

Regd. Office: Marvel Edge, Office No. 7010 C & D, 7th Floor,  
Opposite Neco Garden Society, Viman Nagar, Pune 411014.  
Tel: +91 20 66813232 | Email: cs@quickheal.co.in  
CIN - L72200MH1995PLC091408

Ref No.: QHTL/Sec/SE/2021-22/63

January 24, 2022

The Manager,  
Corporate Services,  
BSE Limited,  
14<sup>th</sup> floor, P J Towers, Dalal Street,  
Mumbai – 400 001  
Ref: Security ID : QUICKHEAL  
Security Code: 539678

The Manager,  
Corporate Services,  
National Stock Exchange of India Limited,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (E), Mumbai – 400 051  
Symbol: QUICKHEAL  
Series : EQ

**Subject: Outcome of Board Meeting January 24, 2022**

Dear Sir / Madam,

We wish to inform you that the Board of Directors at its meeting held on January 24, 2022 through video conferencing which commenced at 03:00 PM and concluded at 04:50 PM, has approved following:

1. Unaudited Consolidated and Standalone Financial Results of the Company for the quarter and nine months ended December 31, 2021.
2. A copy of the Press Release being issued in respect of aforesaid financial results.
3. A Presentation in respect of aforesaid financial results
4. Pursuant to Regulation 33 of SEBI Regulations, we have enclosed herewith Limited Review Report for the un-audited Standalone and Consolidated Financial Results of the Company for the quarter and nine months ended December 31, 2021, from our Statutory Auditors, M/s MSKA & Associates, Chartered Accountants.

As permitted, this letter is being submitted under Sd/- mode due to work from home as per the Government advisory on Covid-19 and as a part of safety measure.

This is for your information and records.

**For Quick Heal Technologies Limited**

Sd/-

**A. Srinivasa Rao**  
Company Secretary

QUICK HEAL TECHNOLOGIES LIMITED

Regd. Office: Marvel Edge, Office No. 7010 C & D, 7th Floor, Opposite Neco Garden Society, Viman Nagar, Pune - 411014

CIN: L72200MH1995PLC091408

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS OF QUICK HEAL TECHNOLOGIES LIMITED FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021

(₹ in million, except earning per share)

Sr. No	Particulars	Quarter ended			Nine Months ended		Year ended
		December 31, 2021 (Unaudited)	September 30, 2021 (Unaudited)	December 31, 2020 (Unaudited)	December 31, 2021 (Unaudited)	December 31, 2020 (Unaudited)	March 31, 2021 (Audited)
1	<b>Income</b>						
	Revenue from operations	796.16	1,037.85	698.75	2,381.85	2,277.50	3,330.44
	Other income	36.31	36.51	62.87	135.33	184.27	241.61
	<b>Total income</b>	<b>832.47</b>	<b>1,074.36</b>	<b>761.62</b>	<b>2,517.18</b>	<b>2,461.77</b>	<b>3,572.05</b>
2	<b>Expenses</b>						
	Cost of raw materials consumed	2.81	2.43	1.80	6.42	6.67	10.27
	Purchase of software products	26.15	39.48	6.62	77.29	42.86	83.29
	Changes in inventories of software products	(1.95)	(1.98)	12.98	(6.31)	26.85	22.78
	Employee benefits expense	333.56	339.82	289.82	1,001.00	832.34	1,147.44
	Depreciation and amortisation expense	45.43	41.62	49.57	128.03	144.87	194.87
	Other expenses	230.79	195.02	222.90	583.56	491.93	652.03
	<b>Total expenses</b>	<b>636.79</b>	<b>616.39</b>	<b>583.69</b>	<b>1,789.99</b>	<b>1,545.52</b>	<b>2,110.68</b>
3	<b>Profit before tax (1-2)</b>	<b>195.68</b>	<b>457.97</b>	<b>177.93</b>	<b>727.19</b>	<b>916.25</b>	<b>1,461.37</b>
4	<b>Tax expense</b>						
	Current tax						
	Pertaining to profit for the current period	51.76	115.02	23.25	177.67	229.37	340.38
	Adjustments of tax relating to earlier periods	6.52	-	-	6.52	-	17.56
	Deferred tax	(5.47)	(3.33)	20.07	(7.98)	14.34	33.63
	<b>Total tax expense</b>	<b>52.81</b>	<b>111.69</b>	<b>43.32</b>	<b>176.21</b>	<b>243.71</b>	<b>391.57</b>
5	<b>Profit for the period (3-4)</b>	<b>142.87</b>	<b>346.28</b>	<b>134.61</b>	<b>550.98</b>	<b>672.54</b>	<b>1,069.80</b>
6	<b>Other comprehensive income, net of tax</b>						
	<b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</b>						
	Re-measurement of defined benefit plans	0.91	3.48	(4.17)	2.29	(2.87)	1.26
	<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</b>						
	Exchange differences on translation of foreign operations	(1.01)	(1.38)	(0.37)	(1.76)	(2.88)	(3.60)
	<b>Total other comprehensive income</b>	<b>(0.10)</b>	<b>2.10</b>	<b>(4.54)</b>	<b>0.53</b>	<b>(5.75)</b>	<b>(2.34)</b>
7	<b>Total comprehensive income (after tax) (5+6)</b>	<b>142.77</b>	<b>348.38</b>	<b>130.07</b>	<b>551.51</b>	<b>666.79</b>	<b>1,067.46</b>
8	Paid-up equity share capital (face value of ₹10 each)	579.55	579.01	642.05	579.55	642.05	642.07
9	Other equity (as per balance sheet of previous accounting year)						6,872.79
10	<b>Earnings per share of ₹10 each:</b> (not annualised for the quarter)						
	a) Basic	2.47	5.98	2.10	9.21	10.48	16.66
	b) Diluted	2.45	5.94	2.09	9.15	10.47	16.65



QUICK HEAL TECHNOLOGIES LIMITED

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CIN: L72200MH1995PLC091408

NOTES TO THE STATEMENT OF CONSOLIDATED FINANCIAL RESULTS OF QUICK HEAL TECHNOLOGIES LIMITED FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021

Notes to financial results:

- 1 The above financial results for the quarter and nine months ended December 31, 2021 have been subjected to limited review by the statutory auditors of the Company and reviewed by the Audit Committee and approved by the Board of Directors of the Company at the meeting held on January 24, 2022.
- 2 During the year ended March 31, 2019, The Holding Company had received notice of demand dated March 13, 2019, in relation to service tax under the provisions of Finance Act, 1994 for ₹387.43 (excluding interest and penalties) covering the period from April 1, 2016 to June 30, 2017 on supply of anti-virus software in Compact Disk. The Holding Company replied to the notice of demand to Commissioner of Goods and Service Tax, Pune.  
  
During the earlier years, The Holding Company received similar notice of demands in relation to service tax under the provisions of Finance Act, 1994 for ₹1,223.07 (excluding penalty of ₹626.97 and pre-deposit, if any) covering the period from March 1, 2011 to March 31, 2016 on supply of anti-virus software in Compact Disk. The Holding Company had filed an appeal with Customs, Excise and Service Tax Appellate Tribunal, New Delhi for the period March 1, 2011 to March 31, 2014 and with the Customs, Excise and Service Tax Appellate Tribunal, Mumbai for the period April 1, 2014 to March 31, 2016.  
  
The Hon'ble Customs, Excise & Service Tax Appellate Tribunal (CESTAT), Principal Bench, New Delhi, vide its judgment (Order No. 50022/2020) dated January 09, 2020 (Service Tax Appeal No. 51175 of 2016), has set aside the Service Tax demand for ₹560.71 along with interest and penalty which was earlier confirmed by Directorate General of Central Excise Intelligence (DGCEI), New Delhi vide its Order of 2016 covering period from March 1, 2011 to March 31, 2014.  
  
Based on this latest judgement of CESTAT, New Delhi, technical circular issued by government authorities and an independent legal opinion obtained by the Holding Company in earlier years, the Company is confident to get relief and set aside for balance period from April 01, 2014 to June 30, 2017. Accordingly, no provision/contingent liability had been recognized/disclosed in the financial statements.  
  
The Commissioner of Service Tax, Delhi has preferred an appeal against the above said Order passed by the Hon'ble Customs, Excise & Service Tax Appellate Tribunal (CESTAT) amounting to ₹560.71 and hearing for admission level is pending with the Hon'ble Supreme Court.
- 3 The Board of Directors of the Holding Company at its meeting held on March 10, 2021 and the shareholders by way of postal ballot on April 18, 2021, approved the buy back of the Holding Company's fully paid equity shares of the face value of ₹10 each from its shareholder/beneficial owners of equity shares of the Holding Company including promoters of the Company as on the record date, on a proportionate basis through the "tender offer" route at a price of ₹245 per share for an aggregate amount not exceeding ₹1,550. The Company completed the Buy Back Process on June 24, 2021 and has complied with all the requisite formalities with SEBI and ROC.  
  
In line with the requirement of the Companies Act, 2013, an amount of ₹594.33 and ₹1,252.73 (Including tax on buy back of ₹360.32) has been utilised from securities premium and retained earnings respectively. In accordance with section 69 of the Companies Act, 2013, capital redemption reserve of ₹63.27 (representing the nominal value of the shares bought back) has been created as an apportionment from retained earnings. Consequent to such buy back, the paid-up equity share capital has reduced by ₹63.27. Further, transaction cost of buy back of shares of ₹17.24 has been reduced from retained earnings.
- 4 The Group is engaged in providing security software solutions. The Chief Operating Decision Maker (CODM) reviews the information pertaining to revenue of each of the target customer group (segments) viz. retail, enterprise & government and mobile. However, based on similarity of activities/products, risk and reward structure, organisation structure and internal reporting systems, the Group has structured its operations into one operating segment viz. anti-virus and as such there is no separate reportable operating segment as defined by Ind AS 108 "Operating segments".



5 **Estimated uncertainty relating to COVID-19 outbreak**

The Management has made an assessment of the impact of COVID-19 on the operations of the group, financial performance and position as at quarter and nine months ended December 31, 2021 and has concluded that the impact is primarily on the operational aspects of the business. In assessing the recoverability of receivables, investments, and other assets, the Holding Company has considered internal and external information up to the date of approval of these financial results including status of existing and future customer orders, cash flow forecasts, commitments with suppliers, etc. The Holding Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Holding Company expects to gradually recover the carrying amount of these assets, the Holding Company has also considered the impact of subsequent events in its assessment and concluded that there is no significant impact which is required to be recognised in the financial results. Accordingly, no further adjustments have been made to the financial results.

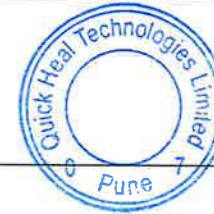
Considering the dynamic nature of the issue, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Holding Company will continue to closely monitor any material changes to future economic conditions

6 Mr. Nitin Kulkarni has resigned as Chief Financial Officer (CFO) w.e.f October 26, 2021

7 Mr. Navin Sharma was appointed as Chief Financial Officer (CFO) w.e.f October 27, 2021

8 Previous period's figures have been regrouped / reclassified wherever necessary to make them comparable with the current period's classification / disclosure.

Place: Pune  
Date: January 24, 2022



For and on behalf of the Board of Directors

A handwritten signature in blue ink, appearing to read "K Katkar".

Kailash Katkar  
Managing Director  
& Chief Executive Officer

**QUICK HEAL TECHNOLOGIES LIMITED**  
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**STATEMENT OF STANDALONE FINANCIAL RESULTS OF QUICK HEAL TECHNOLOGIES LIMITED FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021**

(₹ in million, except per share data)

