

Date: 23 February 2023

التاريخ: 23 فبراير 2023

M/S./ Boursa Kuwait

المحترمين

السادة/ شركة بورصة الكويت

Greetings,

تحية طيبة وبعد،،

**Subject: Analyst/Investor Conference Call for the
Financial year ending 31/12/2022**

الموضوع: انعقاد مؤتمر المحللين/المستثمرين للسنة المنتهية

2022/12/31

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 2022 was held at 2:00 PM (local time) on **Thursday 23 February 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 (Conference Call) للسنة المنتهية 2022/12/31 قد انعقد يوم الخميس الموافق 23 فبراير 2023 في تمام الساعة الثانية 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

NR

AMH

FY 2022



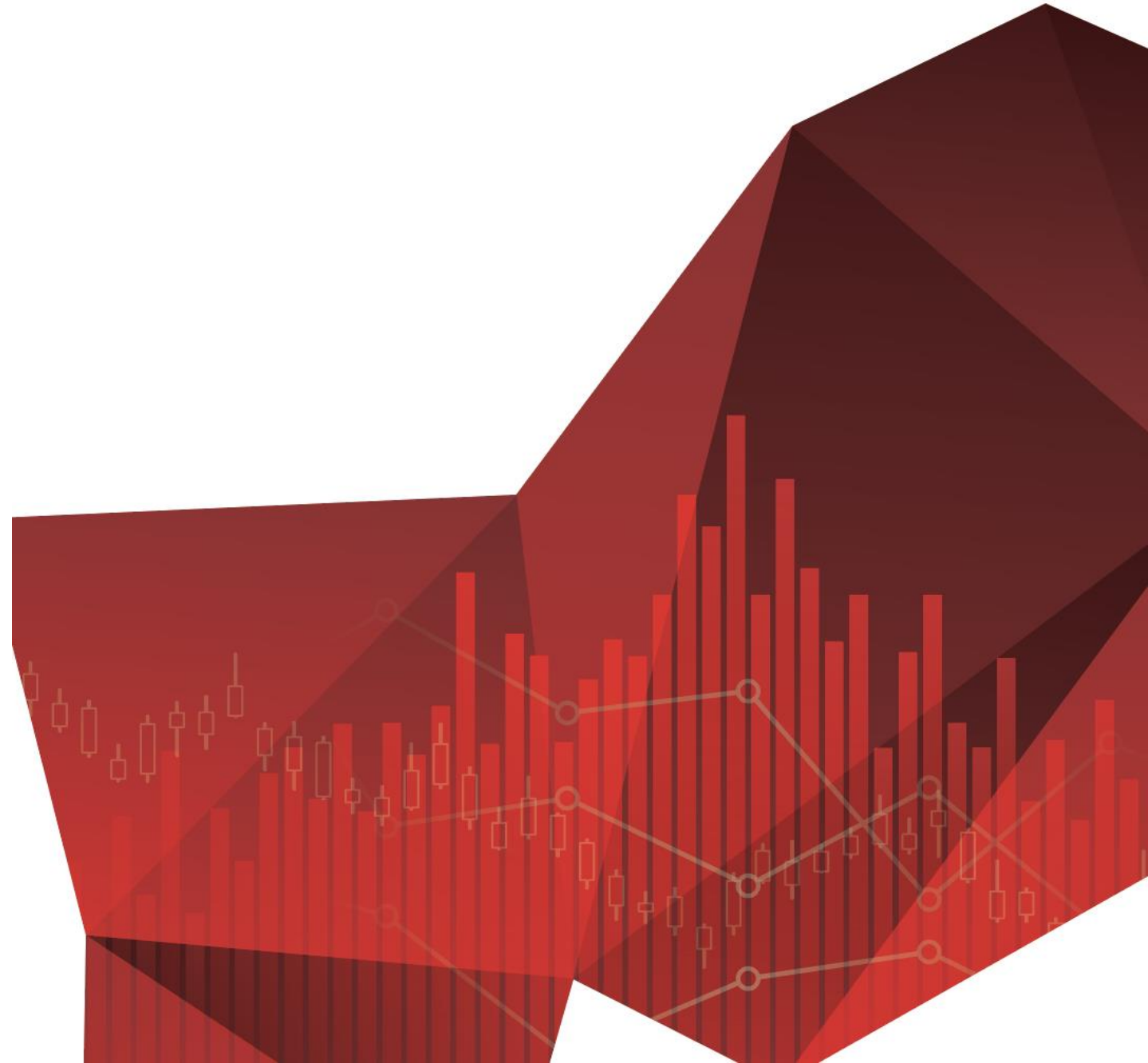
Empowering People Through Knowledge

Humansoft Holding Company KSCP

Investor Presentation

FY 2022 Results

21 February 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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FY 2022

