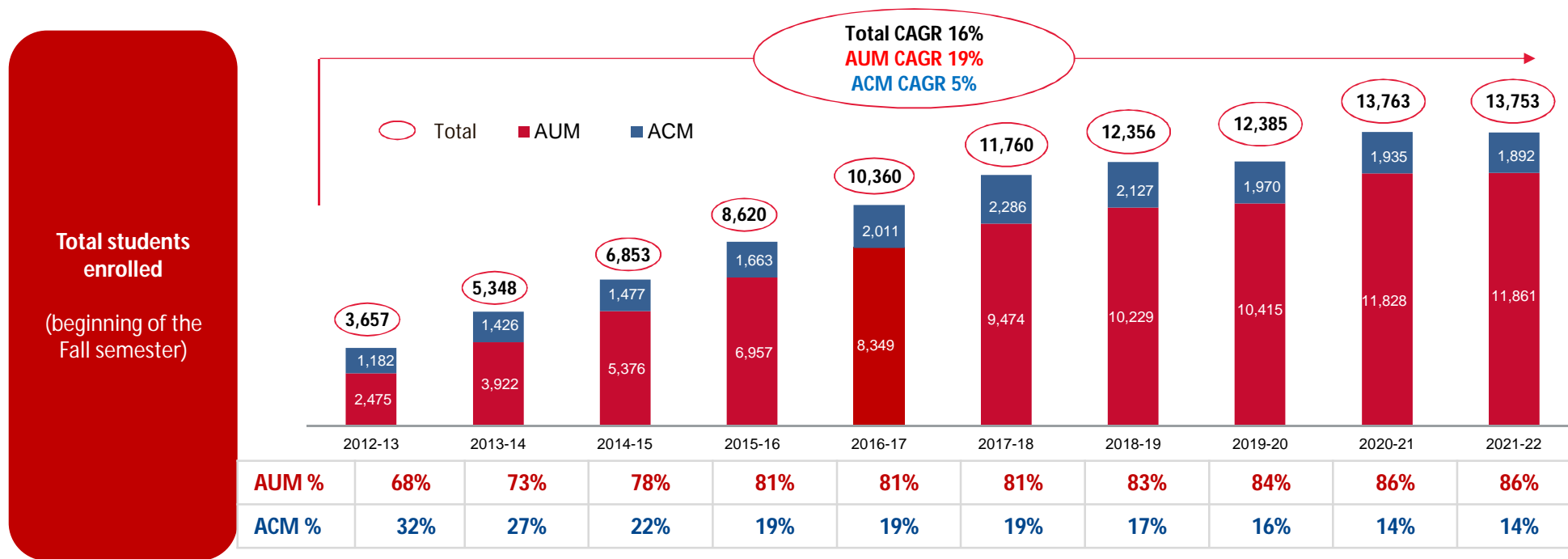


### Net profit (KD mn)



\* enrolled beginning of the Fall semester

## Student Enrollment growing at a CAGR of 16%



Deferred income  
as of  
31 Dec 2021

- Deferred Income of KD 9.4 million as of 31<sup>st</sup> December 2021, relates to unrecognised revenue of Fall 2021 semester.

