

Q3 2024



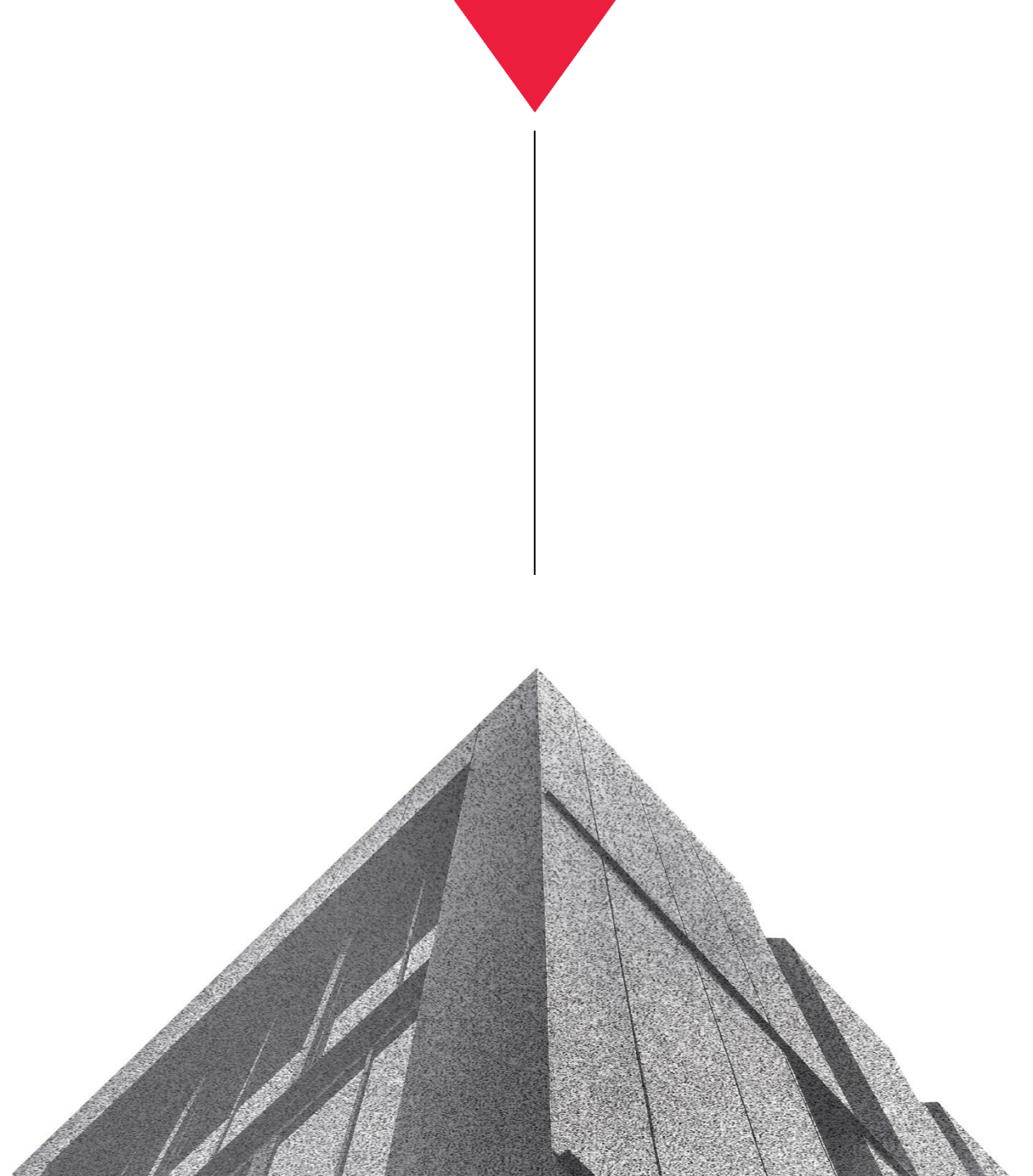
# Humansoft Holding Company KSCP

Investor Presentation

Q3 2024 Results

4 November 2024

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Q3 2024

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# KEY HIGHLIGHTS

**HUMAN** **SOFT**  
Empowering People Through Knowledge





## Key Highlights

### A Warm and Inclusive Welcome to the Start of the Academic Year 2024-2025

AUM and ACM combined enrolled **2,684** new students in Fall 2024, taking the total enrolled students in Fall 2024 to **13,130**.

The holistic orientation programs for new students at all levels were upgraded to provide them with the necessary guidance on the various aspects of academic life, courses and campus life.

In addition, all new and current students embarked the new academic year within a welcoming environment and vibrant activities that nurture students' creative skills and talents, among which the Student Clubs Orientation Day.



## Key Highlights

### AUM Ranks among the Top 500 in Times Higher Education (THE) World University Rankings 2025

The American University of the Middle East (AUM) has been ranked among the Top 500 in Times Higher Education (THE) World University Rankings 2025.

Out of 2,000+ globally recognized higher education institutions, AUM ranked #401-500 worldwide and #1 in Kuwait, reflecting its unwavering commitment to excellence in education, research, and innovation.

Source: THE World University Rankings 2025, Times Higher Education, October 2024

**THE** World University Rankings 2025 **TOP 500** **AUM**

**#1** in Kuwait

**#401-500** Worldwide



## Key Highlights

### Unlocking Potentials of Faculty and Staff through Support for Development and Well-being

Opportunities to exhibit excellence and strive for growth are offered to Faculty and Staff who are highly supported throughout their journey at AUM and ACM: from orientation to continuous professional development and career growth.

Moreover, to further promote a thriving and balanced environment that empowers faculty and staff to excel in both their work and personal lives, their well-being is prioritized through specialized sessions focused on diverse wellness topics.