Sr. No	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2021 (Unaudited)	September 30, 2021 (Unaudited)	December 31, 2020 (Unaudited)	December 31, 2021 (Unaudited)	December 31, 2020 (Unaudited)	March 31, 2021 (Audited)
1	<b>Income</b>						
	Revenue from operations	796.25	1,037.92	711.23	2,378.00	2,274.23	3,335.28
	Other income	36.28	36.49	62.31	135.12	182.13	239.37
	<b>Total income</b>	<b>832.53</b>	<b>1,074.41</b>	<b>773.54</b>	<b>2,513.12</b>	<b>2,456.36</b>	<b>3,574.65</b>
2	<b>Expenses</b>						
	Cost of raw materials consumed	2.81	2.43	1.80	6.42	6.67	10.27
	Purchase of security software products	26.17	39.46	6.43	80.53	40.05	80.45
	Increase / (decrease) in inventories of security software products	(1.95)	(1.99)	12.98	(6.67)	26.86	22.96
	Employee benefits expense	330.72	336.92	285.97	992.63	820.62	1,131.97
	Depreciation and amortisation expense	45.41	41.58	49.56	127.95	144.80	194.78
	Other expenses	234.03	198.13	246.59	593.38	506.99	675.85
	<b>Total expenses</b>	<b>637.19</b>	<b>616.53</b>	<b>603.33</b>	<b>1,794.24</b>	<b>1,545.99</b>	<b>2,116.28</b>
3	<b>Profit before exceptional items and tax (1-2)</b>	<b>195.34</b>	<b>457.88</b>	<b>170.21</b>	<b>718.88</b>	<b>910.37</b>	<b>1,458.37</b>
4	Exceptional items (refer note 3)	-	-	-	21.64	-	-
5	<b>Profit before tax (3-4)</b>	<b>195.34</b>	<b>457.88</b>	<b>170.21</b>	<b>697.24</b>	<b>910.37</b>	<b>1,458.37</b>
6	<b>Tax expense</b>						
	Current tax						
	Pertaining to profit for the current period	51.47	114.73	22.92	176.79	228.47	339.24
	Adjustments of tax relating to earlier periods (Net)	6.52	-	-	6.52	-	17.56
	Deferred tax	(5.47)	(3.33)	20.07	(7.98)	14.34	33.63
	<b>Total tax expense</b>	<b>52.52</b>	<b>111.40</b>	<b>42.99</b>	<b>175.33</b>	<b>242.81</b>	<b>390.43</b>
7	<b>Profit for the period (5-6)</b>	<b>142.82</b>	<b>346.48</b>	<b>127.22</b>	<b>521.91</b>	<b>667.56</b>	<b>1,067.94</b>
8	<b>Other comprehensive income, net of tax</b>						
	<b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</b>						
	Re-measurement of defined benefit plans	0.91	3.48	(4.17)	2.29	(2.87)	1.26
	<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total other comprehensive income</b>	<b>0.91</b>	<b>3.48</b>	<b>(4.17)</b>	<b>2.29</b>	<b>(2.87)</b>	<b>1.26</b>
9	<b>Total comprehensive income (after tax) (7+8)</b>	<b>143.73</b>	<b>349.96</b>	<b>123.05</b>	<b>524.20</b>	<b>664.69</b>	<b>1,069.20</b>
10	Paid-up equity share capital (face value of ₹ 10 each)	579.55	579.01	642.05	579.55	642.05	642.07
11	Other equity (as per balance sheet of previous accounting year)						6,915.97
12	<b>Earnings per share of ₹ 10 each:</b>						
	(not annualised except for the year ended March)						
	a) Basic	2.47	5.98	1.98	8.72	10.40	16.64
	b) Diluted	2.45	5.94	1.98	8.67	10.40	16.62



**QUICK HEAL TECHNOLOGIES LIMITED**

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**NOTES TO THE STATEMENT OF STANDALONE FINANCIAL RESULTS OF QUICK HEAL TECHNOLOGIES LIMITED FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021**

**Notes to financial results:**

- 1 The above financial results for the quarter and nine months ended December 31, 2021 have been subjected to limited review by the statutory auditors of the Company and reviewed by the Audit Committee and approved by the Board of Directors of the Company at the meeting held on January 24, 2022.
- 2 During the year ended March 31, 2019, Company had received notice of demand dated March 13, 2019, in relation to service tax under the provisions of Finance Act, 1994 for ₹387.43 (excluding interest and penalties) covering the period from April 1, 2016 to June 30, 2017 on supply of anti-virus software in Compact Disk. Company replied to the notice of demand to Commissioner of Goods and Service Tax, Pune.
- During the earlier years, Company received similar notice of demands in relation to service tax under the provisions of Finance Act, 1994 for ₹1,223.07 (excluding penalty of ₹626.97 and pre-deposit, if any) covering the period from March 1, 2011 to March 31, 2016 on supply of anti-virus software in Compact Disk. Company had filed an appeal with Customs, Excise and Service Tax Appellate Tribunal, New Delhi for the period March 1, 2011 to March 31, 2014 and with the Customs, Excise and Service Tax Appellate Tribunal, Mumbai for the period April 1, 2014 to March 31, 2016.
- The Hon'ble Customs, Excise & Service Tax Appellate Tribunal (CESTAT), Principal Bench, New Delhi, vide its judgment (Order No. 50022/2020) dated January 09, 2020 (Service Tax Appeal No. 51175 of 2016), has set aside the Service Tax demand for ₹560.71 along with interest and penalty which was earlier confirmed by Directorate General of Central Excise Intelligence (DGCEI), New Delhi vide its Order of 2016 covering period from March 1, 2011 to March 31, 2014.
- Based on this latest judgement of CESTAT, New Delhi, technical circular issued by government authorities and an independent legal opinion obtained by the Company in earlier years, the Company is confident to get relief and set aside for balance period from April 01, 2014 to June 30, 2017. Accordingly, no provision/contingent liability had been recognized/disclosed in the financial statements.
- The Commissioner of Service Tax, Delhi has preferred an appeal against the above said Order passed by the Hon'ble Customs, Excise & Service Tax Appellate Tribunal (CESTAT) amounting to ₹560.71 and hearing for admission level is pending with the Hon'ble Supreme Court.

3 **Impairment of investments**  
Included in exceptional items

(₹ in million)

Particulars	Standalone					
	Quarter ended			Nine months ended		Year ended
	December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	March 31, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Impairment of investment in wholly owned subsidiaries	-	-	-	21.64	-	-

- 4 The Board of Directors of the Company at its meeting held on March 10, 2021 and the shareholders by way of postal ballot on April 18, 2021, approved the buy back of the Company's fully paid equity shares of the face value of ₹10 each from its shareholder/beneficial owners of equity shares of the Company including promoters of the Company as on the record date, on a proportionate basis through the "tender offer" route at a price of ₹245 per share for an aggregate amount not exceeding ₹1,550. The Company completed the Buy Back Process on June 24, 2021 and has complied with all the requisite formalities with SEBI and ROC.
- In line with the requirement of the Companies Act, 2013, an amount of ₹594.33 and ₹1,252.73 (Including tax on buy back of ₹360.32) has been utilised from securities premium and retained earnings respectively. In accordance with section 69 of the Companies Act, 2013, capital redemption reserve of ₹63.27 (representing the nominal value of the shares bought back) has been created as an apportionment from retained earnings. Consequent to such buy back, the paid-up equity share capital has reduced by ₹63.27. Further, transaction cost of buy back of shares of ₹17.24 has been reduced from retained earnings.

*DSR*



- 5 The Company is engaged in providing security software solutions. The Chief Operating Decision Maker (CODM) reviews the information pertaining to revenue of each of the target customer group (segments) viz. retail, enterprise & government and mobile. However, based on similarity of activities/products, risk and reward structure, organisation structure and internal reporting systems, the Company has structured its operations into one operating segment viz. anti-virus and as such there is no separate reportable operating segment as defined by Ind AS 108 "Operating segments".
- 6 **Estimated uncertainty relating to COVID-19 outbreak**  
The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at quarter and nine months ended December 31, 2021 and has concluded that the impact is primarily on the operational aspects of the business. In assessing the recoverability of receivables, investments, and other assets, the Company has considered internal and external information up to the date of approval of these financial results including status of existing and future customer orders, cash flow forecasts, commitments with suppliers, etc. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets, the Company has also considered the impact of subsequent events in its assessment and concluded that there is no significant impact which is required to be recognised in the financial results. Accordingly, no further adjustments have been made to the financial results.
- Considering the dynamic nature of the issue, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.
- 7 Mr. Nitin Kulkarni has resigned as Chief Financial Officer (CFO) w.e.f October 26, 2021
- 8 Mr. Navin Sharma was appointed as Chief Financial Officer (CFO) w.e.f October 27, 2021
- 9 Previous period's figures have been regrouped / reclassified wherever necessary to make them comparable with the current period's classification / disclosure.

Place: Pune  
Date: January 24, 2022



For and on behalf of the Board of Directors

A handwritten signature in blue ink, appearing to read "Kailash Katkar".

Kailash Katkar  
Managing Director  
& Chief Executive Officer

## Quick Heal Technologies Third Quarter Revenue Grows 14%, Enterprise segment continues to grow in double digits

### Q3 FY22 Highlights (YoY):

- Revenue at ₹796 mln up 14%
- EBITDA at ₹205 mln up 24%
- PAT at ₹143 mln up 6%
- EPS at ₹2.45 up 17%
- Continues to be a debt free company

**Pune, January 24, 2022:** Quick Heal Technologies Limited, one of the leading providers of cybersecurity and data protection solutions to consumers, businesses and government, reported its unaudited results for the quarter and nine months ended 31<sup>st</sup> December 2021.

### Consolidated Financial Highlights:

Particulars (₹ million)	Q3 FY22	Q3 FY21	YoY Change
Revenue	796	699	13.9%
EBITDA	205	165	24.4%
EBITDA Margin	25.7%	23.6%	216bps
PAT	143	135	6.1%
PAT Margin	17.9%	19.3%	(132bps)
Diluted EPS (₹)	2.45	2.09	17.22%

**Dr. Kailash Katkar, Managing Director and Chief Executive Officer, Quick Heal Technologies Limited, said,** “We delivered a robust third quarter in terms of revenue, subscribers, profitability and cash flow which is a testament to our team’s strong execution. Our continued commitment to secure our customers’ ever-increasing online footprint helped us add 818 thousand new subscribers. The growth in enterprise segment has been promising and we expect the momentum to continue in the coming quarters.

*In line with our strategy to boost market share, we continue to invest in R&D and strengthen leadership team that will enable us to launch next-generation solutions in the coming quarters,” he added.*

**Mr. Navin Sharma, Chief Financial Officer, Quick Heal Technologies Limited, said,** “We delivered solid results in Q3, as continued strong demand for our cybersecurity products across our diversified global go-to-market channels, coupled with our focus on operational discipline, resulted in 14% Y-o-Y growth in Revenue and 24% Y-o-Y growth in EBITDA. In line with our continued focus on R&D and innovation, we spent 27% of revenues as R&D during the quarter. Our balance sheet remains strong with zero debt and cash and cash equivalents of ₹ 3,275 mln as on 31<sup>st</sup> December 2021. We are committed to driving shareholder value by growing profitability across both of our segments and driving solid Unlevered Cash Flow.”



## **Segmental performance for the quarter ended 31<sup>st</sup> December 2021:**

- ✓ Retail segment revenue stood at ₹652 million as compared to ₹603 million in the corresponding period of the previous year, up 8.1% YoY.
- ✓ Enterprise and Government segment revenue stood at ₹201 million as compared to ₹180 million in the corresponding period previous year, up 11.3% YoY.

## **Key updates for the quarter:**

- Quick Heal has appointed Mr. Navin Sharma, with over 18 years of experience in manufacturing and software industry, as the CFO to drive the company's financial performance and bring greater rigor to the company's ongoing investments in next-generation technologies and M&A initiatives.
- Seqrite Endpoint Security has been EPS accredited with "Advanced Approved Endpoint Protection" Certificate and the AV Test certification for top product for the second time in a row.
- Seqrite has been certified and approved for its endpoint anti-malware solution by ICSA labs
- Quick Heal has worked extensively in helping the community at large by donating mobile clinics in the aspirational districts of Hazaribagh & Bundelkhand identified by PMO office, helping school kids in Maharashtra through mental wellness program and creating cyber awareness in college students through innovative methods like street plays.

## **About Quick Heal Technologies Limited**

Quick Heal Technologies Limited is one of the leading providers of Cybersecurity and Data Protection Solutions with a strong footprint in India and an evolving global presence. Incorporated in the year 1995, with a registered office in Pune, it is an all-round player in cybersecurity with presence in B2B, B2G and B2C segments and multiple product categories – endpoints, network, data and mobility.

It helps in simplifying security by delivering the best-in-class protection against advanced cyber-threats to millions of its customers and enterprises. Quick Heal's portfolio includes solutions under the widely recognized brand names 'Quick Heal' and 'Seqrite' across various operating systems and devices.

For more information about the Company, please visit our website [www.quickheal.co.in](http://www.quickheal.co.in)

## **Safe Harbor Statement**

This document may contain forward-looking statements about Quick Heal Technologies Limited, which are based on the beliefs, opinions, and expectations of the company's management as the date of this press release and the companies do not assume any obligation to update their forward-looking statements if those beliefs, opinions, expectations, or other circumstances should change. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. Consequently, readers should not place any undue reliance on such forward-looking statements.