KEY HIGHLIGHTS

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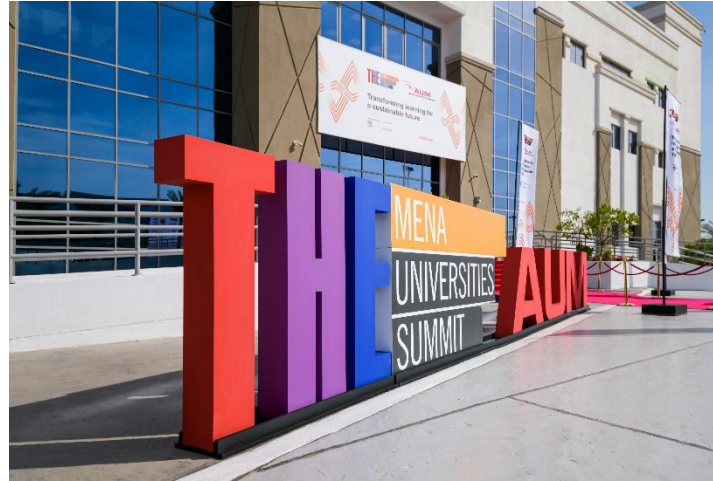


Key Highlights

Hosting of THE MENA Universities Summit 2022

AUM hosted the Times Higher Education MENA Universities Summit 2022 under the theme “**Transforming learning for a sustainable future**” from November 28 to 30.

Through thought leadership sessions, keynote speeches, workshops and networking, opportunities were identified for universities to be at the heart of the educational transformation and to secure human resources for the future growth and development of the region.



Key Highlights

AUM #1 in Kuwait and rises in the Top regional lists of University rankings

THE Arab University Rankings 2022:

For the second year in a row, AUM has been ranked **#1** in Kuwait and advanced to **#18** in the Arab countries.

UI GreenMetric World University Rankings 2022:

For the third year running, AUM has been ranked as the most Sustainable and Green University in Kuwait.

AUM advanced 31 places to **#237** worldwide, and made it to the **Top 5 Most Sustainable and Green Universities in the Gulf** and **#16** in the Arab countries.



The exclusive reveal of the prestigious THE Arab University Rankings was held during the Gala Dinner of THE MENA Universities Summit



Key Highlights

A Vibrant and Enthusiastic Fall Semester

Fall 2022 semester was marked with a vibrant and enthusiastic academic and student life. Various activities were held whether in classroom, in student clubs or outdoor, to further enrich the learning experience.

Also, AUM collaborated with SLB to host The Sustainability Village and to celebrate sustainability. A mini walk-through experience was designed and linked with a number of the United Nations 17 Sustainable Development Goals and local sustainability goals.



Courses towards AUM-UC Berkley Certification in Artificial Intelligence and Entrepreneurship



Activities by Student Clubs throughout the semester



The Sustainability Village... inside the campus

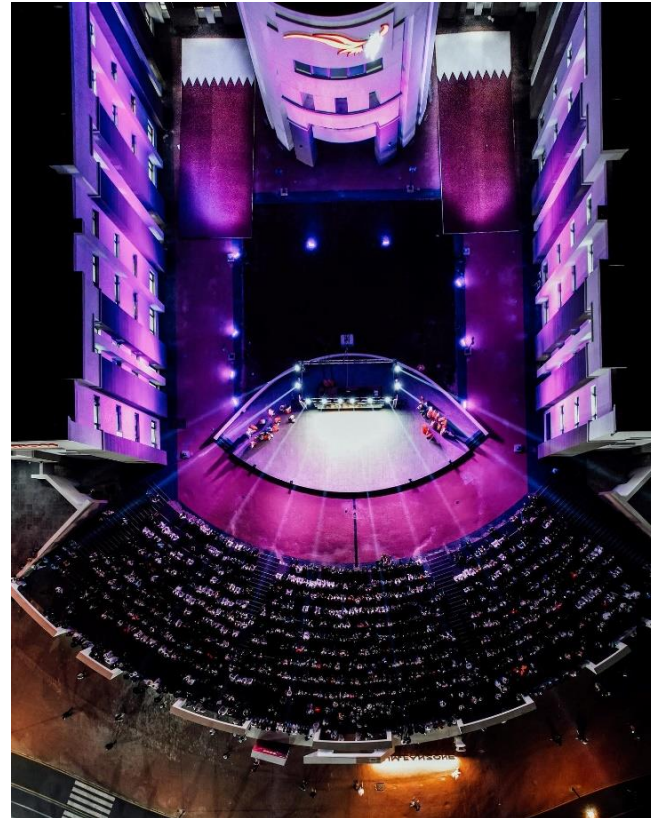


Japanese Night, among many other activities on campus

Unique sports atmosphere on campus and beyond



Opening of FIFA World Cup Qatar 2022 on Campus and daily livestreaming until the finals



Start of championships of Universities Athletics Association in Kuwait (UAAK)