**55+ Faculty advanced in their academic ranks after a thorough review of their promotion applications**



**Orientation programs for New Faculty and Staff in addition to Professional Development programs**



**Faculty and Staff embracing Pink October at AUM in collaboration with Dar Al Shifa Hospital**



**Mental Health Awareness: Unlocking Wellness session for Faculty and Staff in collaboration with Dar Al Shifa Hospital**

# Fall 2024 Collaborative Impact Kicks Off: Campus in Action



**"A Moonmoment to Remember in Kuwait" organized by Chinese Cultural Center in collaboration with AUM**



**'Gulf Petrochemical and Chemicals Association Leaders of Tomorrow Academy' program at AUM**



**Brands League 2024**



**Stress Management Workshop for Students: Manage Exam Pressure Efficiently**



**AUM World Statistics Day**



**Participation in "Watheefti" Exhibition and Engagement with AUM Alumni**

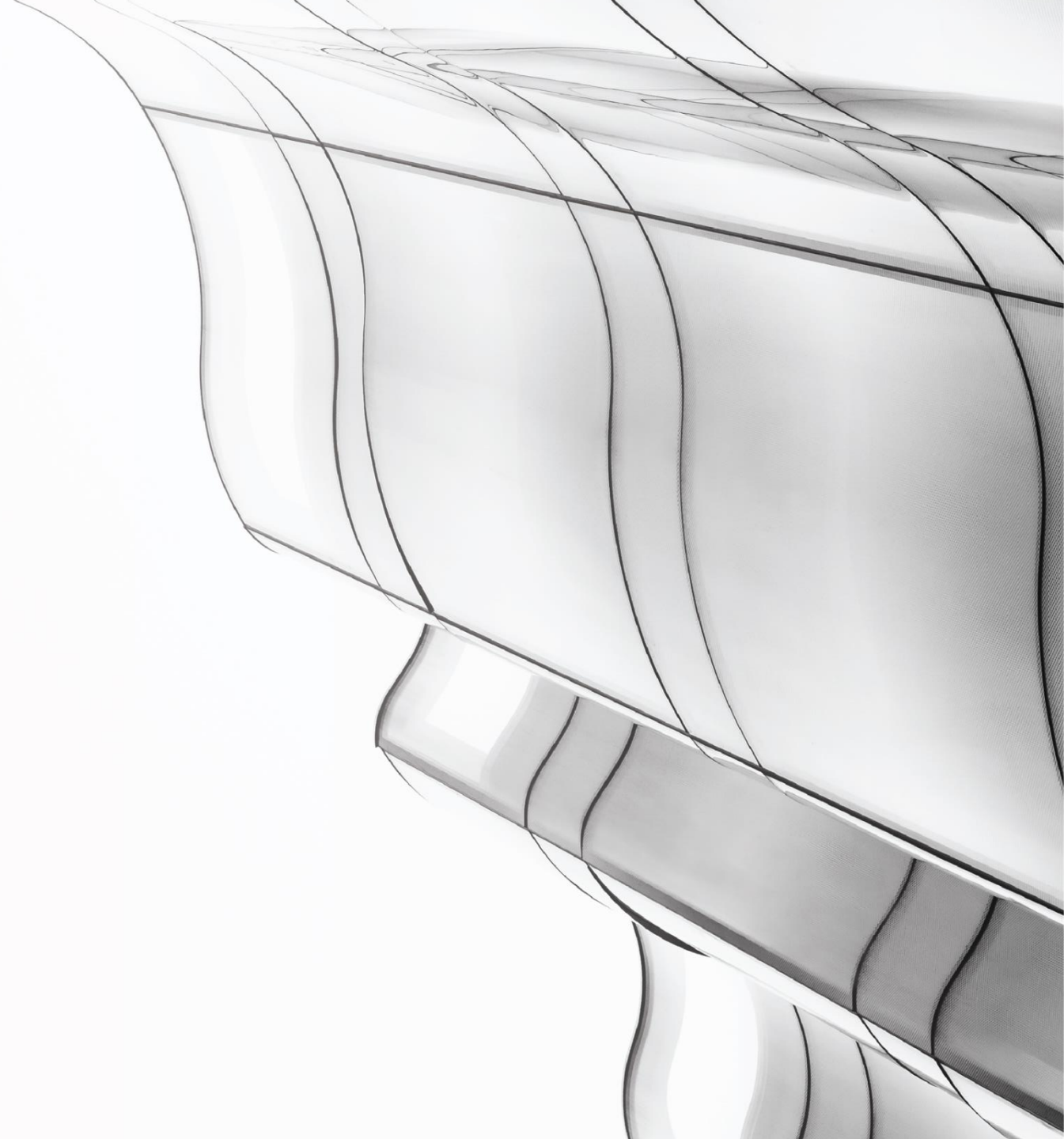


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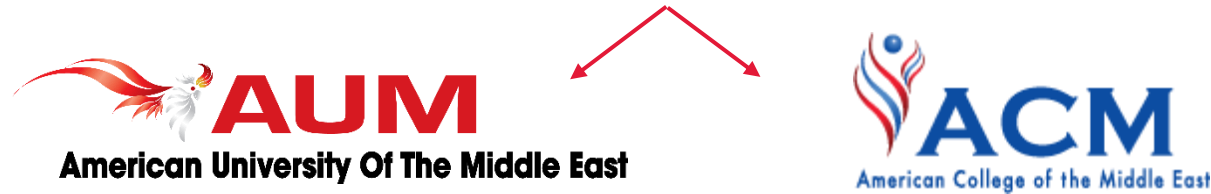
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# AT A GLANCE