# Quick Heal

*Security Simplified*

**For further details please contact**

## Company

**Quick Heal Technologies Limited**

CIN No: L72200MH1995PLC091408

Mr. Navin Sharma

Email Id: [navin.sharma@quickheal.co.in](mailto:navin.sharma@quickheal.co.in)

**Quick Heal**

*Security Simplified*

DECEMBER 21

# INVESTOR PRESENTATION

Q3FY22 & 9MFY22



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# Agenda

01



Industry Overview

02



Company Overview

03



The Quick Heal Advantage

04



Q3FY22 Earnings Highlights

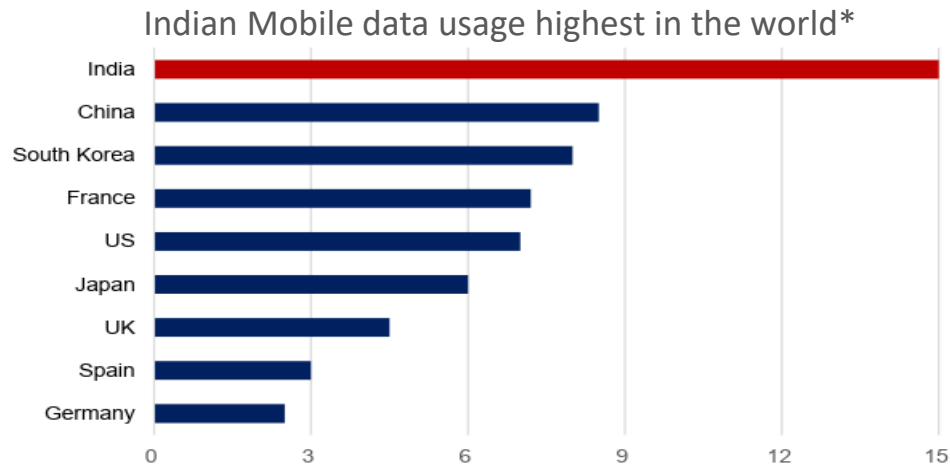
05



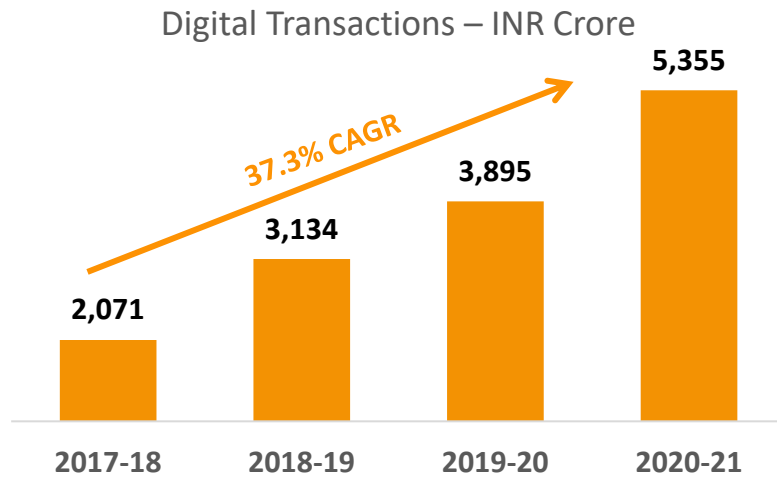
Q3FY22 Earnings

# INDUSTRY OVERVIEW

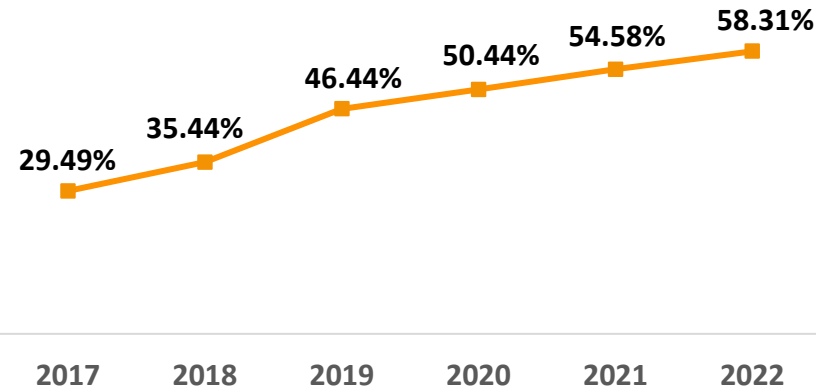
# Rapid digitization has enhanced need for greater cybersecurity investments



\* GB per month per user; excluding Wifi



Social Network Penetration - India



**845Mn+**  
Internet users



**5x**  
Internet usage  
(FY16 – FY21)



**760Mn+**  
Smartphone users



**20x**  
Mobile data usage  
(FY16 – FY21)



**1.32b**

People enrolled in the world's largest unique digital identity program



**639m**

Users engaged in social media



**30b**

Application downloads in 2020

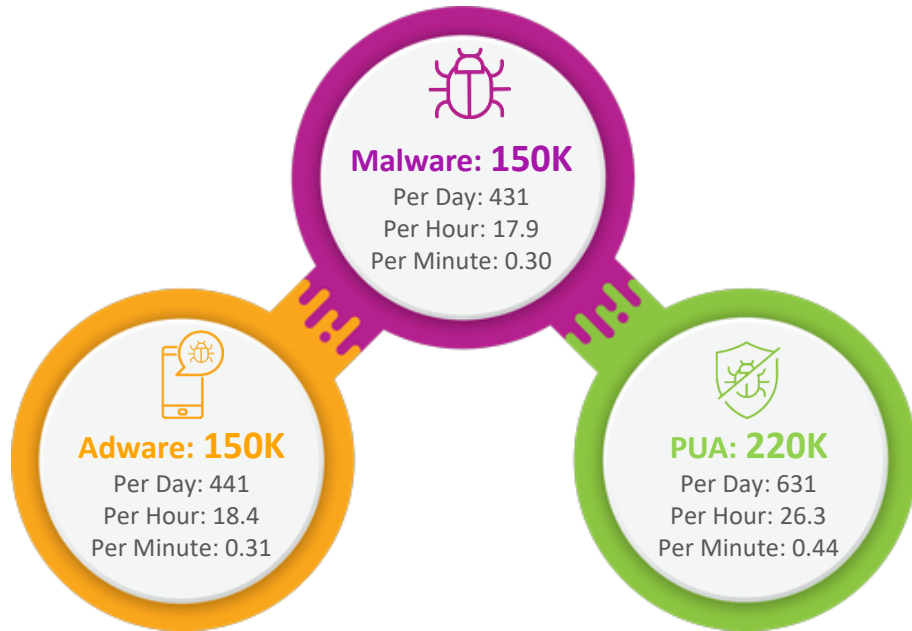


**Rs.6.98**

Average cost to subscriber per GB wireless data

# Cyber attacks continue to grow in scale and sophistication

## Detection statistics for Mobile



Source: Quick Heal Threat Report 2021



₹ **165** mln

The Average cost of a data breach in India.

An increase of **17.85%** from 2020

Source: IBM

## Cyber-attacks that grabbed headlines

**NEW**

**Log4j security flaw puts the entire internet at risk-** *Indian Express*  
(December 14, 2021)

**Google warns crypto miners are hacking users' cloud accounts-** *CNBCTV18* (November 30, 2021)

**Indian gamers lost Rs.7,894 on an average due to cyberattacks-** *The Mint* (November 15, 2021)

**Cybercrimes in India during pandemic have gone up by 500 per cent: CDS Gen Bipin Rawat-** *Economic times* (November 12, 2021)

**India 3<sup>rd</sup> in data breaches till Nov-** *Times of India* (December 17, 2021)

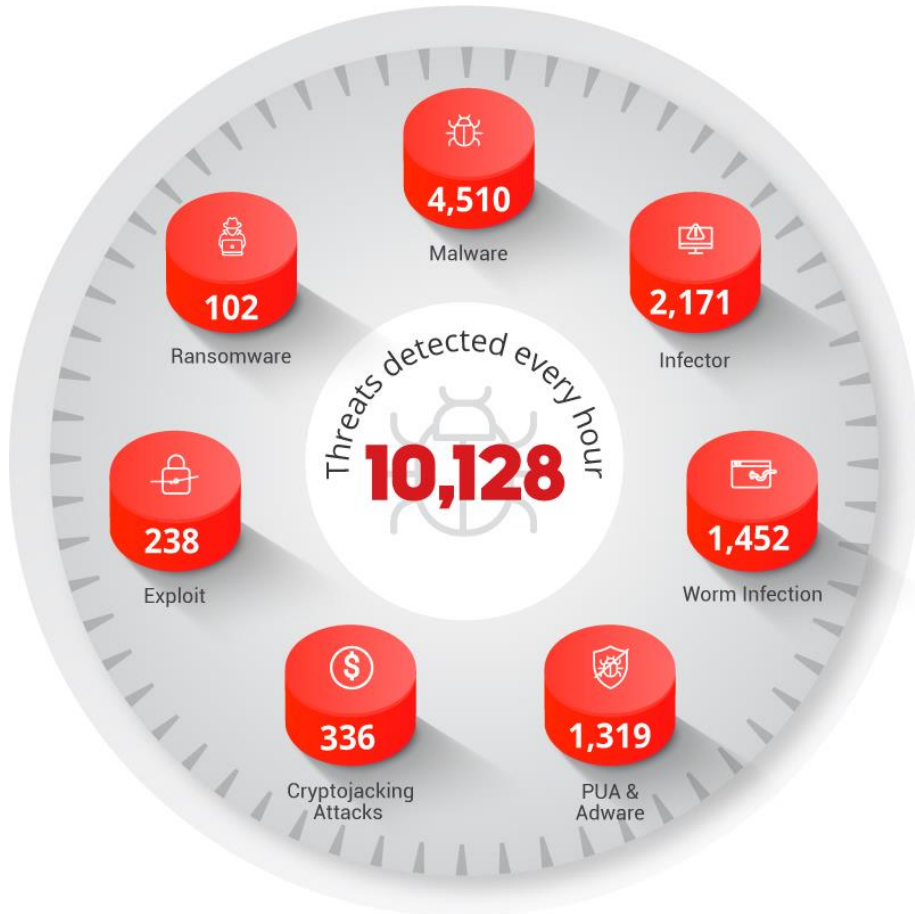
**Indian PM Modi's Twitter hacked with bitcoin tweet-** *BBC News* (December 12, 2021)

Source: Reputed News Outlets



# 2021 Cyber threat landscape shows that...

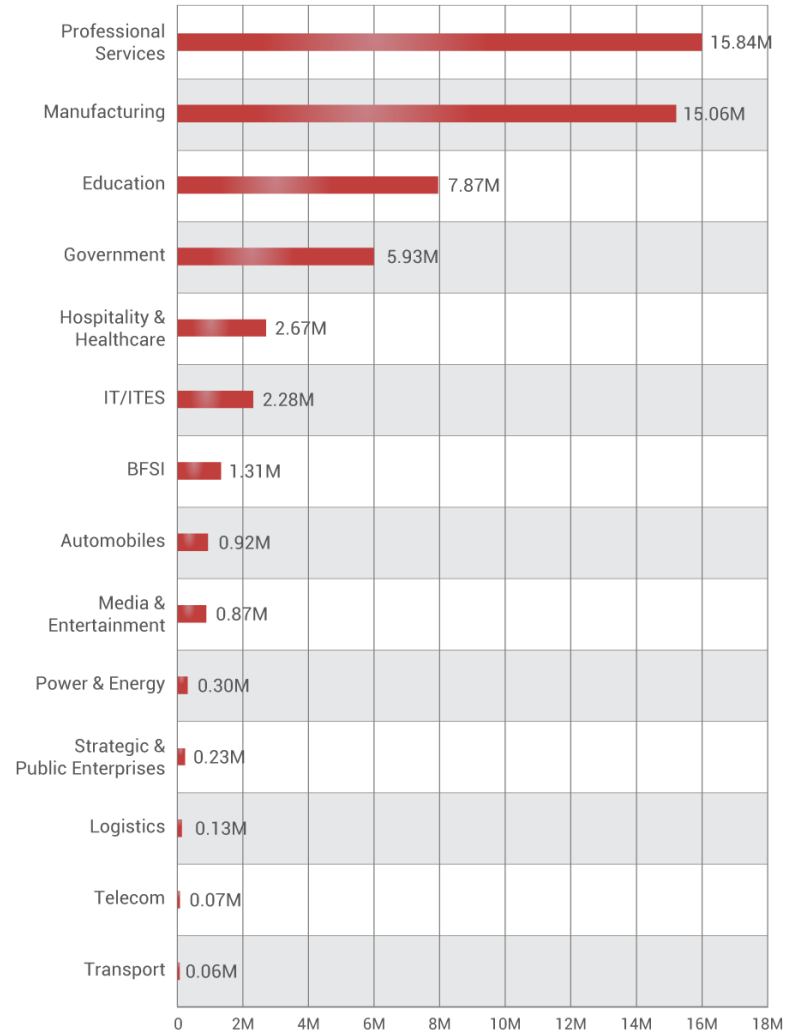
## Detection Highlights (Every hour) – 2021\*



\*Top seven malware categories features in the chart

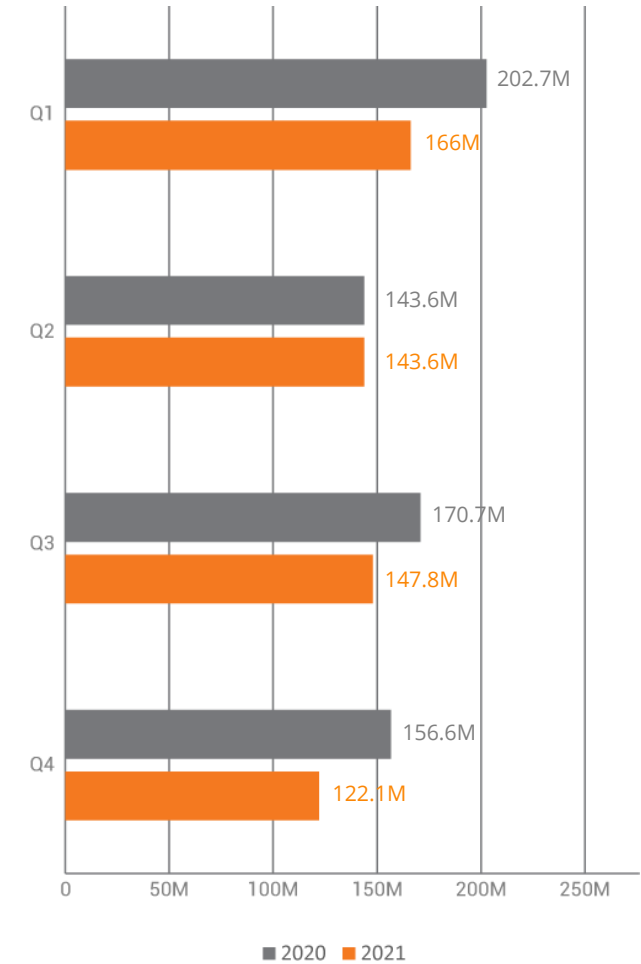
Source: Seqrite Annual Threat Report 2022