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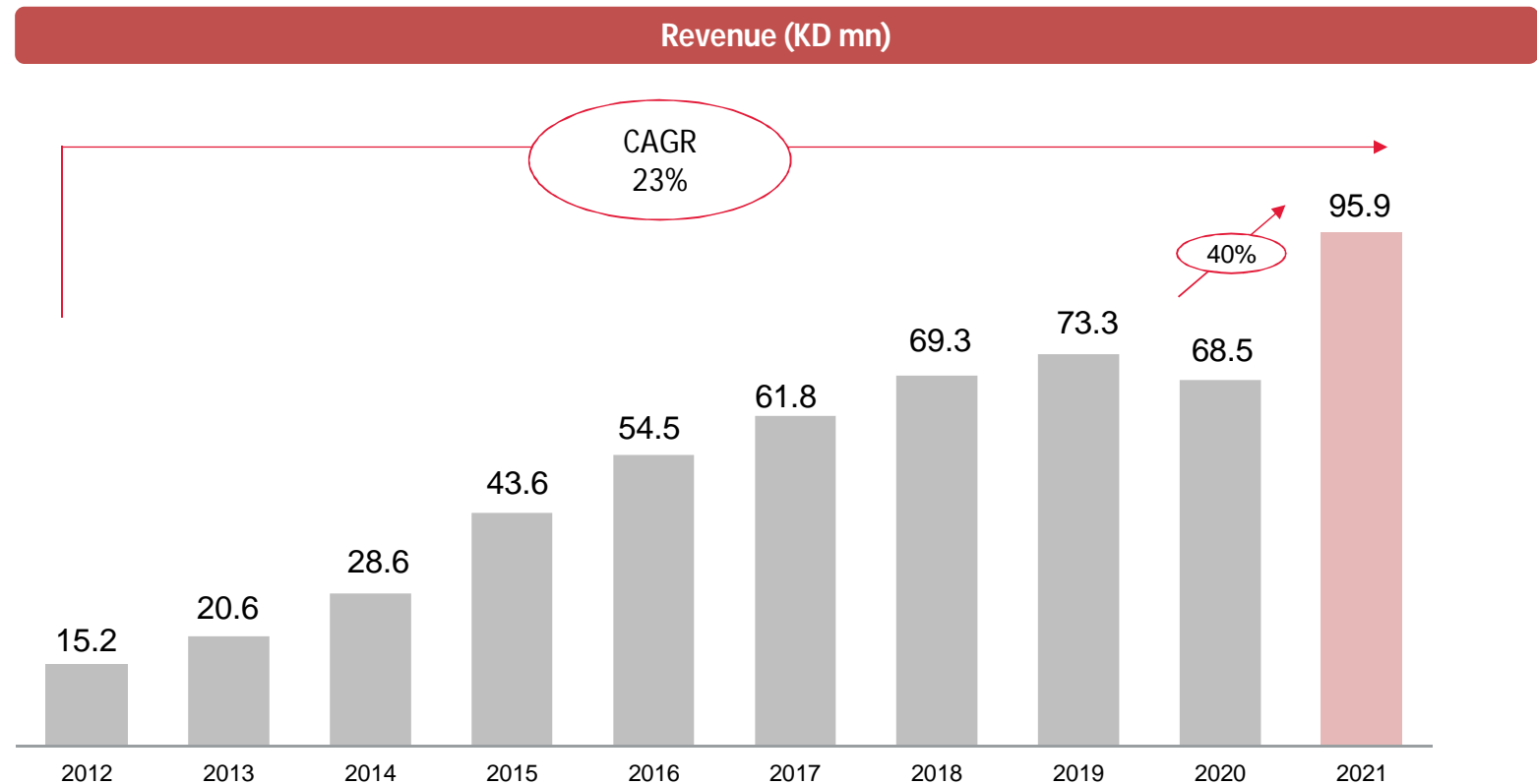
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# Key Financials



## Key Financials – Persistent Growth in Revenues

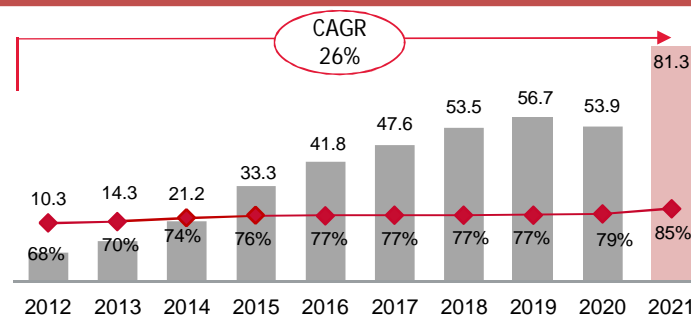
- Revenue grew at a CAGR of 23% in the period 2012-2021 and was KD 95.9 million in 2021.
- FY 2021 revenue was 40% higher compared to FY 2020 mainly due to changes to the academic calendar in 2020-2021 due to Covid-19
- 50% of revenue for Fall 2020 semester was recognized in FY 2021 as against 20% in a regular academic calendar.
- 75% of revenue for Fall 2021 was recognized in FY 2021, as against 80% in a regular academic calendar.