**HUMANSOFT**  
Empowering People Through Knowledge



## At a Glance



### Leading

private higher education company in the GCC

**20+**

years of operating experience

**13,130<sup>1</sup>**

enrolled students in AUM and ACM

### University of choice

for Engineering and Business

**KD 78.8 million**

in revenue<sup>2</sup>

**KD 43.6 million**

in EBITDA<sup>2</sup>

**20%**

2014-2023 net profit CAGR

**350 fils Cash + 5% Bonus Shares**

Dividend per share for FY 2023

<sup>1</sup> enrolled beginning of the Fall 2024 semester

<sup>2</sup> LTM Q3 2024

## We are proud of our achievements

### #1 Ranking

University in Kuwait  
by QS and THE  
Green & Sustainable  
University in Kuwait

### #21 Ranking

In the Arab  
Region by THE

### #401-500

**Worldwide**  
Rankings 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



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# Board & Executive Management

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## Board & Executive Management

### Board of Directors

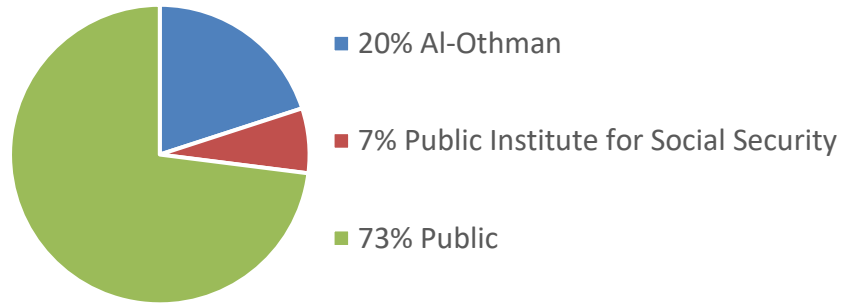
Name	Position
Ms. Dalal Hasan Al Sabti	Chairperson
Mr. Tareq Fahad Al Othman	Vice Chairman
Mr. Mayank Hasmukhlal Baxi	Director
Mr. Hasan Qasim Al Ali	Director
Mr. Abdulrazaq Abdulla Mohammad Ahmed	Director

### Executive Management

Name	Position
Dr. Georges Yahchouchi	Humansoft CEO, & President AUM
Mr. Anup Dhand	CFO
Ms. Nisreen Rasheed	VP - Compliance & Administration
Dr. Mohaned Hassanin	President ACM

# Share Price Performance

## Shareholding (30 September 2024)

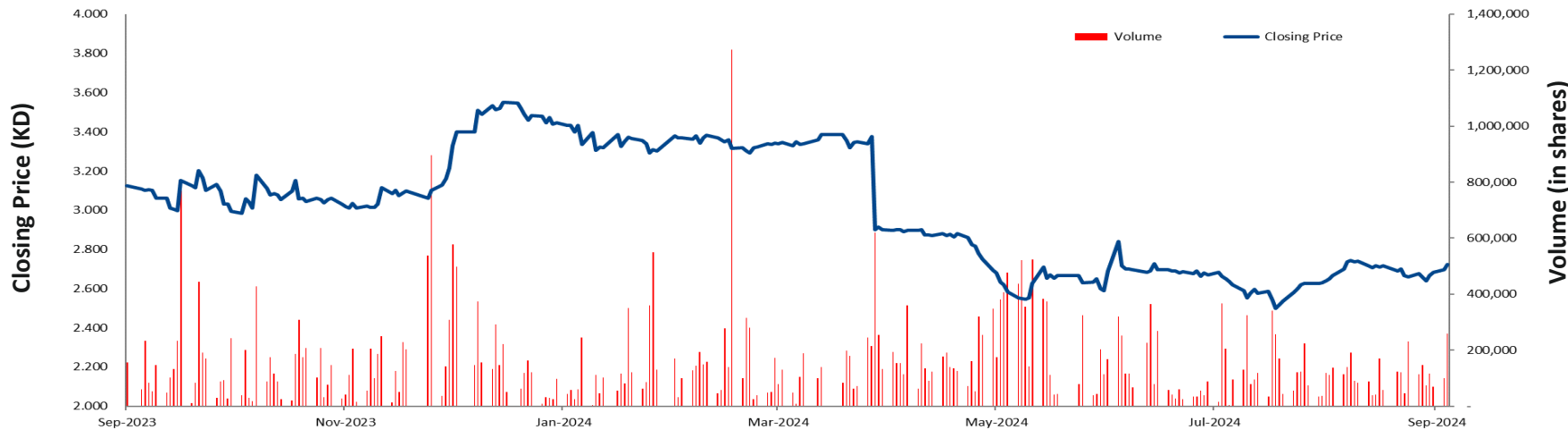


	KD
Closing price as at 30 September 2024	2.724
Market Cap (KD mn) <sup>1</sup>	365
Market Cap (USD bn)	1.2
6m avg. daily trading volume (% of shares outstanding)	0.12%
52-weeks high <sup>2</sup>	3.550
52-weeks low <sup>2</sup>	2.500

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

EV/EBITDA (LTM Q3 2024)	6.8X
P/E (LTM Q3 2024)	9.0X
Cash dividend yield (based on FY 2023 dividends)	12.8%