## Indian Industries most at risk



Source: Seqrite Annual Threat Report 2022

## Per Quarter malware Comparison YoY



Source: Quick Heal Annual Threat Report 2022

# Cyber threat predictions for 2022 and beyond

01

'Karakurt' Extortion threat emerges focusing on data theft for ransom

02

Fileless Malware Infection likely to advance and escape security products detection

03

Rise of double and triple-vector extortion technique demanding money for encrypted files

04

Cobalt strike attacks gets more sophisticated with new features and MITRE framework

05

Rise in Covid-theme-based attacks with the use of more sophisticated social engineering techniques

06

Increase in supply chain attacks leading to ransomware and other complex exploitations

07

Critical zero-day vulnerabilities on the rise

08

Rise in the new vulnerabilities on the server-side technologies

09

Rise of IoT attacks on vulnerable companion applications

10

Rise of social media credential stealer applications

11

Use of AI voice cloning tricks and Deepfake techniques to steel sensitive data

12

Rise of Ransomware-as-a-Service attacks targeting critical sectors

13

Rise in Linux side vulnerabilities with the release of WSL feature

14

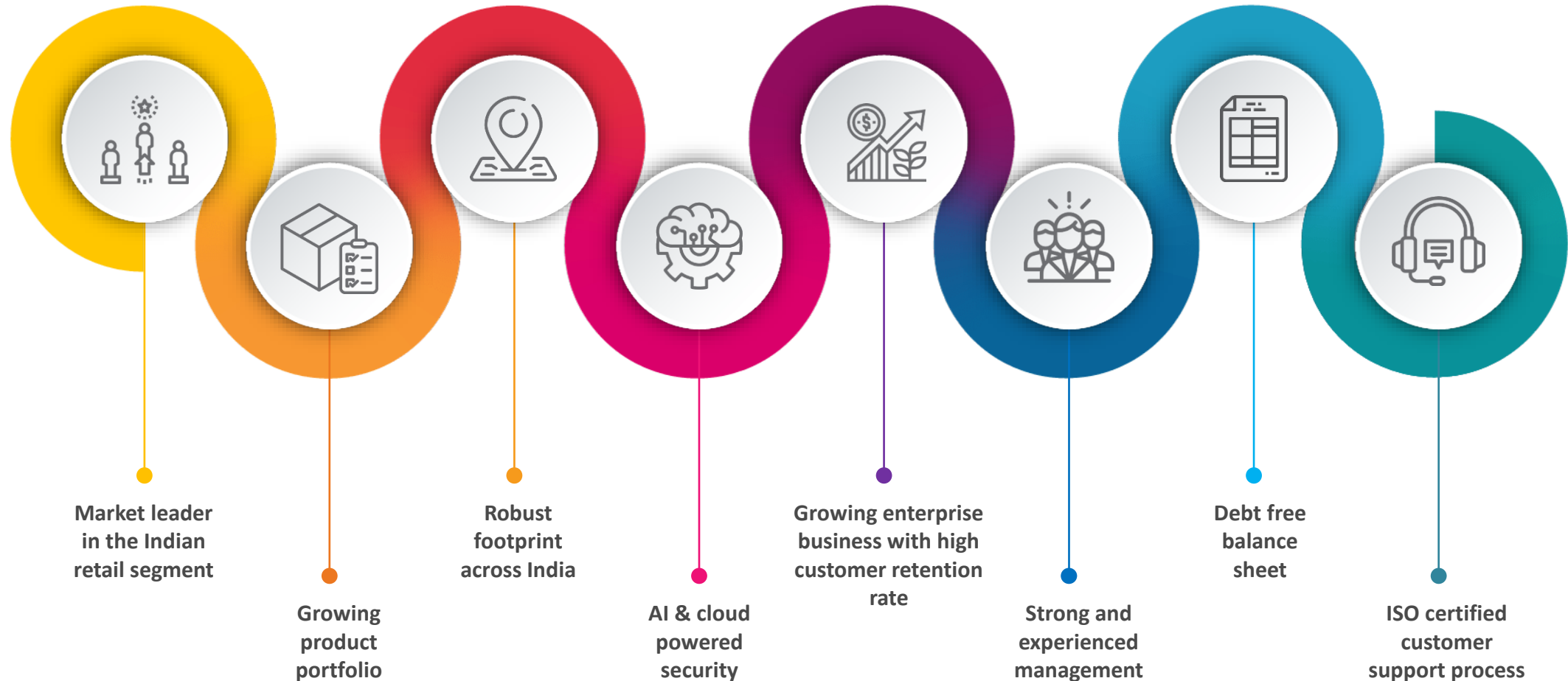
Resurrection of old vulnerabilities using ransomware via phishing emails and malicious files

15

Rise in targeted surveillance attacks with variants of different spywares

Source: Seqrite Threat Predictions 2022

# Quick Heal is well positioned to leverage its strengths to capture the future opportunities



Quick Heal

Security Simplified

SECURITE

Enterprise Cybersecurity Solutions by Quick Heal

# COMPANY OVERVIEW

# Company at a glance



## Vision

To be the trusted global leader in securing the digital world

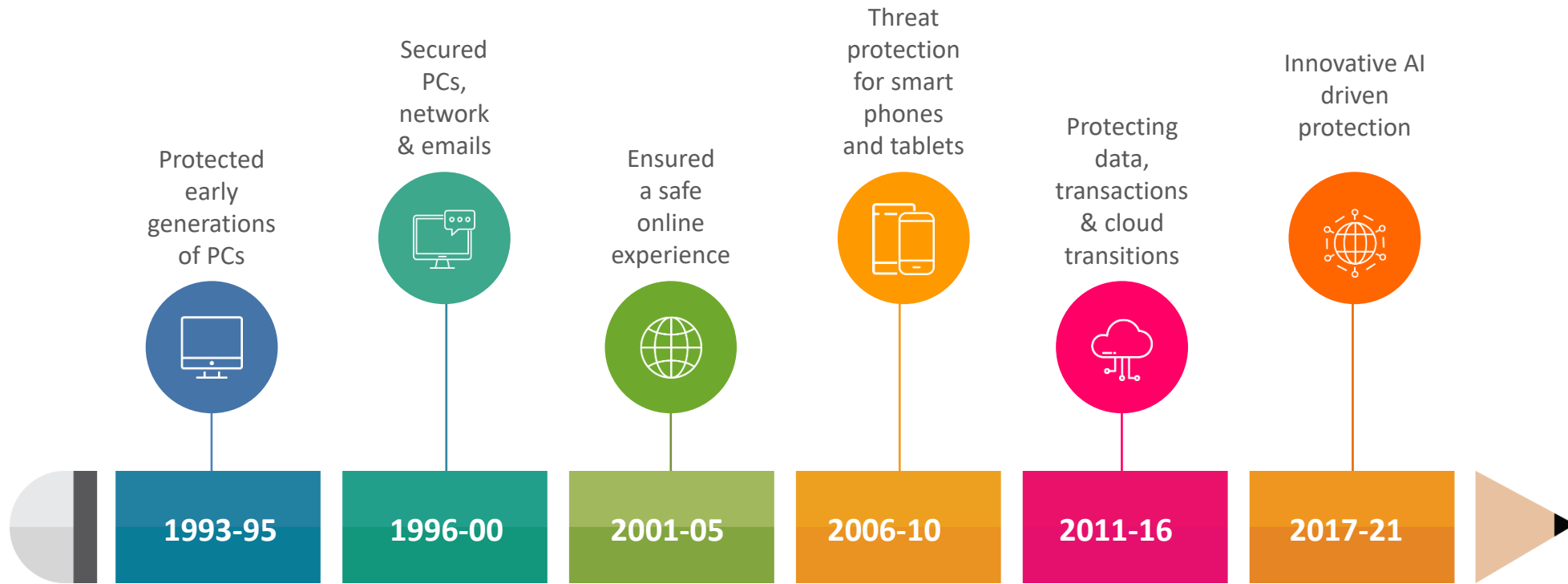
## Mission

Secure our customers by providing innovative, most preferred and valued security solutions, services and knowledge

Protect information and interactions on all types of networks, devices & things globally

Build a healthy business and organization

# Our journey



**Over 25 years**  
of simplifying security

# Scripting a new success story In the cybersecurity industry

Quick Heal



₹ **652** mln  
Q3FY22 Revenue\*

SEQRITE



₹ **201** mln  
Q3FY22 Revenue\*



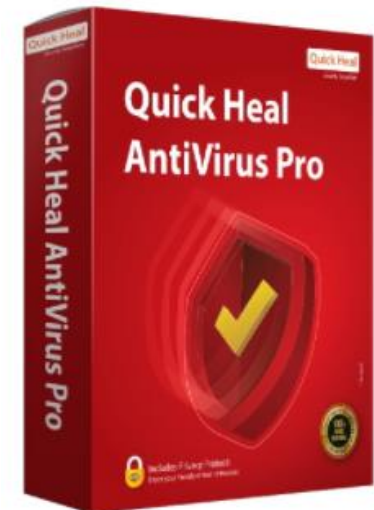
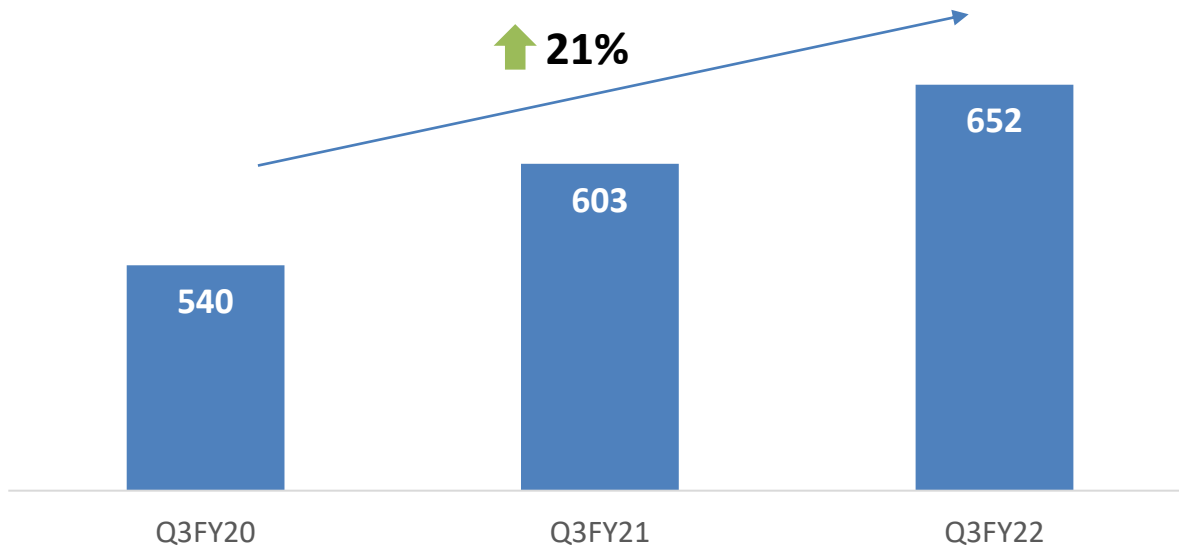
\*Based on net revenues before adjusting for sales incentives

- India's first listed cybersecurity products company
- A "Make in India" product configured to secure countries, cities and companies
- Quick Heal – undisputed leader in the retail segment
- Seqrite making inroads in the SMB & enterprise segment
- Quick Heal Security Labs - a team of highly efficient security researchers, analysts and engineers leverages a combination of AI, cloud and patented technologies to deliver timely and advanced protection
- Solutions to secure across platforms

# The Cash Cow: Anti Virus Business

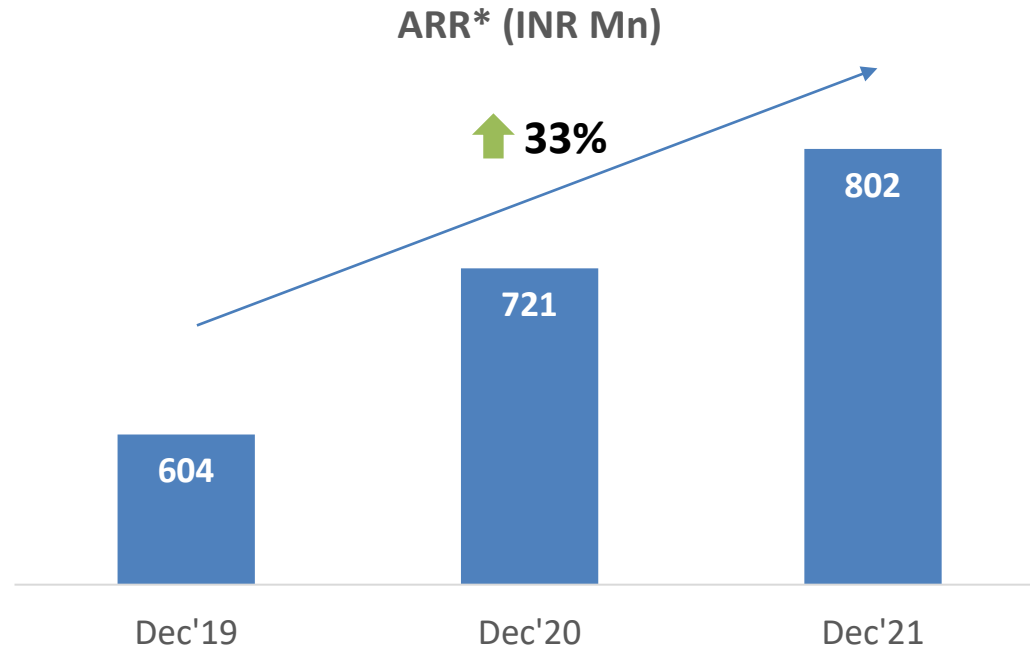
- Over 25 years into existence
- Market leadership with over 30% in the Indian market
- Robust Sales & Distribution network in India