AUM Analysis Studio FIFA World Cup Qatar 2022



Participation in RoadRush in support for Sports and Women

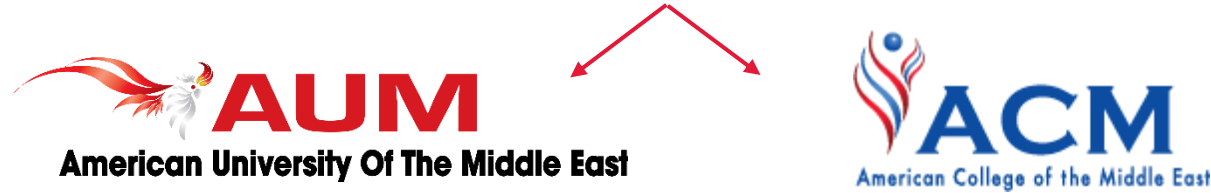
FY 2022

AT A GLANCE

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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 84.3 million

in revenue²

KD 55.1 million

in EBITDA²

29%

2013-2022 net profit CAGR

400 fils Cash + 5% Bonus Shares

Proposed dividend per share for FY 2022

¹ enrolled beginning of the Fall 2022 semester

² FY 2022

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

FY 2022

Board & Executive Management

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Board & Executive Management

Board of Directors

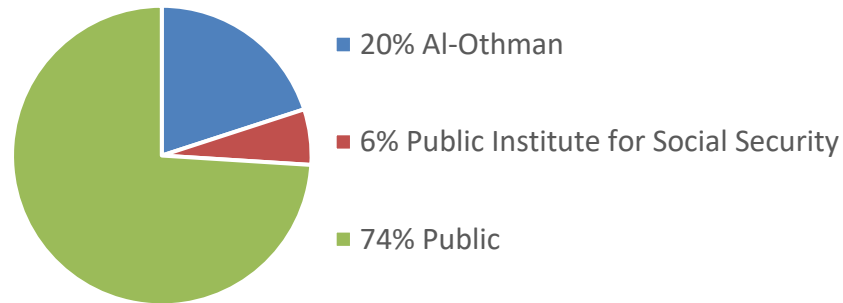
Name	Position
Ms. Dalal Hasan Al Sabti	Chairperson
Mr. Tareq Fahad Al Othman	Vice Chairman
Mr. Mayank Hasmukhlal Baxi	Director
Mr. Hasan Qasim Al Ali	Director
Mr. Abdulrazaq Abdulla Mohammad Ahmed	Director

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 2022)



	KD
Closing price as at 29 December 2022	3.520
Market Cap (KD mn) ¹	428
Market Cap (USD bn)	1.4
6m avg. daily trading volume (% of shares outstanding)	0.10%
52-weeks high ²	3.699
52-weeks low ²	3.079

Current trading multiples ³

EV/EBITDA (FY 2022)	6.4X
P/E (FY 2022)	8.5X
Cash dividend yield (Proposed FY 2022 dividends)	11.4%