## 1-year share price performance



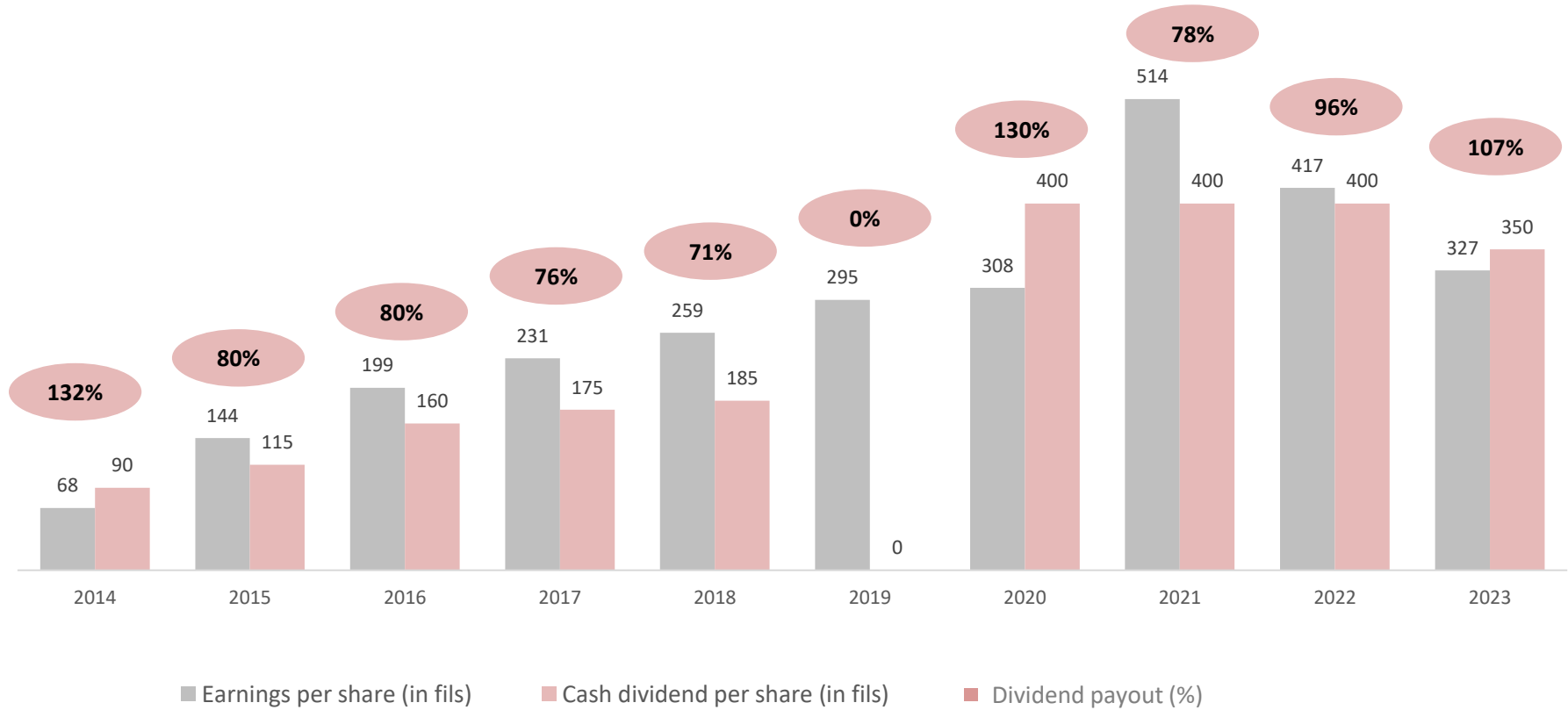
- 1) Based on 134,123,331 shares outstanding
- 2) Based on closing share price
- 3) Based on closing share price of KD 2.724 as at 30 September 2024 and LTM Q3 2024 financials




## 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% was distributed for FY 2023
- The payout ratio of the dividend for FY 2023 is 107% as compared to 96% for FY 2022.

### EPS / Dividend / Dividend payout



## Research Coverage

Broker	Target price	Date of report	Analyst
	4.000	17 July 2024	<ul style="list-style-type: none"> <li>Ankur Agarwal</li> </ul>
	4.000	24 July 2024	<ul style="list-style-type: none"> <li>Christine Kalindjian</li> </ul>
	3.850	8 July 2024	<ul style="list-style-type: none"> <li>Hatem Alaa</li> <li>Mirna Maher</li> </ul>
	3.700	6 May 2024	<ul style="list-style-type: none"> <li>Michel Salameh</li> </ul>
	3.600	28 August 2023	<ul style="list-style-type: none"> <li>Reem Albarri</li> </ul>
	3.300	16 November 2023	<ul style="list-style-type: none"> <li>Thomas Mathew</li> </ul>

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# Q3 2024 Financial Performance

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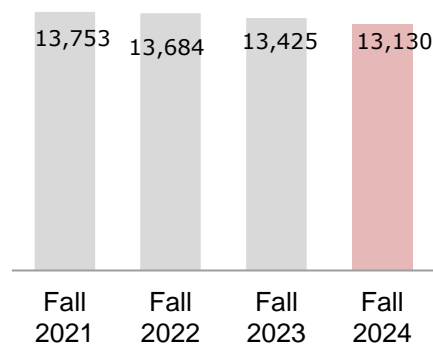


# Financial Performance – 9M 2024

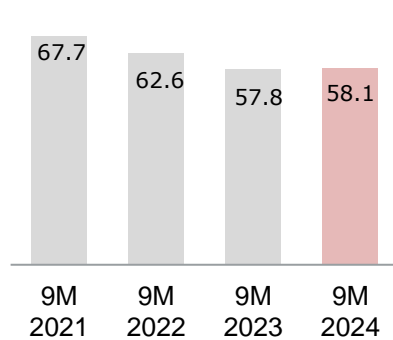
- 9M 2024 revenue was KD 58.1 million as compared to KD 57.8 million in 9M 2023, mainly due to the similar number of enrolled students.
- 9M 2024 EBITDA of KD 31.2 million was 3% lower than 9M 2023.
- 9M 2024 net profit of KD 29.1 million was 4% lower than 9M 2023.
- Total equity and Total assets as of 30 September 2024 were 3% and 2% lower respectively as compared to 30 September 2023.