Revenue (INR Mn)





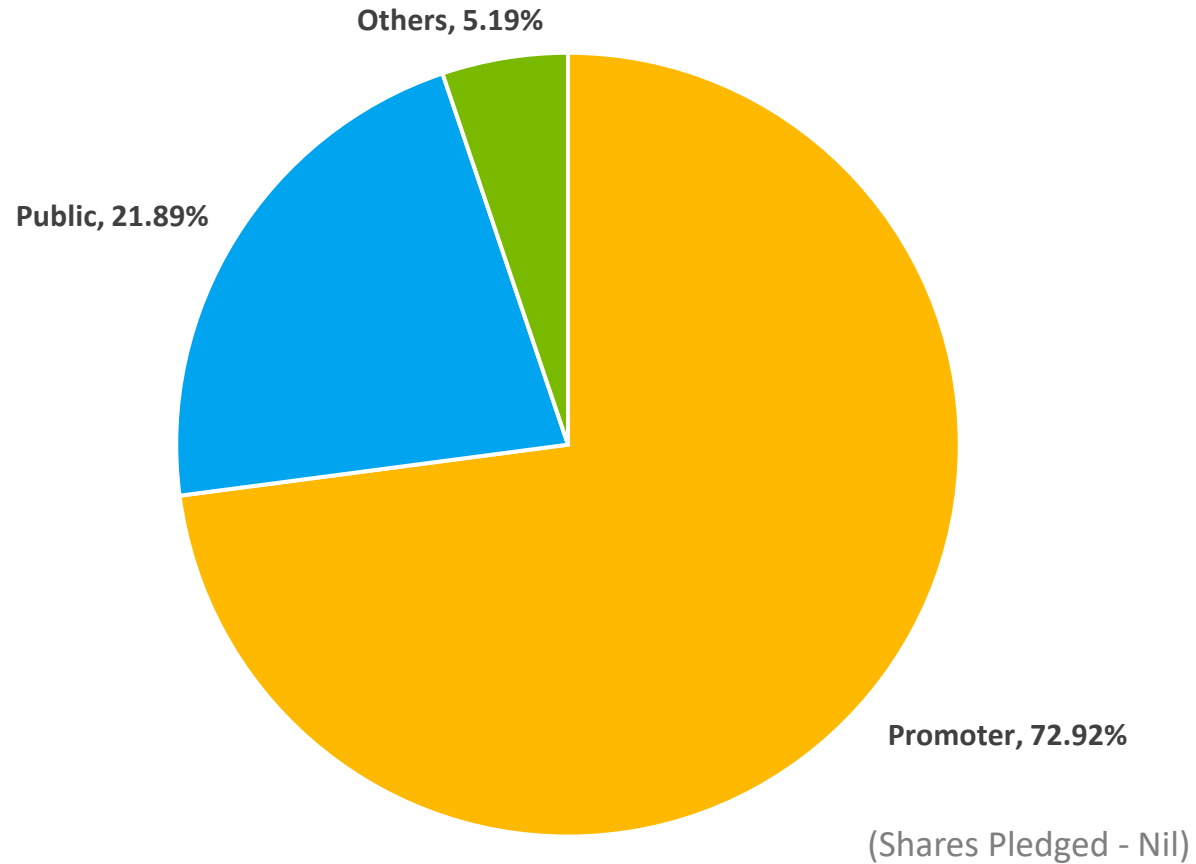
# Cybersecurity Startup incubated inhouse



- Incubated the enterprise cybersecurity through internal accruals
- Growth story for QH in the years to come
- Launching new products
- %Exports : ~18% of our Enterprise revenues
- Amount spent on R&D has been charged to P&L as per prudent accounting policies and good governance practices

*ARR\* of over INR 800 Mn*

## Shareholding structure – 31<sup>st</sup> December 2021



## Shareholder Information (as on 31st December 2021)

NSE Ticker	QUICKHEAL
BSE Ticker	539678
Market Cap (INR mln)	14,350
% Free-float	27.08%
Free-float market cap (INR mln)	3,886
Total Debt (INR mln)	-
Cash & Cash Equivalents (INR mln)	3,275
Shares Outstanding	5,79,56,601
3M ADTV (Shares)*	1,94,919
3M ADTV (INR mln)*	45.6
Industry	IT Software Products

\*Source: NSE

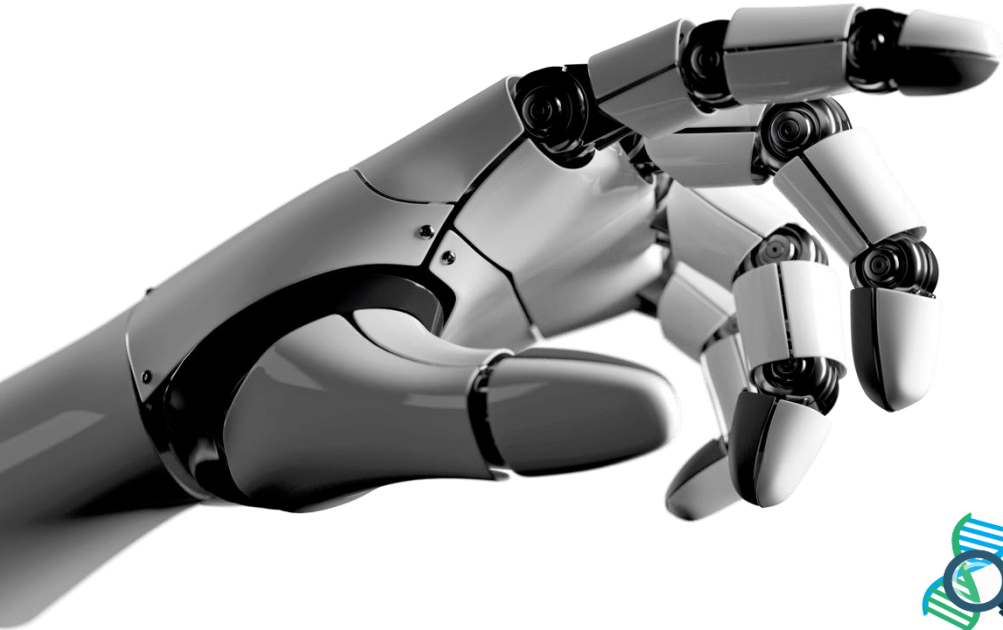
**Quick Heal**  
Security Simplified

**SECURITE**  
Enterprise Cybersecurity Solutions by Quick Heal



**THE  
QUICK HEAL  
ADVANTAGE**

Strong threat detection and prevention capabilities...



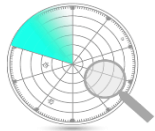
# GoDeep.AI

Powers **SIGNATURE-LESS** and **SIGNATURE-BASED** detections

Our best and the most innovative malware hunting engine brings together the best of the best!



Advanced DNA Scan



Patented Behavior Detection System



Multilayered Defense



Seed Analysis



Cloud Based Deep Learning Module

...with State-of-the-Art  
**Research & Development**  
leading to Innovations

25+ years of experience coupled with vast distribution network across India has helped us understand security market and issues faced by millions of users in depth which has led to consistent introduction of innovative products and solutions for our customers



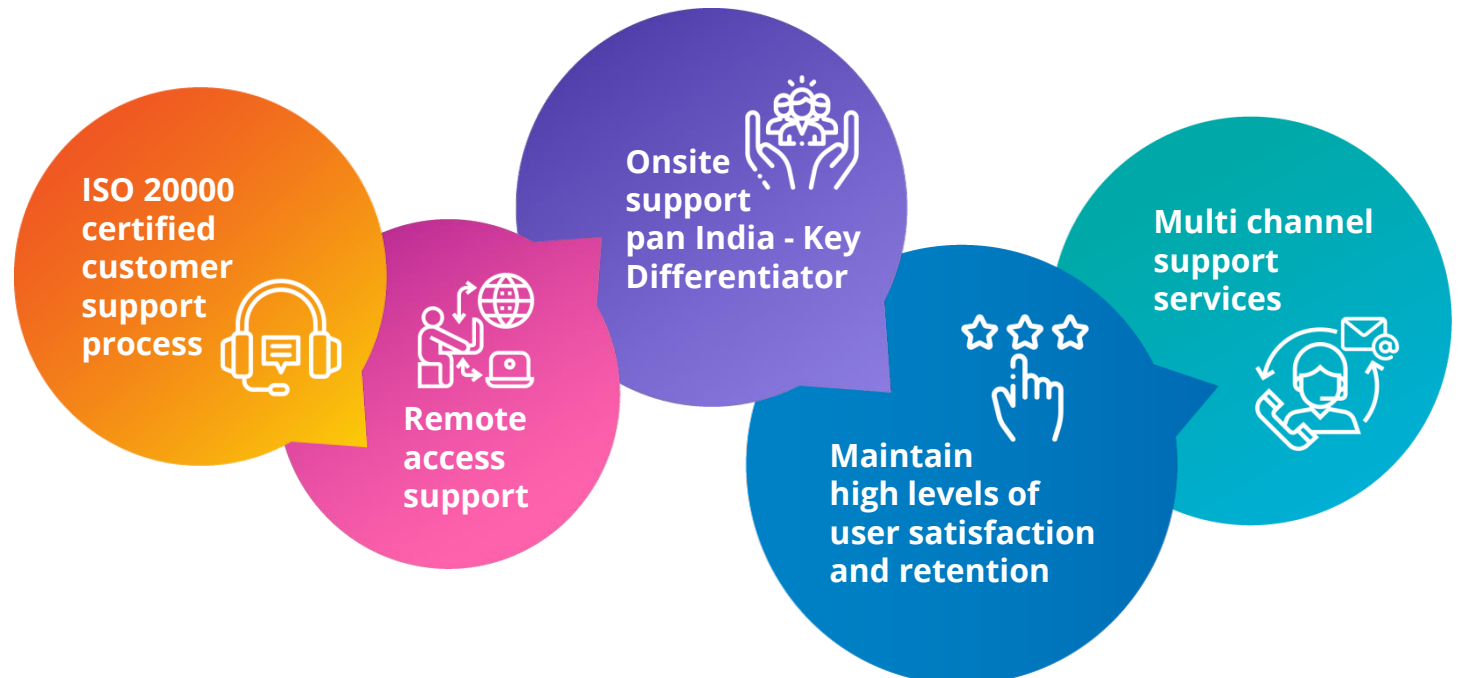


Committed to deliver exceptional



# customer experience

- 1 Multi-lingual end user support in English, Hindi and several other major regional Indian languages
- 2 Availability of data sheets, product videos and manuals on website for providing information on technical specifications, installation guide, upgrade mechanisms
- 3 Release of various articles, technical papers, quarterly threat reports and conducting webinars in the area of security software



# Experienced Board of Directors



**Dr. Kailash Katkar**  
*MD & CEO*

Drives the strategic direction for the company while nurturing a strong leadership team to drive its execution



**Dr. Sanjay Katkar**  
*Joint MD & CTO*

Spearheads the creation and subsequent development of the core product technology



**Mr. Shailesh Lakhani**  
*Non-Executive Director*

Serves as the MD at Sequoia Capital India. Previously, he worked at Redknee's India subsidiary as the Managing Director



**Mr. Amitabha Mukhopadhyay**  
*Independent Director*

Over three decades of experience in corporate finance, legal and litigation, strategy and M&A. Served as the Group CFO of Thermax



**Air Marshal (Retd) Bhushan Nilkanth Gokhale**  
*Independent Director*

Served on the board of defense PSUs and adviser to government institutions. Appointed as Independent Security Advisor in Ministry of Home Affairs.



**Mr. Mehul Savla**  
*Independent Director*

Serves as Director for RippleWave Equity Advisors LLP. Previously worked at JP Morgan, ICICI Securities and SEBI



**Ms. Apurva Joshi**  
*Independent Director*

Certified bank forensic accounting professional and anti – money laundering expert



**Mr. Richard Stienon**  
*Independent Director*

Serves as Chief Research Analyst at IT-Harvest, and sits on the advisory boards of several start-ups. Has been the part of board of cybersecurity companies like Symantec, McAfee, Cisco, Microsoft and Trend Micro

...along with strong Management...



**Dr. Kailash Katkar**  
*MD & CEO*

**Co-founder of the Company**

Has been the driving force in growing Quick Heal Technologies since its inception.

A proven leader with a profound proficiency in developing strong client relationships, passion for building outstanding teams and a disciplined focus on operations & execution of strategy.



**Dr. Sanjay Katkar**  
*Joint MD & CTO*

**Co-founder of the Company**

Leads the global technology strategy & is responsible for the core research & development of the products.

Has served as the Director of Association of Anti-Virus Researchers, Asia and is a distinguished speaker at various industry forums.

Holds Master's degree in Computer Science from the University of Pune.