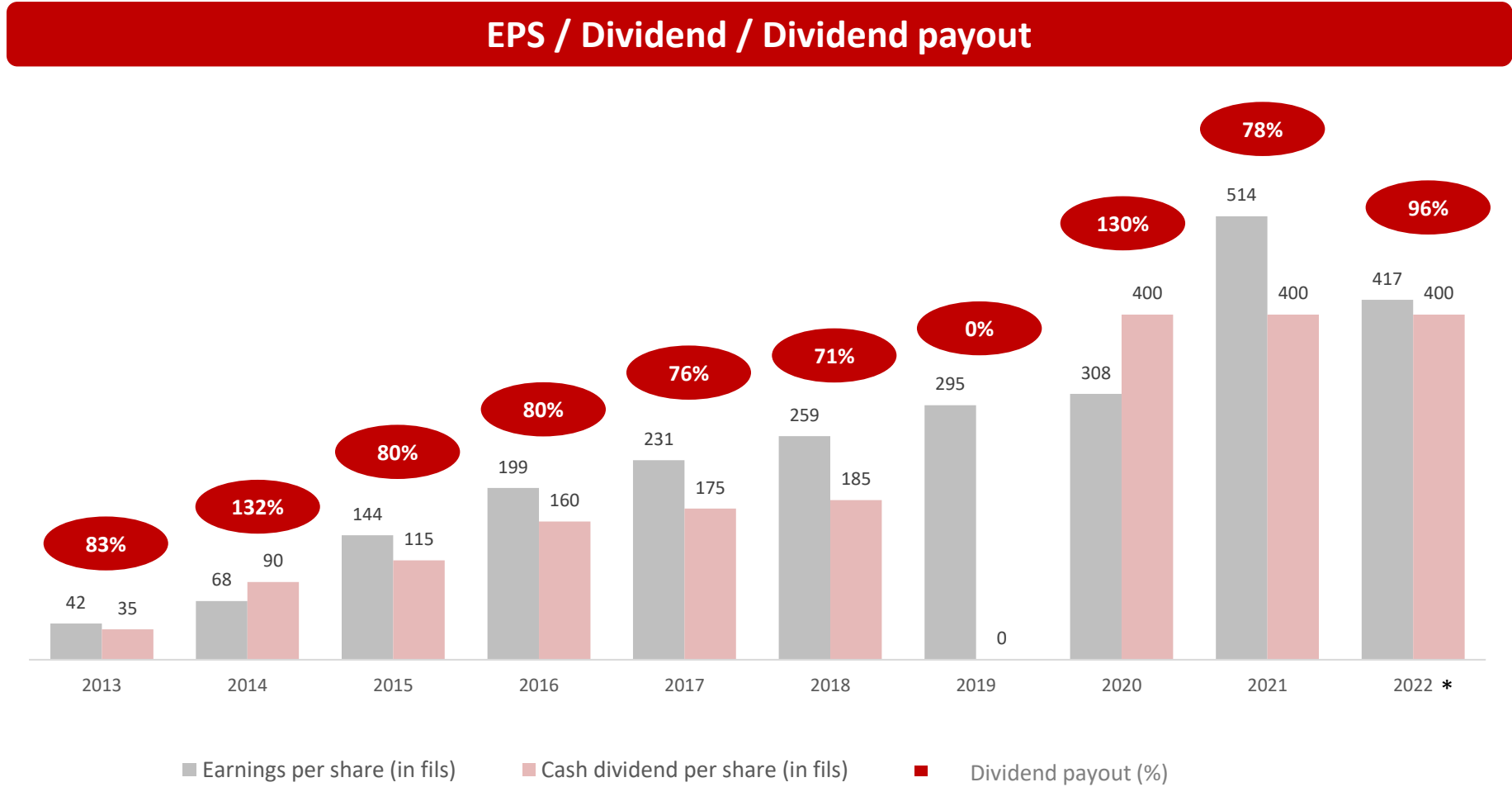
1-year share price performance



- 1) Based on 121,654,352 shares outstanding
- 2) Based on closing share price
- 3) Based on closing share price of KD 3.520 as at 29 December 2022 and FY 2022 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% is proposed for FY 2022
- Payout ratio of the proposed dividend for FY 2022 is 96% as compared to 78% for FY 2021.



* Cash dividend of 400 fils per share and Bonus shares of 5% is proposed for FY 2022

Research Coverage

Broker	Target price	Date of report	Analyst
	5.400	15 February 2022	<ul style="list-style-type: none"> • Hatem Alaa • Mirna Maher
	5.130	10 May 2021	<ul style="list-style-type: none"> • Aly Adel • Toka Elwazery
	4.900	16 January 2023	<ul style="list-style-type: none"> • Ankur Agarwal
	4.750	15 December 2022	<ul style="list-style-type: none"> • Christine Kalindjian
	4.300	16 August 2022	<ul style="list-style-type: none"> • Reem Albarri
	4.200	18 October 2022	<ul style="list-style-type: none"> • Michel Salameh
	3.715	15 November 2022	<ul style="list-style-type: none"> • Thomas Mathew

FY 2022

FY 2022 Converging Towards Normalcy

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Converging towards normalcy

FY 2022 vs. FY 2021

- Revenue and profitability for FY 2021 and FY 2022 are not comparable.
- Disruptions due to Covid-19 and changes in the Academic calendar in the year 2020 and 2021, resulted in a higher revenue in FY 2021.
- Q4 2022 Academic calendar for Fall 2022 is back to normal.
- Net profit for Q4 2022 (post-Covid normal) is up 31% as compared with Q4 2019 (pre-Covid normal)

Revenue Recognition

FY 2019 (Normal Year)

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 (COVID Year)

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 (COVID Year)

Q1

- 50% Fall 2020/2021
- 25% Spring 2021

Q2

- 75% Spring 2021

Q3

- 100% Summer 2021

Q4

- 75% Fall 2021/2022

FY 2022 (Converging to normalcy)

Q1

- 25% Fall 2021/2022
- 40% Spring 2022

Q2

- 60% Spring 2022

Q3

- 100% Summer 2022
- 20% Fall 2022/2023

Q4

- 60% Fall 2022/2023

FY 2022

FY 2022 Financial Performance

(converging towards
normalcy)

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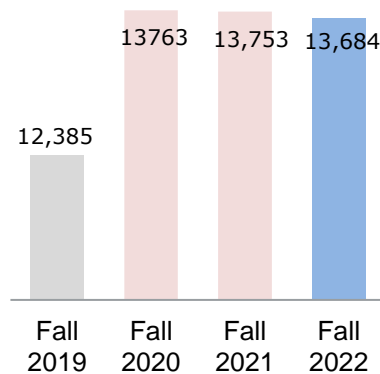


Financial Performance – FY 2022

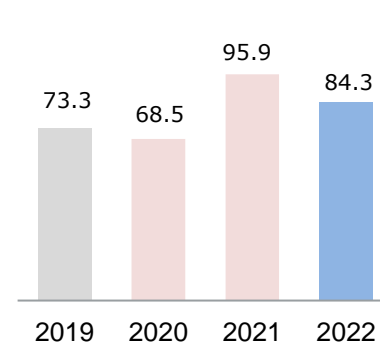
- FY 2020 and FY 2021 academic calendars were COVID impacted and is back to normal in Q4 2022.
- FY 2022 revenue was 12% lower compared to FY 2021 mainly because of disruptions due to Covid-19 and changes in the academic calendar, experienced in 2021.
- FY 2022 EBITDA of KD 55.1 million was 20% lower than FY 2021.
- FY 2022 net profit of KD 50.7 million was 19% lower than FY 2021.
- Total equity and Total assets as at 31 December 2022 was 2% higher and 2% lower respectively than 31 December 2021.