Key figures and ratios	Q3 2023	Q3 2024	Change	9M 2023	9M 2024	Change
Number of Students (Fall)	13,425	13,130	-2%	13,425	13,130	-2%
Revenue (KD mn)	17.7	18.0	2%	57.8	58.1	1%
EBITDA (KD mn)	11.1	10.0	-11%	32.2	31.2	-3%
EBITDA margin (%)	63%	55%	-8%	56%	54%	-2%
Net Profit (KD mn)	10.4	9.2	-11%	30.2	29.1	-4%
Net margin (%)	59%	51%	-8%	52%	50%	-2%
EPS (in fils)	77	69	-10%	225	217	-4%
Equity (KD mn)	115.3	111.3	-3%	115.3	111.3	-3%
Total Assets (KD mn)	155.9	153.6	-2%	155.9	153.6	-2%

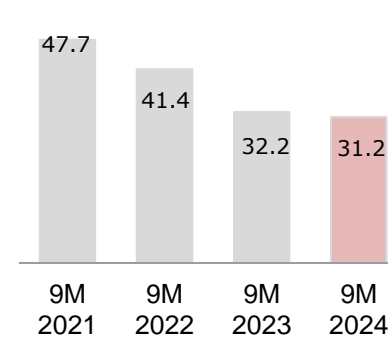
**Number of students \***



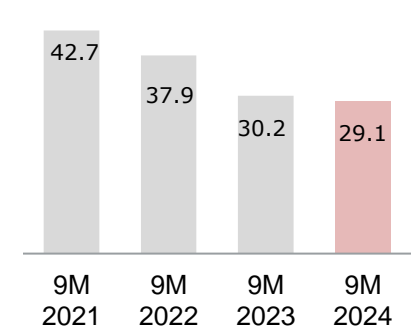