# ...and seasoned Leadership team



**Mr. Navin Sharma**  
*CFO*

Responsible for driving growth lead strategy through organic & inorganic channels.

Previously was the CFO with Sterlite Technologies for the technology business.

Navin has worked with RPG Group and Century Textiles and Industries Limited and brings vast experience in the areas of M&A, customer acquisition, financial planning and analysis and managing overseas operations.



**Ms. Reetu Raina**  
*CHRO*

Responsible for driving HR and steering the company's people operations, culture and recruitment initiatives.

Ms. Raina holds extensive industry experience and has worked across sectors such as Telecom, BFSI, and IT.

She has held leadership roles with domain-leading brands such as TATA, HDFC Bank, and Amdocs. She was the Head of HR at Sterlite Technologies.



**Mr. Sanjay Agrawal**  
*CPO*

Responsible for driving the overall product vision and strategy in line with market expectations.

Sanjay is an entrepreneurial engineering and product leader with two decades of experience and proven success in building cybersecurity products for the global markets.

A computer engineering graduate from University of Illinois, Sanjay holds a Ph.D. and M.S. from Stanford University in Electrical Engineering and Computer Science (EECS).

# ...and seasoned Leadership team



**Mr. Bibhuti Kar**  
*Head, R&D*

Responsible for driving company's development efforts leading a team of talented engineering professionals and security researchers.

Bibhuti brings with him over two and a half decades of rich experience in the global high-tech industry.

An alumnus of IIT Kharagpur with a master's in ECE, he has worked on missile communication systems with DRDO.



**Mr. Kuldeep Raina**  
*Head, Global Enterprise Sales*

Responsible for leading the enterprise and government sales strategy and managing the vertical on a global level.

Passionate technocrat with a rich flare for sales and ability to drive targets in dynamic business environment.

Over two decades of diverse sales experience including leadership roles in cybersecurity companies.



**Mr. Deepak Mishra**  
*Head, Retail Sales*

Responsible for enhancing market share and driving channel strategy for the retail brand.

Has extensive exposure in sales and distribution, channel management, and building a robust distribution to drive productivity and profitability.

Over two decades of experience in FMCG, Beverages, Telecom and IT Industries.

# Strong brand recognition...



Seqrite  
Endpoint  
Security

Certified and approved by **ICSA Labs** in 2021

**NEW**



Seqrite  
Endpoint  
Security

Certified with **Advanced Approved Endpoint Protection** by AV-Test 2021

**NEW**



Seqrite  
Endpoint  
Security

Certified as **'Top Product'** for enterprises by AV-Test in 2021

**NEW**



Quick Heal

**Best AV of 2020** at the 13th NCN Innovative Product Award 2021



Seqrite  
Endpoint  
Security

Certified and approved by **ICSA Labs** in 2020



Seqrite  
Endpoint  
Security

Certified as **'Top Product'** for business users by **'AV-Test'** in 2020



Quick Heal  
Total Security

Certified as **'Top Product'** for consumers by **'AV-Test'** in 2020



Seqrite

**'Best Performance 2018'** award for its Endpoint Security Solution from AV-Test Institute in Germany 2019



Quick Heal  
Technologies

Recognized by NASSCOM's DSCI as **'Cybersecurity Product Pioneer in India'** 2019



Quick Heal  
Technologies

Granted Patent for **Anti-Ransomware Technology** 2019  
U.S. Patent No. US20160378988A1



Quick Heal  
Technologies

Granted Patent for its **Signatureless Behavior-based Detection Technology** 2019  
U.S. Patent No. US20170124327A1

# ...backed by Certifications, Patents and...

## International & ISO Certifications



## Patented Technologies

**USPTO 10,387,649**

Signatureless Behaviour-based Detection Technology

**USPTO 10,311,234**

Anti-Ransomware technology

**USPTO 8,973,136**

System and method for protecting computer systems from malware attacks

**USPTO 8,914,908**

A completely automated computer implemented system and method for piracy control based on update requests

**USPTO 8,347,389**

System for protecting devices against virus attacks

**USPTO 7,945,955**

Virus detection in mobile devices having insufficient resources to execute virus detection software



# Securing the future through our community initiatives

Quick Heal

Security Simplified

SECURITE

Enterprise Cybersecurity Solutions by Quick Heal



## 23,50,000+

Lives directly impacted since 2016

### Cybersecurity

- Cybersecurity Awareness
- Cyber Shiksha for Suraksha
- Street Plays



## 1,00,000+

Lives impacted since 2020

### Covid-19 Relief Initiatives

- Free immunity boosters medicines to frontline workers
- Organised health camps and assisted in the smooth functioning of Covid-19 centres
- Donated medical vans to NGOs to heal tribal population
- Distribution of food grains during lockdown
- Distribution of PPE kits to NGOs
- Donated to PM Cares Fund



## 45,000+

Lives directly impacted since 2016

### Education

- Life Skills Education for underprivileged children



# Quick Heal Academy to drive the next generation of cyber security experts



## Popular Courses

- ✓ Cyber Security and Forensics
- ✓ Cyber Threat Intelligence
- ✓ Malware Analysis & Reverse Engineering
- ✓ Security Operations Centre (SOC)
- ✓ Electronic Crime Scene Investigation

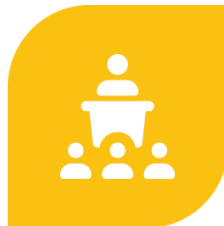
## Offerings



CORPORATE TRAINING



NEED-BASED TRAINING



WORKSHOPS & SEMINARS



CONNECTING CYBER ECO-SYSTEM

## Academy Partners



# Q3FY22 EARNINGS HIGHLIGHTS



# Q3FY22 Earnings Highlight

## REVENUE

Q3FY22 Revenue at

₹ **796** mln

Up 14% from Q3FY21

## Diluted EPS

Q3FY22 EPS at

₹ **2.45**

Up 17% from Q3FY21

## EBITDA

Q3FY22 EBITDA at

₹ **205** mln

Up 24% from Q3FY21

## Retail at

₹ **652** mln

Up 8% from Q3FY21

## PAT

Q3FY22 PAT at

₹ **143** mln

Up 6% from Q3FY21

## Enterprise at

₹ **201** mln

Up 11% from Q3FY21

## Q3FY22 Revenue split

**Retail 76.4%**



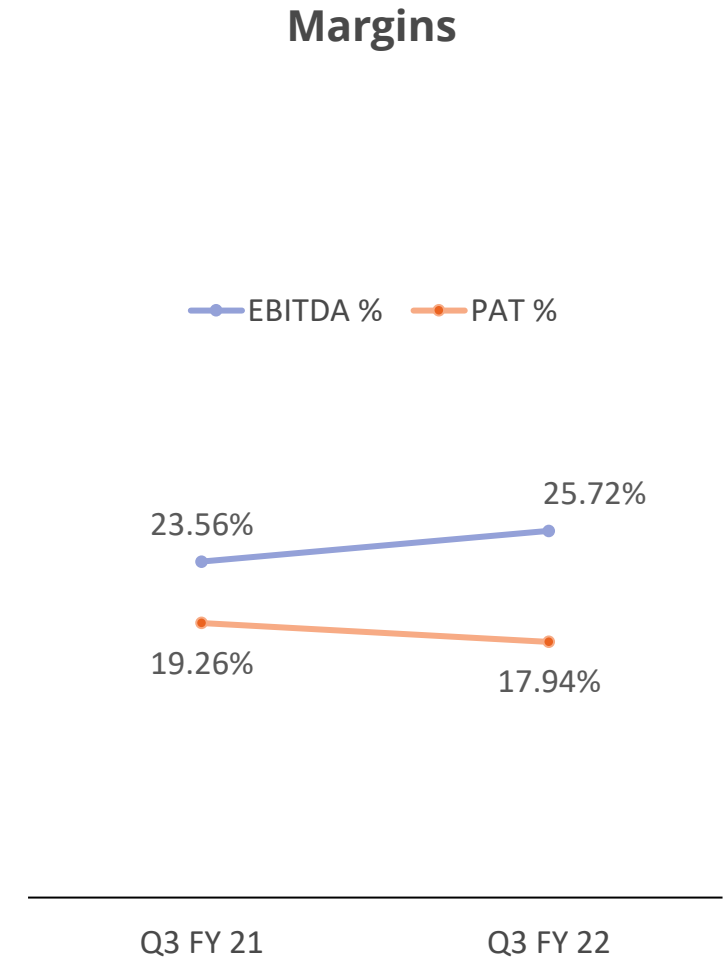
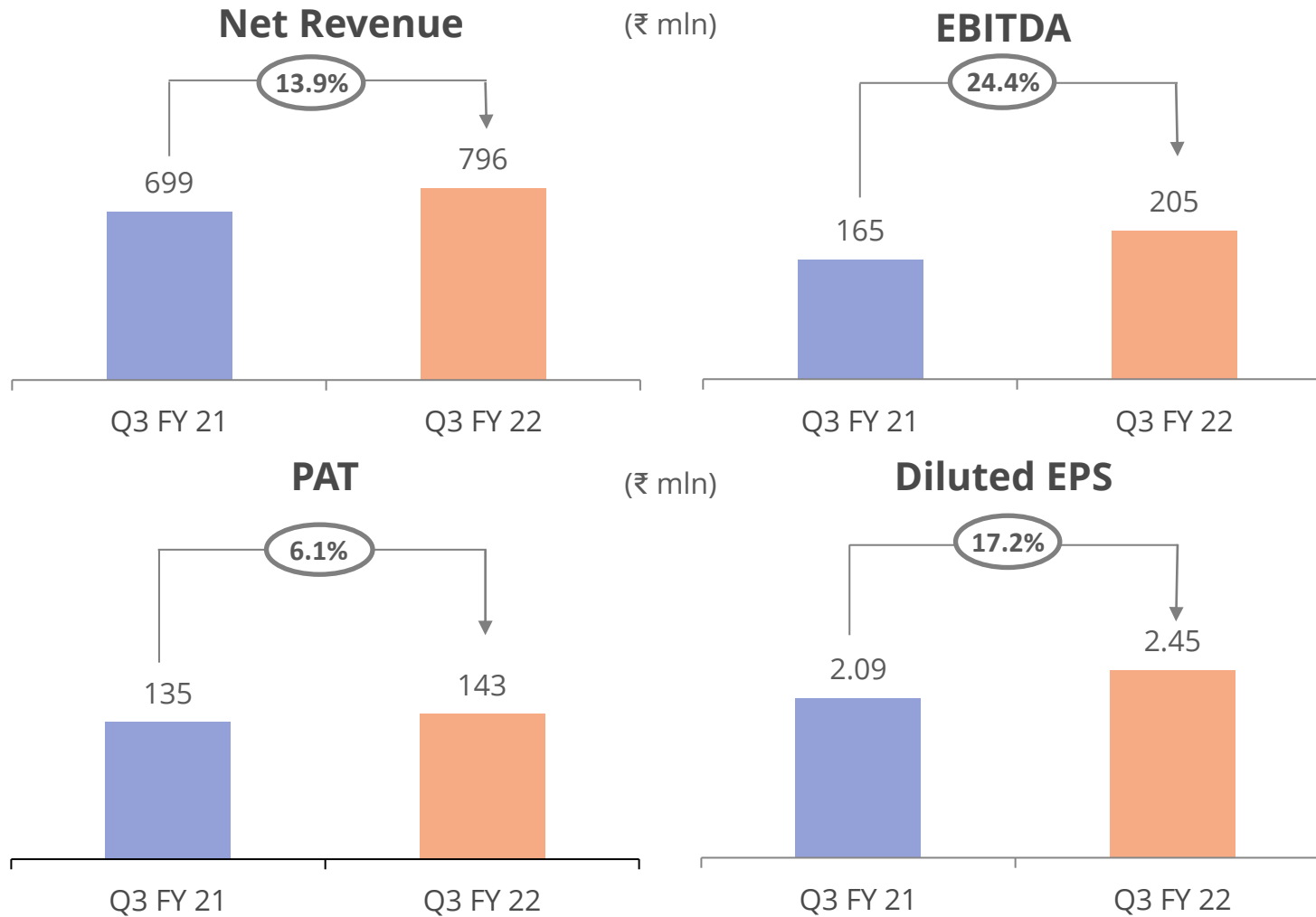
**Enterprise +  
Government  
23.6%**



A photograph of a business meeting. In the foreground, a person's hands are visible, one holding a silver pen and pointing at a document with various charts and graphs. Another person's hand is also pointing at the document. The background shows a laptop and other documents on a desk. The overall scene is professional and focused on data analysis.