Key figures and ratios	Q4 2021	Q4 2022	Change	FY 2021	FY 2022	Change
Number of students (Fall)	13753	13684	-0.5%	13,753	13,684	-0.5%
Revenue (KD mn)	28.1	21.7	-23%	95.9	84.3	-12%
EBITDA (KD mn)	21.4	13.7	-36%	69.1	55.1	-20%
EBITDA margin (%)	76%	63%	-13%	72%	65%	-7%
Net profit (KD mn)	19.9	12.8	-36%	62.6	50.7	-19%
Net margin (%)	71%	59%	-12%	65%	60%	-5%
EPS (in fils)	163	106	-35%	514	417	-19%
Equity (KD mn)	131.8	133.7	2%	131.8	133.7	2%
Total assets (KD mn)	158.6	155.6	-2%	158.6	155.6	-2%

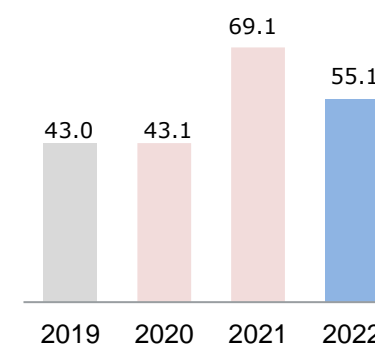
Number of students *



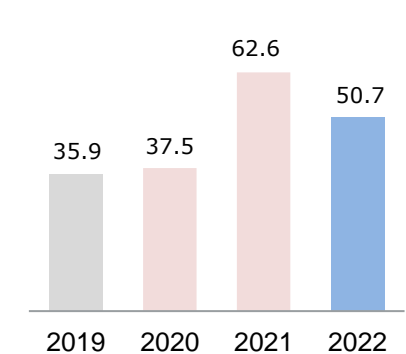
Revenue (KD mn)



EBITDA (KD mn)



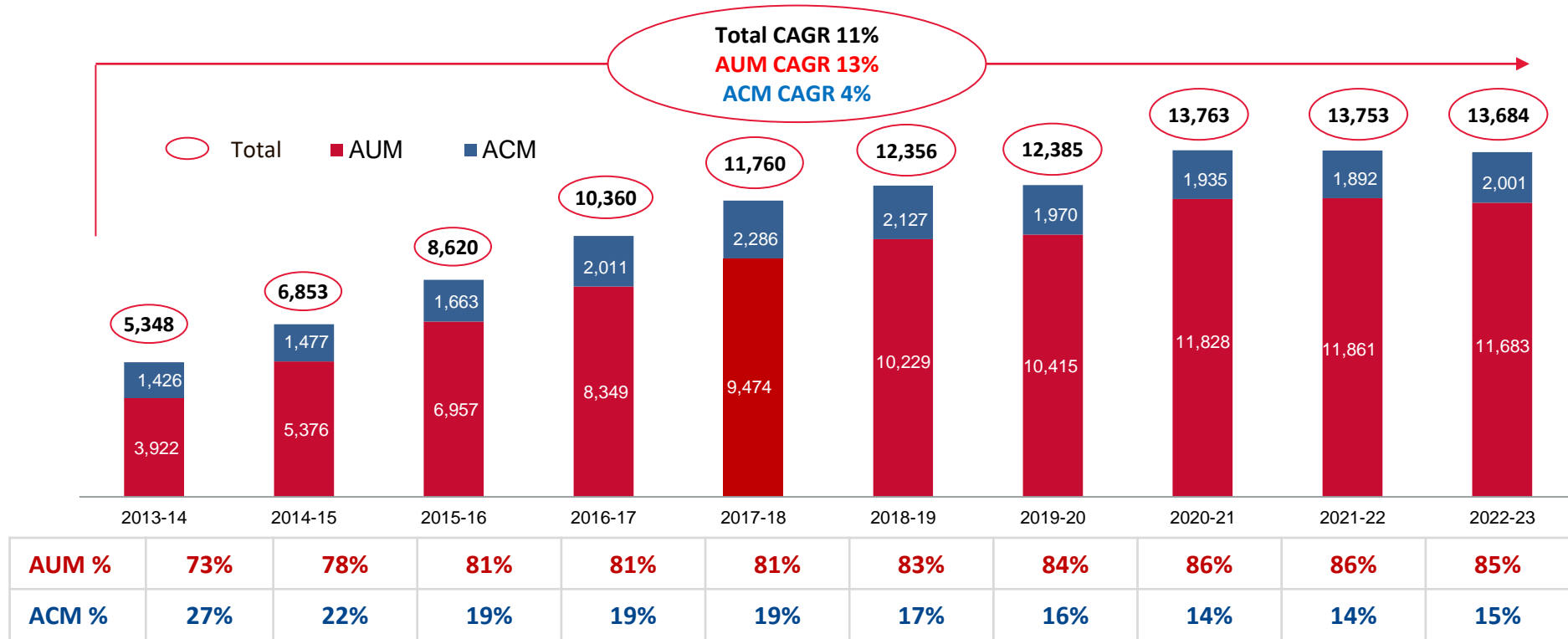
Net profit (KD mn)