**Revenue (KD mn)**



**EBITDA (KD mn)**



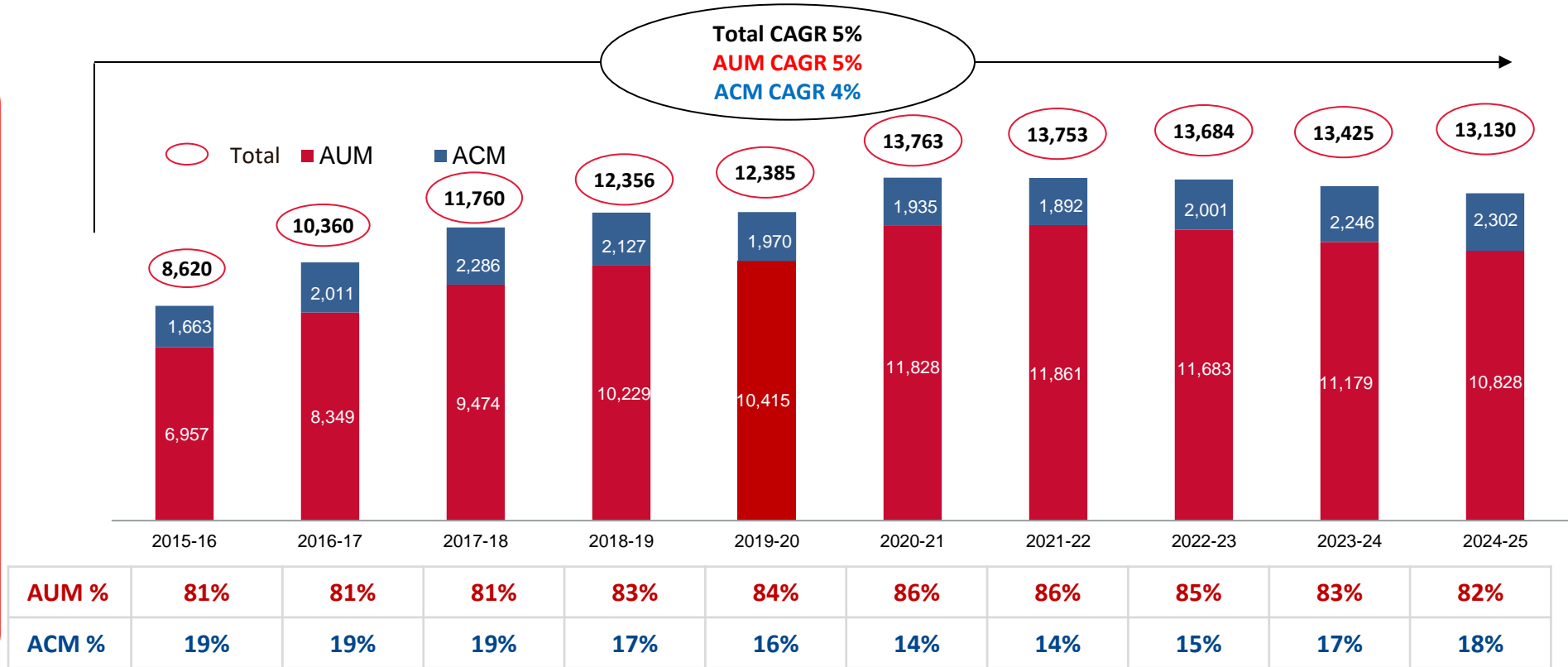
**Net profit (KD mn)**



\* enrolled beginning of the Fall semester

# Student Enrollment growing at a CAGR of 5%

**Total students enrolled**  
(beginning of the Fall semester)



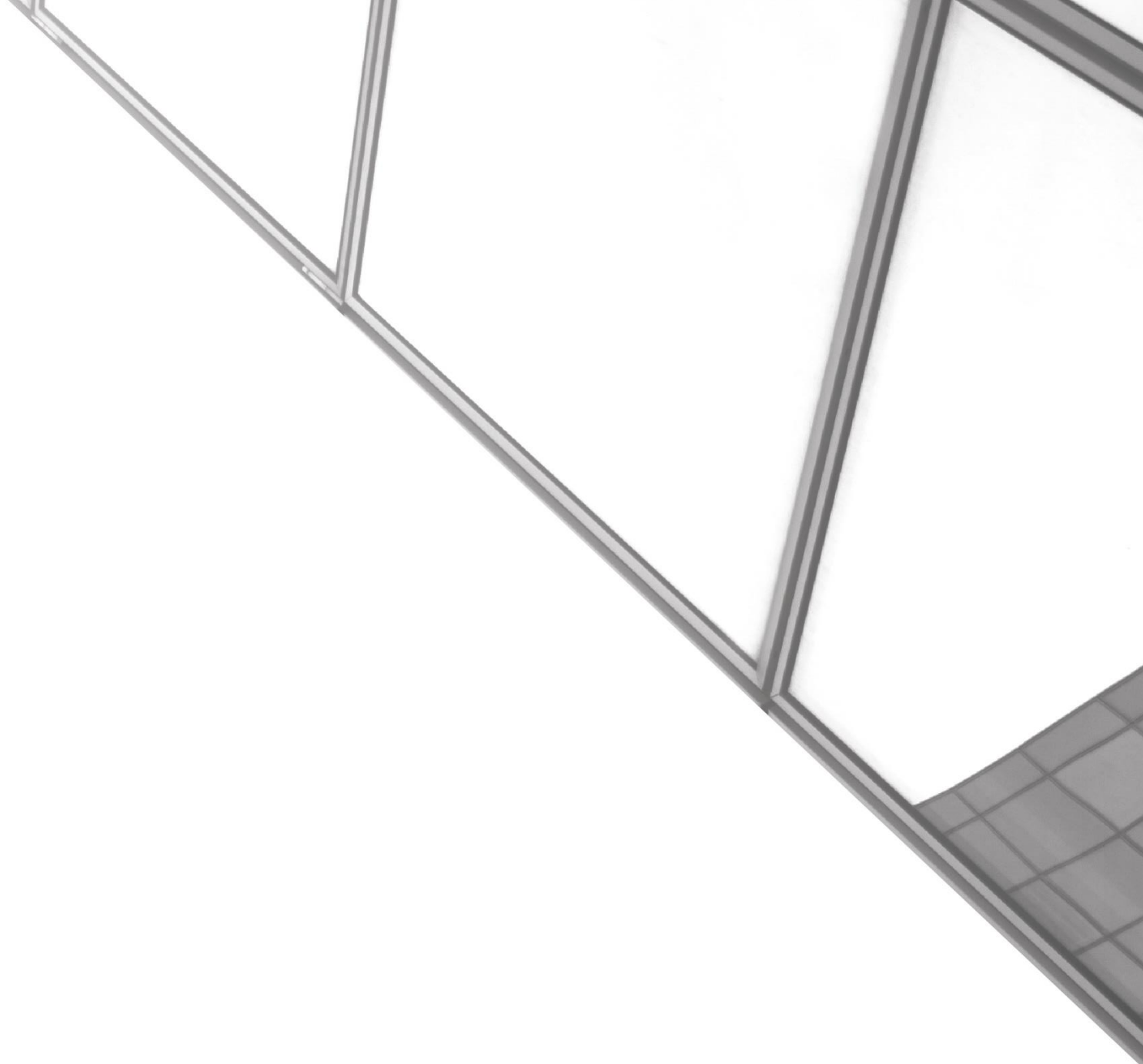
**Deferred income as of 30 September 2024**

- Deferred Income of KD 28.1 million as of 30 September 2024, relates to unrecognised revenue of the Fall 2024 semester.

Q3 2024

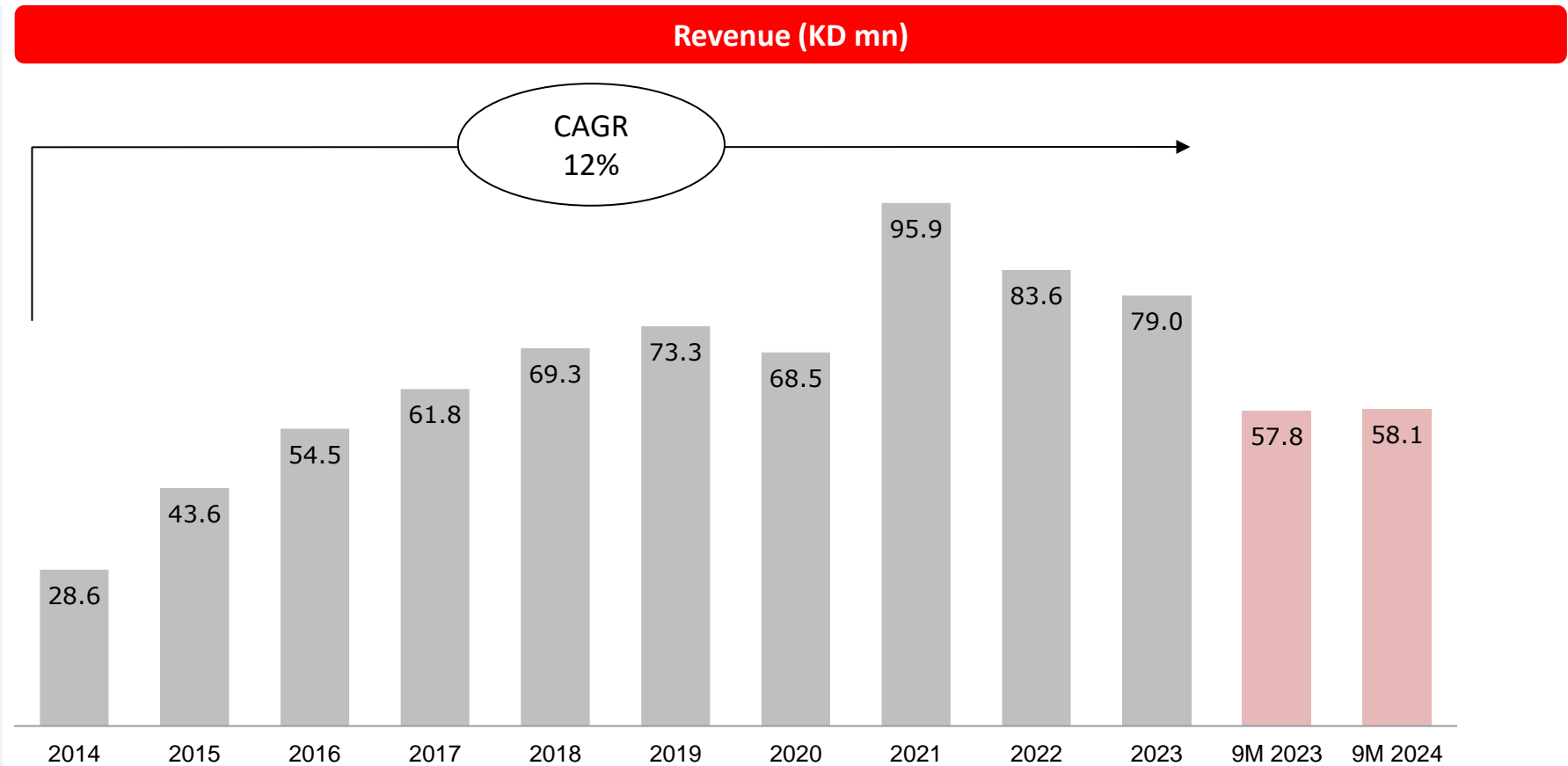
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# Key Financials