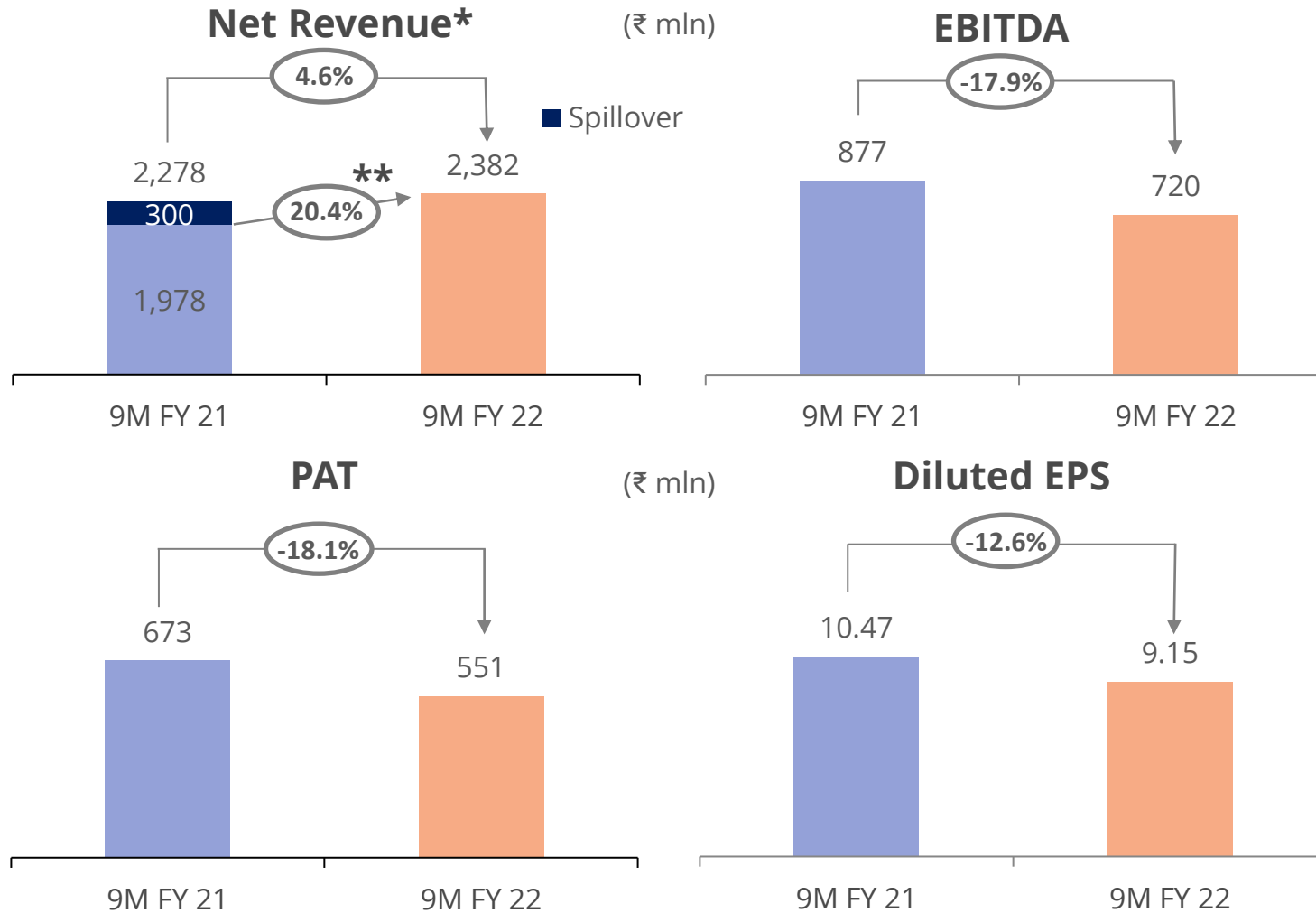
# Q3 & 9MFY22 EARNINGS

# Q3FY22 – Consolidated Performance Highlights

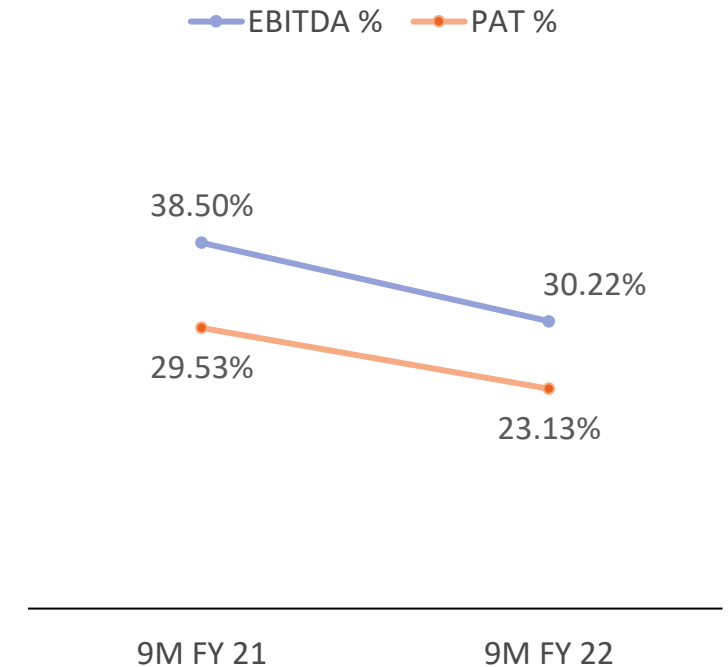


\*As per Ind AS

# 9MFY22 – Consolidated Performance Highlights



## Margins

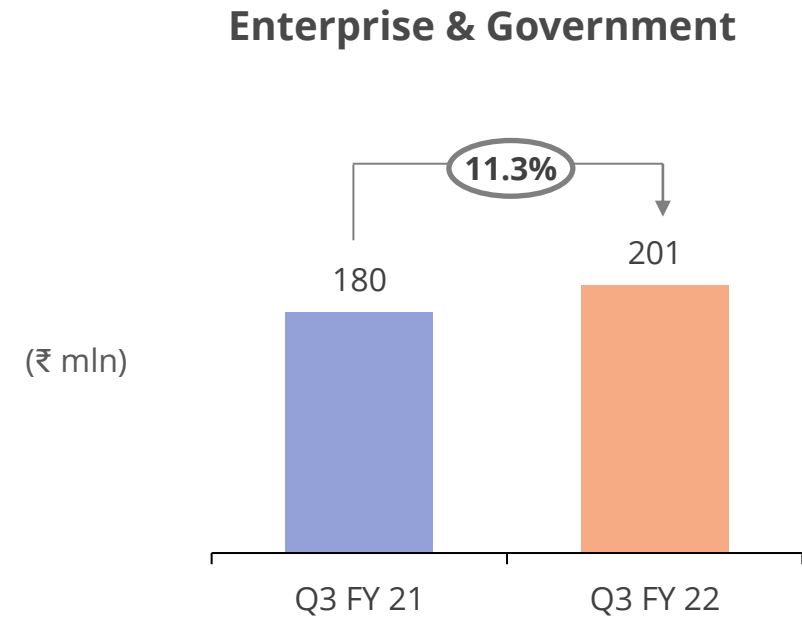
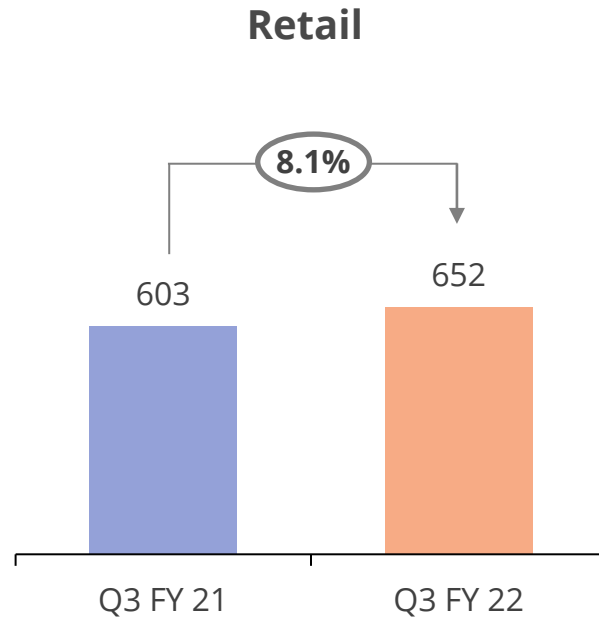


\*\*Note: There was a spill over of revenue of ₹ 300 mln from Q4FY20 in Q1FY21 due to non -availability of transport facilities due to lockdown

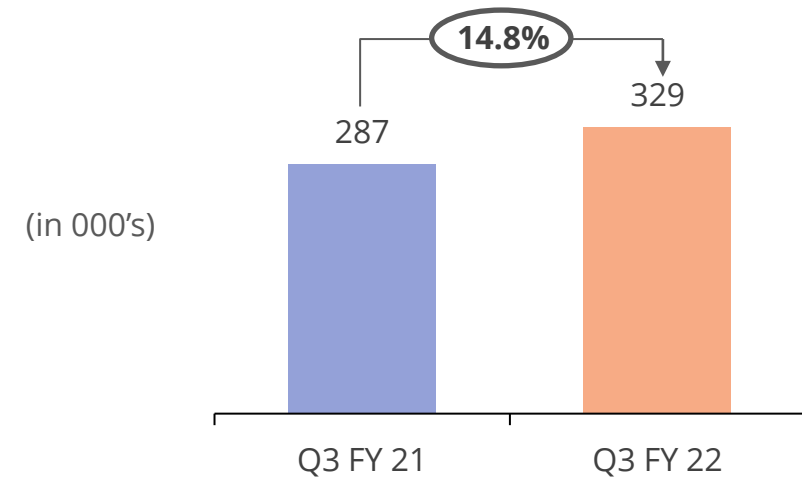
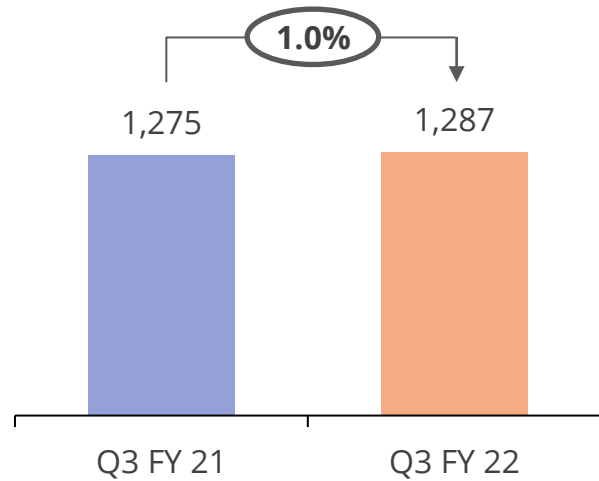
\*As per Ind AS

# Q3FY22 Segment performance

## Revenue break-up



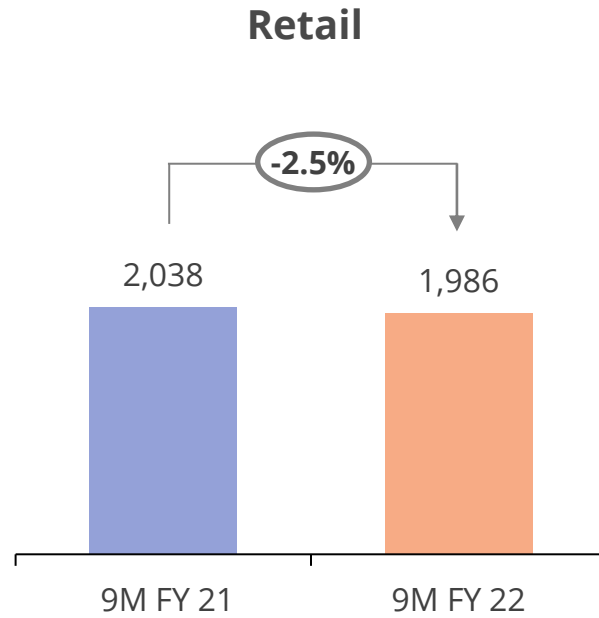
## Licenses Sold Analysis



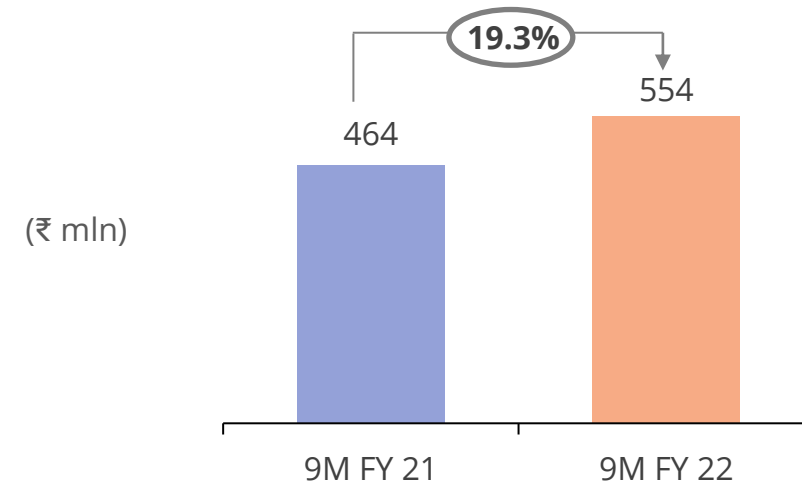
Based on net revenues before adjusting for sales incentives