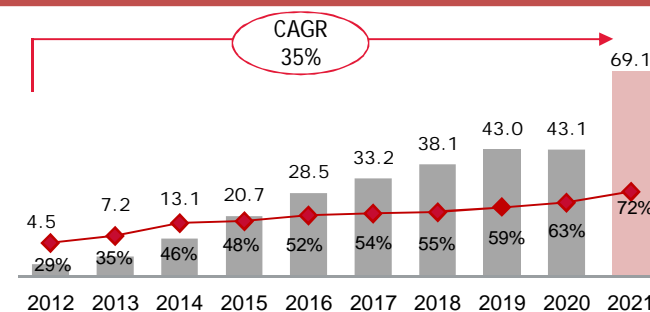
## Key Financials – Consistently High Margins

- Gross profit grew at a CAGR of 26% in the period 2012-2021. Gross profit margin increased to 85% in FY 2021
- EBITDA grew at a CAGR of 35% in the period 2012-2021. EBITDA margin increased to 72% in FY 2021
- Net profit grew at a CAGR of 44% in the period 2012-2021. Net margin increased to 65% in FY 2021
- Cash dividend of 400 fils per share is proposed for FY 2021 (payout ratio of 78%)
- Average dividend payout in last 10 years has been in excess of 70%.

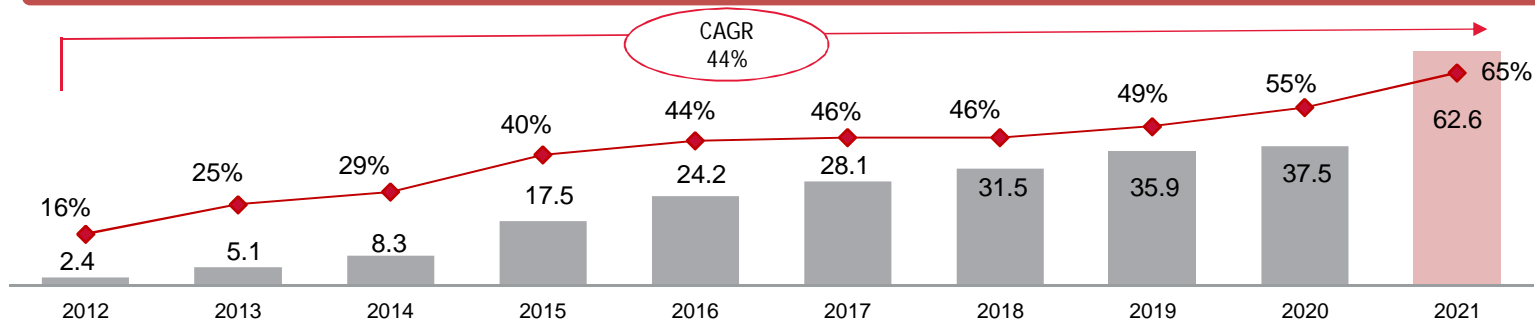
**Gross profit (KD mn) and gross profit margin**



**EBITDA (KD mn) and EBITDA margin**



**Net profit (KD mn) and net profit margin**



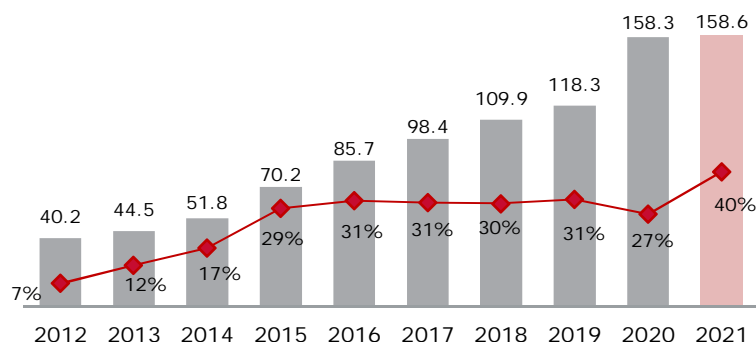
Earnings per share (in fils)	21	42	68	144	199	231	259	295	308	514
Cash dividend per share (in fils)	15	35	90	115	160	175	185	-	400	Proposed 400 fils
Cash Dividend Payout (%)	71%	83%	132%	80%	80%	76%	71%	-	130%	78%
Share Dividend per share (%)	-	7%	-	-	-	-	-	-	-	-