* 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 31 December 2022

- Deferred Income of KD 7.2 million as of 31 December 2022, relates to unrecognised revenue of Fall 2022 semester.

FY 2022

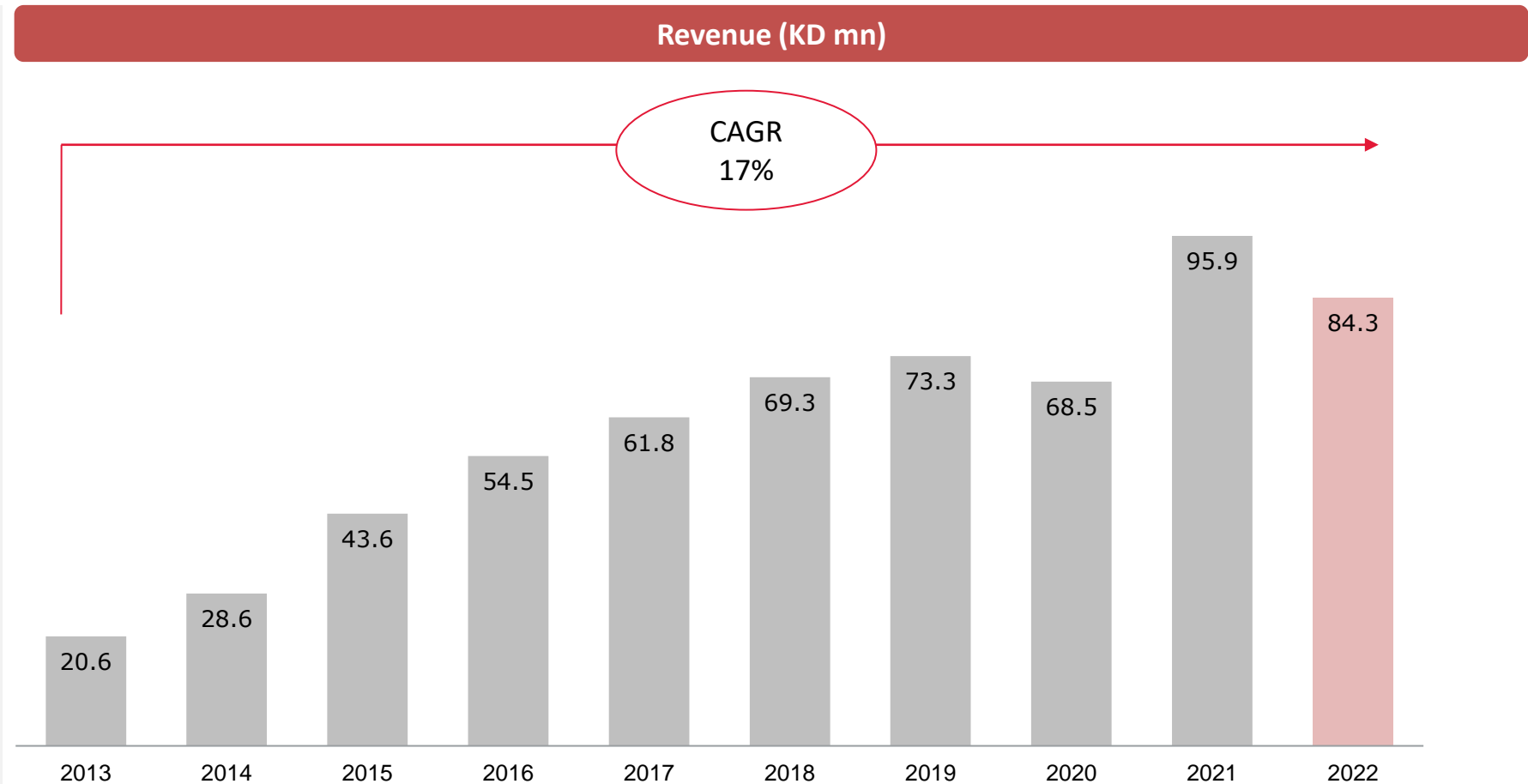
Key Financials

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Key Financials – Persistent Growth in Revenues