## 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.
- 9M 2024 revenue was KD 58.1 million as compared to KD 57.8 million in 9M 2023, mainly due to the similar number of enrolled students.
- Academic calendar in FY 2024 is back to normal.

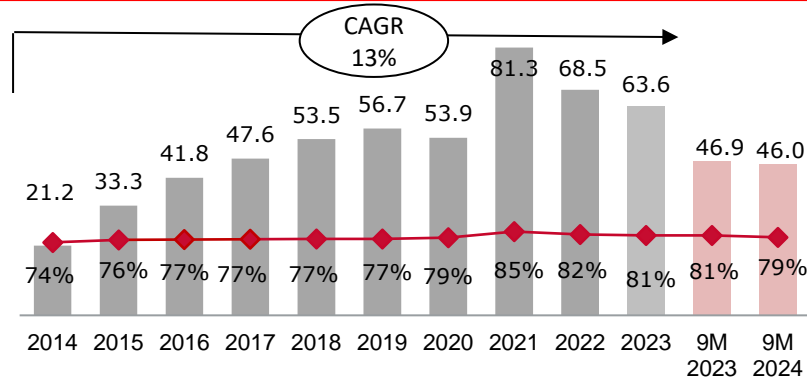




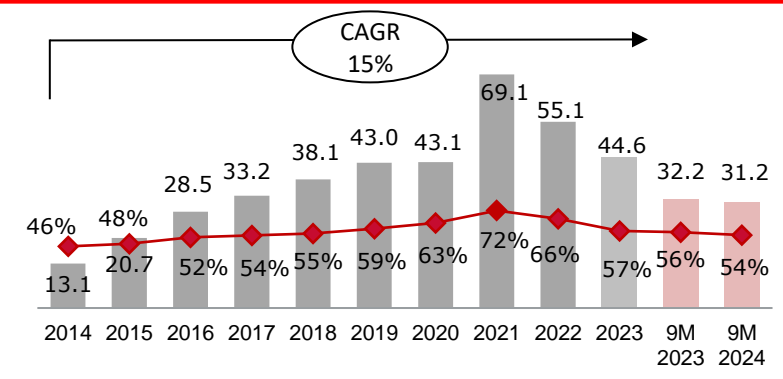
# Key Financials – Consistently High Margins

- Gross profit grew at a CAGR of 13% in the period 2014-2023. Gross profit margin was 79% in 9M 2024
- EBITDA grew at a CAGR of 15% in the period 2014-2023. EBITDA margin was 54% in 9M 2024
- Net profit grew at a CAGR of 20% in the period 2014-2023. Net profit margin was 50% in 9M 2024

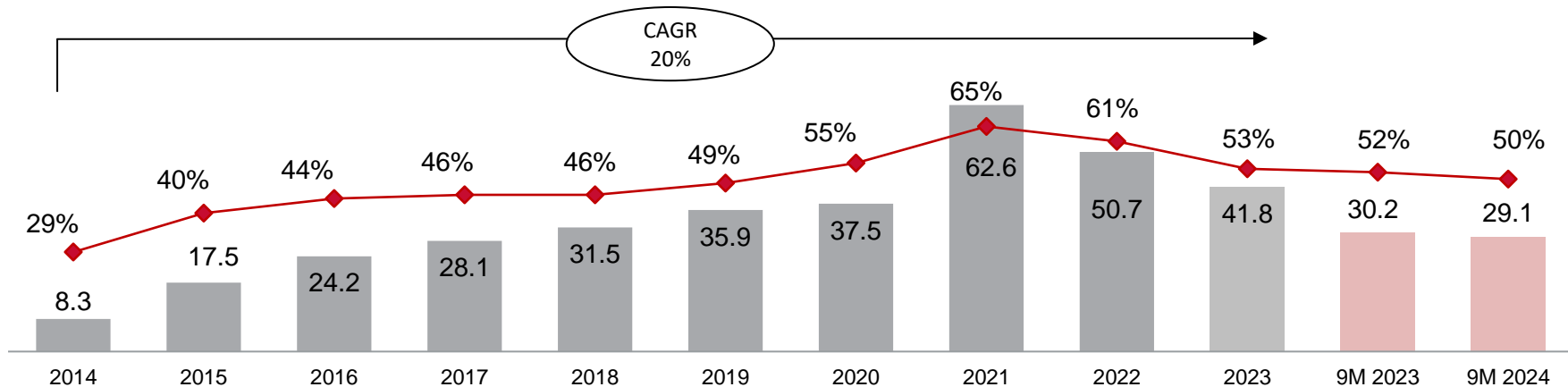
**Gross profit (KD mn) and gross profit margin**