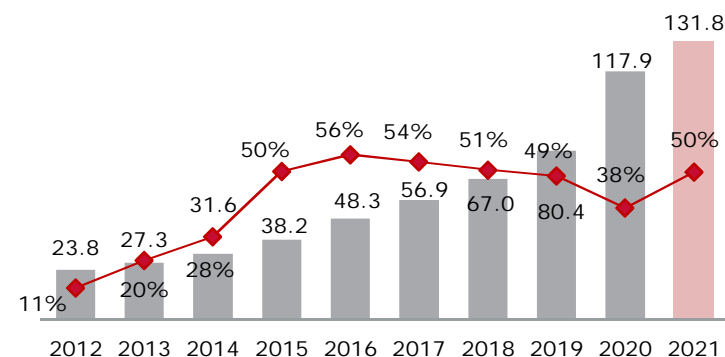
## Key Financials – Humansoft has a fortress balance sheet

- Humansoft has a net cash position of KD 80 mn as at 31 December 2021
- Humansoft’s strong earnings have resulted in ROAE of 50% in FY 2021
- Humansoft’s ROAA has increased to 39.5% in FY 2021
- Humansoft’s fortress balance sheet provides protection, resilience, and enables Humansoft to withstand stress events like Covid-19
- KD 44 mn capex was incurred during the year 2015 to 2018 to make significant additions to campus infrastructure

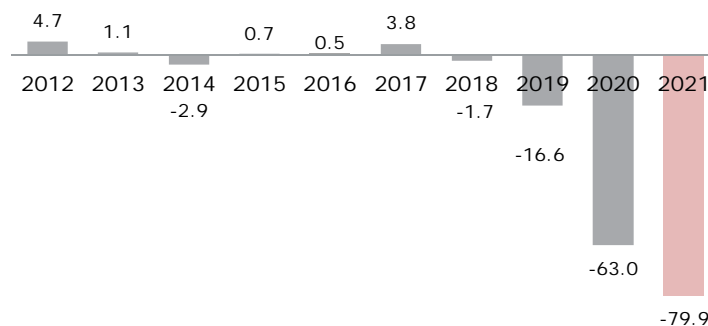
Total assets (KD mn) and ROAA



Total equity (KD mn) and ROAE

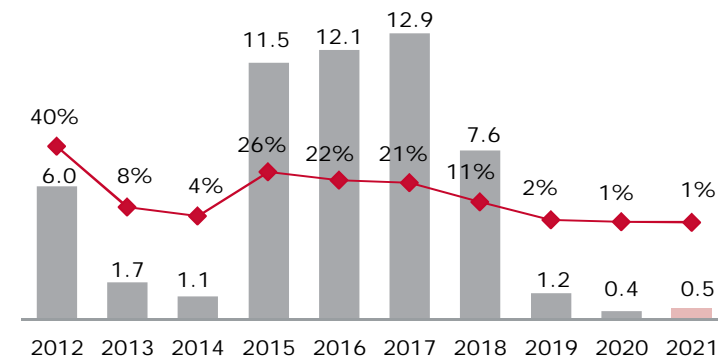


Net Debt <sup>1</sup> (KD mn)



<sup>1</sup> Debt less cash

Capex (KD mn) and capex as % of revenue



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# 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**

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## Strategic pillars

1

**Academic  
excellence**

2

**Operating  
efficiency**

3

**Shareholder  
value**

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## 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, securing accreditation for the new programs, 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