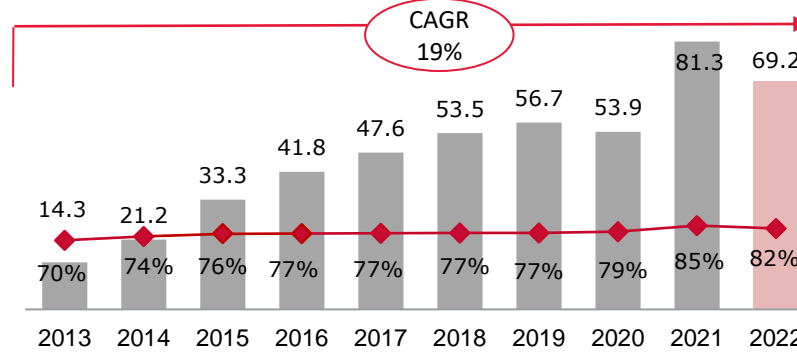
- Revenue grew at a CAGR of 17% in the period 2013-2022 and was KD 84.3 million in 2022.
- FY 2022 revenue was 12% lower compared to FY 2021 mainly because of disruptions due to Covid-19 and changes in the academic calendar in 2021.
- 50% of revenue for Fall 2020 semester was recognized in Q1 2021 as against 25% for Fall 2021 in Q1 2022.
- Academic calendar for Fall 2022 is back to normal and 80% of revenue for Fall is recognized in Q3 & Q4 2022 as against 75% in Q4 2021.



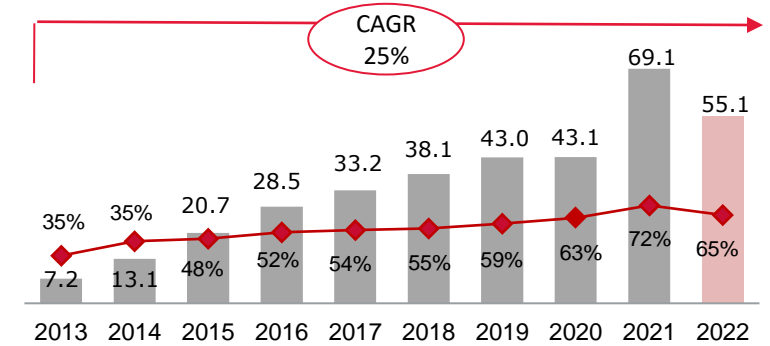
Key Financials – Consistently High Margins

- Gross profit grew at a CAGR of 19% in the period 2013-2022. Gross profit margin was 82% in FY 2022.
- EBITDA grew at a CAGR of 25% in the period 2013-2022. EBITDA margin was 65% in FY 2022
- Net profit grew at a CAGR of 29% in the period 2013-2022. Net profit margin was 60% in FY 2022

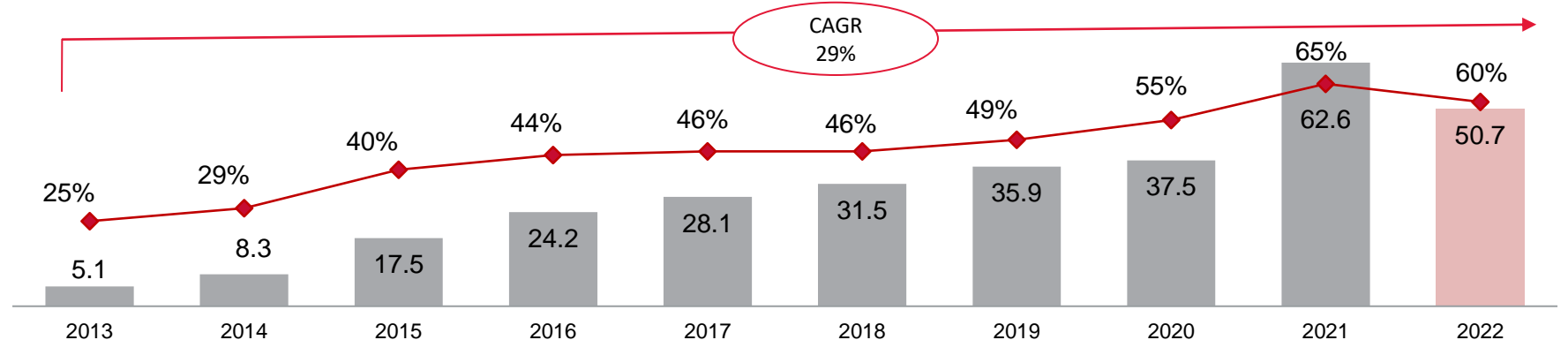
Gross profit (KD mn) and gross profit margin