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



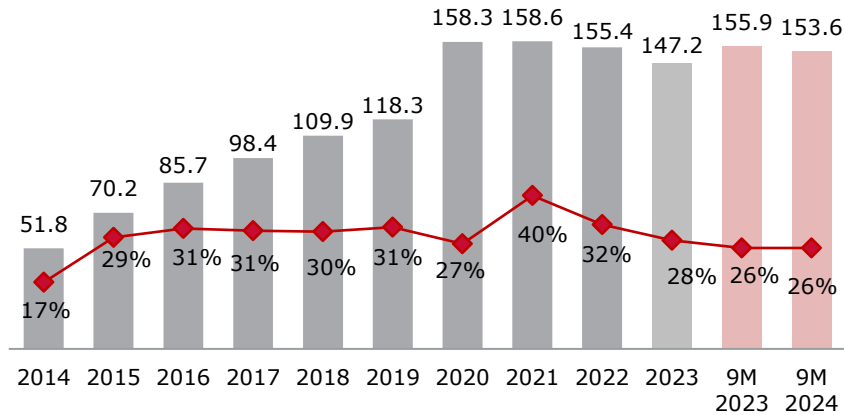
**Net profit (KD mn) and net profit margin**



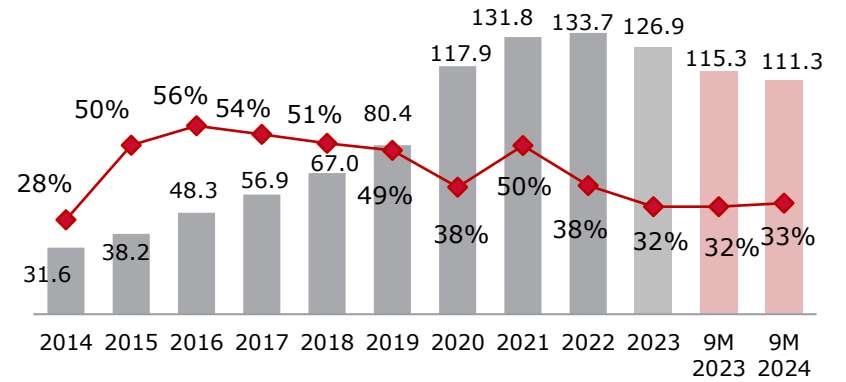
# Key Financials – High ROAA and ROAE

- Humansoft’s fortress balance sheet, high ROAA & ROAE provide protection, resilience, and enable Humansoft to withstand stress events.
- Humansoft’s annualized ROAA was 26% in 9M 2024
- Humansoft’s earnings have resulted in an annualized ROAE of 33% in 9M 2024
- Humansoft has a net cash position of KD 71 million as of 30 September 2024
- KD 44 million capex was incurred during the year 2015 to 2018 to make significant additions to the campus infrastructure

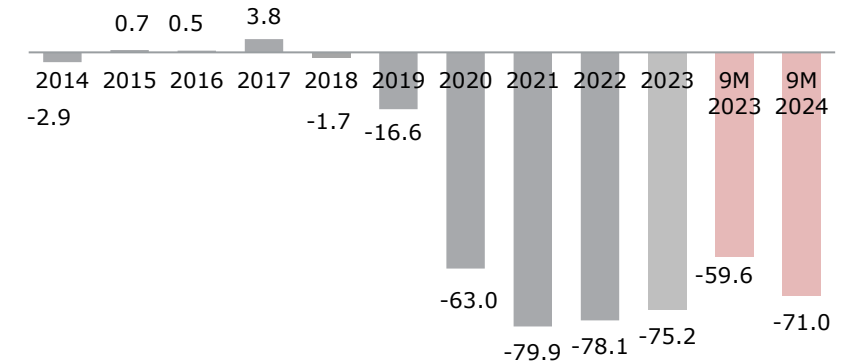
**Total assets (KD mn) and ROAA**



**Total equity (KD mn) and ROAE**

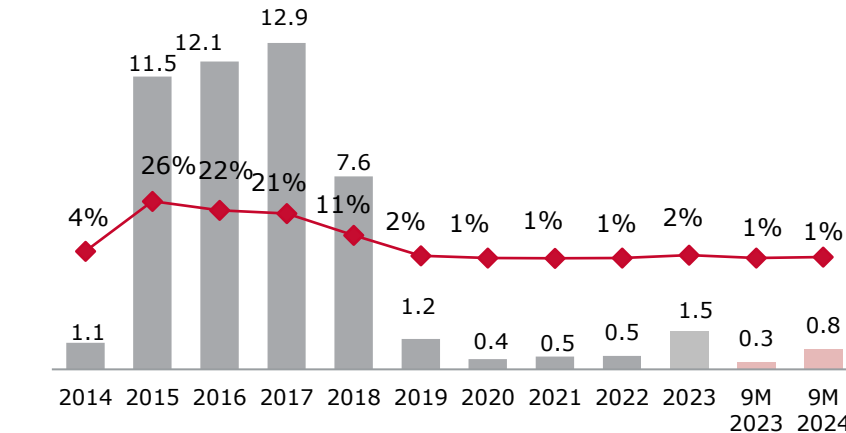


**Net Debt <sup>1</sup> (KD mn)**



<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**

## 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