EBITDA (KD mn) and EBITDA margin



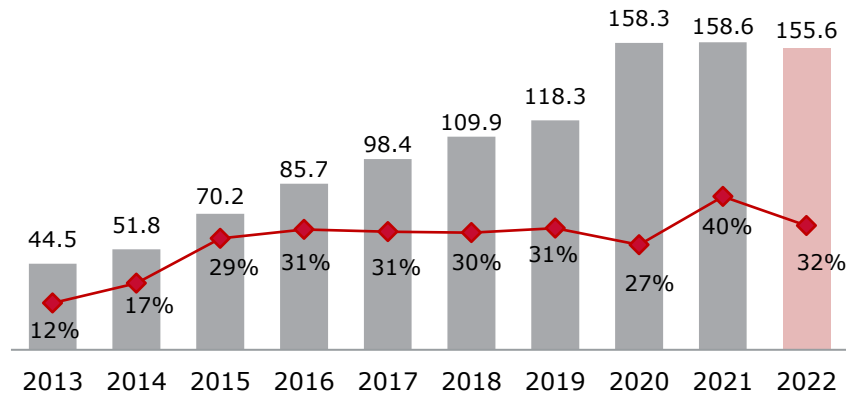
Net profit (KD mn) and net profit margin



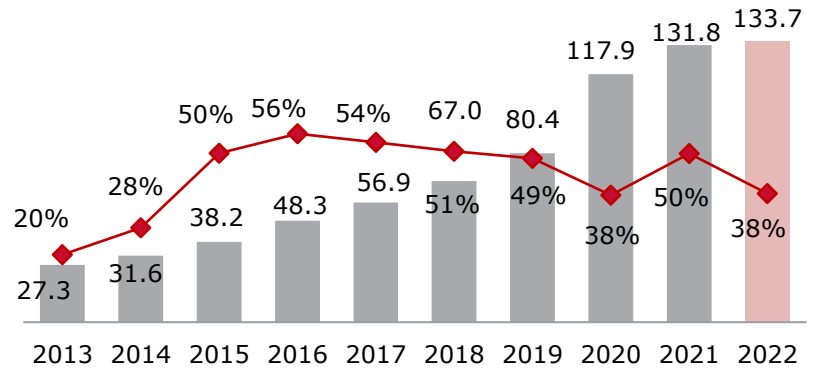
Key Financials – High ROAA and ROAE

- Humansoft’s fortress balance sheet, high ROAA & ROAE provides protection, resilience, and enables Humansoft to withstand stress events like Covid-19
- Humansoft’s ROAA was 32% in FY 2022
- Humansoft’s earnings have resulted in an ROAE of 38% in FY 2022
- Humansoft has a net cash position of KD 78.1 million as at 31 December 2022
- KD 44 million capex was incurred during the year 2015 to 2018 to make significant additions to the campus infrastructure

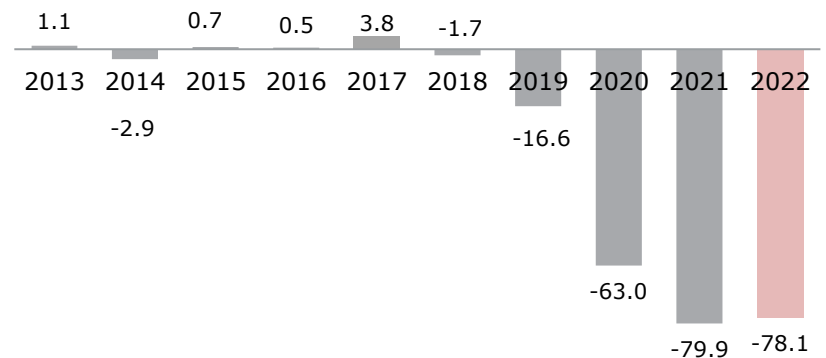
Total assets (KD mn) and ROAA



Total equity (KD mn) and ROAE

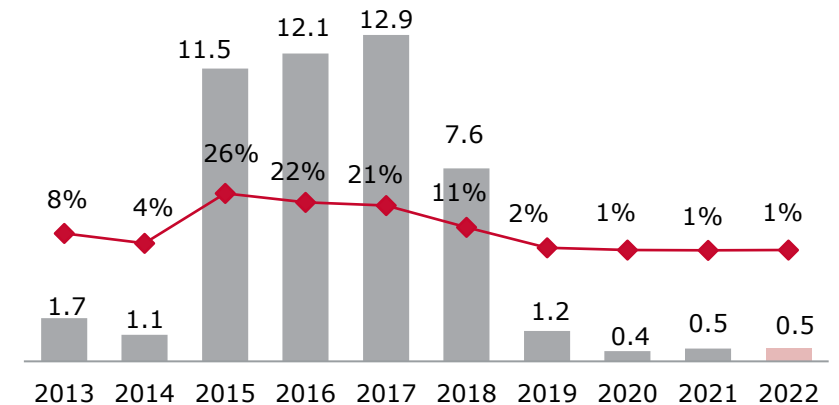


Net Debt ¹ (KD mn)



¹ Debt less cash

Capex (KD mn) and capex as % of revenue



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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**

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