# 9MFY22 Segment performance

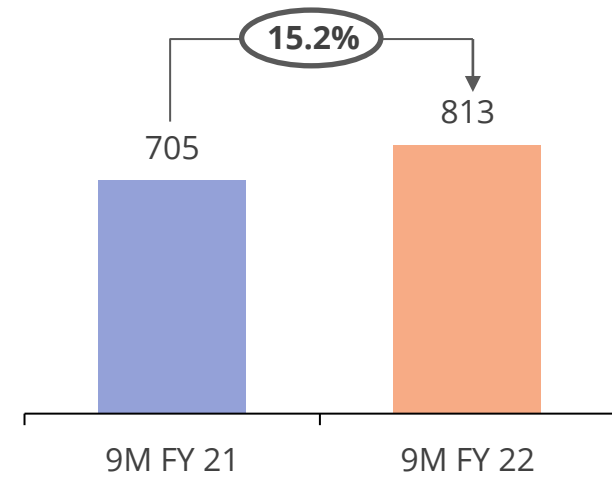
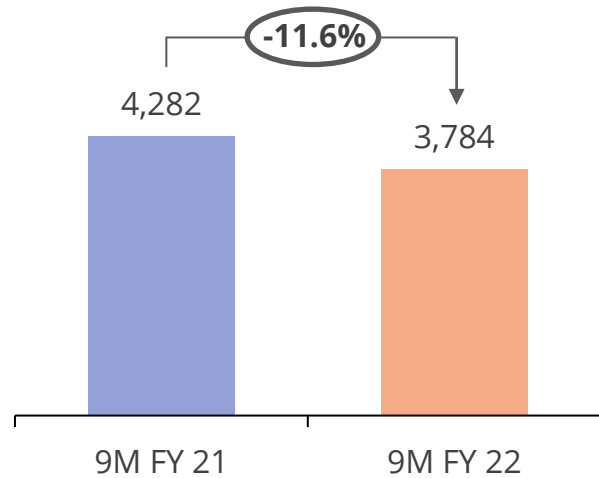
## Revenue break-up



### Enterprise & Government



## Licenses Sold Analysis



Based on net revenues before adjusting for sales incentives

# Q3FY22 – Profitability statement

PARTICULARS (₹ mn)	Standalone			Consolidated		
	Q3FY21	Q3FY22	% change	Q3FY21	Q3FY22	% change
<b>Total Revenue</b>	<b>711.23</b>	<b>796.25</b>	<b>11.95%</b>	<b>698.75</b>	<b>796.16</b>	<b>13.94%</b>
Direct Cost	26.18	32.42		26.39	32.40	
<b>Gross Profit</b>	<b>685.05</b>	<b>763.83</b>	<b>11.50%</b>	<b>672.36</b>	<b>763.76</b>	<b>13.59%</b>
<b>Gross Margin</b>	<b>96.32%</b>	<b>95.93%</b>	<b>-39bps</b>	<b>96.22%</b>	<b>95.93%</b>	<b>-29bps</b>
Operating Cost						
Research and Development (R&D)	170.09	213.04		170.09	213.04	
Sales and Marketing (S&M)	221.05	211.56		224.99	214.80	
General Administration (G&A)	136.45	134.77		112.65	131.12	
<b>Total Expenditure</b>	<b>527.59</b>	<b>559.37</b>	<b>-6.02%</b>	<b>507.73</b>	<b>558.96</b>	<b>-10.09%</b>
<b>EBITDA</b>	<b>157.46</b>	<b>204.46</b>	<b>29.85%</b>	<b>164.63</b>	<b>204.80</b>	<b>24.40%</b>
<b>EBITDA Margin</b>	<b>22.14%</b>	<b>25.68%</b>	<b>354bps</b>	<b>23.56%</b>	<b>25.72%</b>	<b>216bps</b>
Depreciation	49.56	45.41		49.57	45.43	
<b>EBIT</b>	<b>107.90</b>	<b>159.05</b>	<b>47.41%</b>	<b>115.06</b>	<b>159.37</b>	<b>38.51%</b>
<b>EBIT Margin</b>	<b>15.17%</b>	<b>19.97%</b>	<b>480bps</b>	<b>16.47%</b>	<b>20.02%</b>	<b>355bps</b>
Other Income	62.31	36.28		62.87	36.31	
<b>Profit Before Tax (PBT after exceptional item)</b>	<b>170.21</b>	<b>195.33</b>	<b>14.76%</b>	<b>177.93</b>	<b>195.68</b>	<b>9.98%</b>
Tax	42.99	52.52		43.32	52.81	
<b>Profit After Tax (PAT)</b>	<b>127.22</b>	<b>142.81</b>	<b>12.25%</b>	<b>134.61</b>	<b>142.87</b>	<b>6.14%</b>
<b>PAT Margin</b>	<b>17.89%</b>	<b>17.94%</b>	<b>5bps</b>	<b>19.26%</b>	<b>17.94%</b>	<b>-132bps</b>

NOTE: Certain figures have been re-grouped wherever necessary

# 9MFY22 – Profitability statement

PARTICULARS (₹ mln)	Standalone			Consolidated		
	9MFY21	9MFY22	% change	9MFY21	9MFY22	% change
<b>Total Revenue</b>	<b>2,274.23</b>	<b>2,378.00</b>	<b>4.56%</b>	<b>2,277.50</b>	<b>2,381.85</b>	<b>4.58%</b>
Direct Cost	88.67	93.17		91.53	90.31	
<b>Gross Profit</b>	<b>2,185.56</b>	<b>2,284.83</b>	<b>4.54%</b>	<b>2,185.97</b>	<b>2,291.54</b>	<b>4.83%</b>
<b>Gross Margin</b>	<b>96.10%</b>	<b>96.08%</b>	<b>-2bps</b>	<b>95.98%</b>	<b>96.21%</b>	<b>23bps</b>
Operating Cost						
Research and Development (R&D)	488.59	607.82		488.59	607.82	
Sales and Marketing (S&M)	482.74	571.23		494.71	580.23	
General Administration (G&A)	341.19	394.08		325.82	383.60	
<b>Total Expenditure</b>	<b>1,312.52</b>	<b>1,573.13</b>	<b>-19.86%</b>	<b>1,309.12</b>	<b>1,571.65</b>	<b>-20.05%</b>
<b>EBITDA</b>	<b>873.04</b>	<b>711.70</b>	<b>-18.48%</b>	<b>876.85</b>	<b>719.89</b>	<b>-17.90%</b>
<b>EBITDA Margin</b>	<b>38.39%</b>	<b>29.93%</b>	<b>-846bps</b>	<b>38.50%</b>	<b>30.22%</b>	<b>-828bps</b>
Depreciation	144.80	127.95		144.87	128.03	
<b>EBIT</b>	<b>728.24</b>	<b>583.75</b>	<b>-19.84%</b>	<b>731.98</b>	<b>591.86</b>	<b>-19.14%</b>
<b>EBIT Margin</b>	<b>32.02%</b>	<b>24.55%</b>	<b>-747bps</b>	<b>32.14%</b>	<b>24.85%</b>	<b>-729bps</b>
Other Income	182.13	135.12		184.27	135.33	
<b>Profit Before Tax (PBT after exceptional items)</b>	<b>910.37</b>	<b>718.87</b>	<b>-21.04%</b>	<b>916.25</b>	<b>727.19</b>	<b>-20.63%</b>
Exceptional items	0.00	21.64		-	-	
<b>Profit Before Tax</b>	<b>910.37</b>	<b>697.23</b>	<b>-23.41%</b>	<b>916.25</b>	<b>727.19</b>	<b>-20.63%</b>
Tax	242.81	175.33		243.71	176.21	
<b>Profit After Tax (PAT)</b>	<b>667.56</b>	<b>521.90</b>	<b>-21.82%</b>	<b>672.54</b>	<b>550.98</b>	<b>-18.07%</b>
<b>PAT Margin</b>	<b>29.35%</b>	<b>21.95%</b>	<b>-741bps</b>	<b>29.53%</b>	<b>23.13%</b>	<b>-640bps</b>

NOTE: Certain figures have been re-grouped wherever necessary

# Q3FY22 – Ratio analysis



In %	Standalone		Consolidated	
	Q3FY21	Q3FY22	Q3FY21	Q3FY22
<b>Expenses</b>				
Direct Cost / Revenue	3.68%	4.07%	3.78%	4.07%
R&D / Revenue	23.91%	26.76%	24.34%	26.76%
S&M / Revenue	31.08%	26.57%	32.20%	26.98%
G&A / Revenue	19.18%	16.93%	16.12%	16.47%
Total Cost / Revenue	74.18%	70.25%	72.66%	70.21%
<b>Margin</b>				
Gross Margin	96.32%	95.93%	96.22%	95.93%
EBITDA	22.14%	25.68%	23.56%	25.72%
EBIT	15.17%	19.97%	16.47%	20.02%
PBT	23.93%	24.53%	25.46%	24.58%
PAT	17.89%	17.94%	19.26%	17.94%



# 9MFY22 – Ratio analysis



In %	Standalone		Consolidated	
	9MFY21	9MFY22	9MFY21	9MFY22
<b>Expenses</b>				
Direct Cost / Revenue	3.90%	3.92%	4.02%	3.79%
R&D / Revenue	21.48%	25.56%	21.45%	25.52%
S&M / Revenue	21.23%	24.02%	21.72%	24.36%
G&A / Revenue	15.00%	16.57%	14.31%	16.11%
Total Cost / Revenue	57.71%	66.15%	57.48%	65.98%
<b>Margin</b>				
Gross Margin	96.10%	96.08%	95.98%	96.21%
EBITDA	38.39%	29.93%	38.50%	30.22%
EBIT	32.02%	24.55%	32.14%	24.85%
PBT	40.03%	30.23%	40.23%	30.53%
PAT	29.35%	21.95%	29.53%	23.13%

# Consolidated Balance Sheet

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EQUITY AND LIABILITIES (₹ mln)	Dec 31, 2020	Dec 31, 2021
<b>Share Holder's Funds:</b>		
Equity Share Capital	642.05	579.55
Share application money pending allotment	-	-
Reserves and Surplus	6,472.75	5,373.69
<b>Total Shareholder Funds</b>	<b>7,114.80</b>	<b>5,953.24</b>
<b>Non-Current Liabilities</b>		
Net employee defined benefit liabilities	3.47	-
Other Non Current Liabilities	-	5.19
Deferred tax liability (net)	-	0.97
<b>Total Non-Current Liabilities</b>	<b>3.47</b>	<b>6.16</b>
<b>Current Liabilities:</b>		
Trade and Other Payables	493.01	526.61
Other Financial Liabilities	30.56	19.17
Other Current Liabilities	135.37	166.78
Net employee defined benefit liabilities	25.59	4.34
Current tax liabilities (Net)	14.18	0.86
<b>Total Current Liabilities</b>	<b>698.71</b>	<b>717.76</b>
<b>Total Equity &amp; Liabilities</b>	<b>7,816.98</b>	<b>6,677.16</b>

ASSETS (₹ mln)	Dec 31, 2020	Dec 31, 2021
<b>Non-Current Assets:</b>		
Property, plant and equipment	1,408.76	1,330.27
Capital work-in-progress	34.00	2.44
Intangible assets	63.30	64.12
<b>Non-current financial assets</b>		
Investments in MF ,Tax-Free Bonds & others	174.04	247.48
Loan and Security Deposits	3.82	3.65
Bank Balances	3.40	-
Deferred tax assets (net)	12.49	-
Other non current assets	213.77	204.12
<b>Total Non-Current Assets</b>	<b>1,913.58</b>	<b>1,852.08</b>
<b>Current assets:</b>		
Inventories	32.88	37.41
Investment in Mutual Fund	3,945.08	2,595.89
Trade and other receivables	1,151.87	1,506.47
Bank Balances & Cash and Cash Equivalents	132.97	174.55
Investment in Fixed Deposit	576.63	446.40
Loan and security deposits	7.03	4.38
Interest accrued on FDR & Tax-Free Bonds	12.24	7.52
Other Current assets	44.70	46.92
Assets classified as held for sale	-	5.54
<b>Total Current Assets</b>	<b>5,903.40</b>	<b>4,825.08</b>
<b>Total Assets</b>	<b>7,816.98</b>	<b>6,677.16</b>

NOTE: Certain figures have been re-grouped wherever necessary

# Standalone Balance Sheet

Quick Heal

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Enterprise Cybersecurity Solutions by Quick Heal

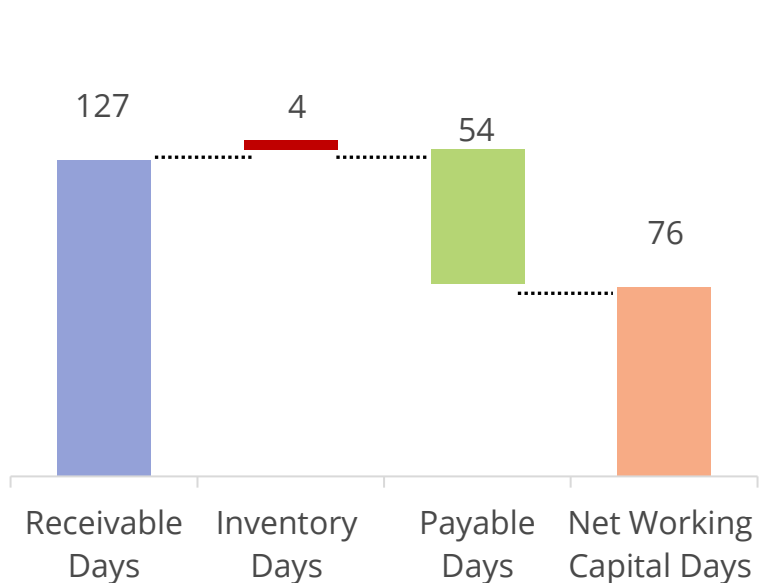
EQUITY AND LIABILITIES (₹ mln)	Dec 31, 2020	Dec 31, 2021
<b>Share Holder's Funds:</b>		
Equity Share Capital	642.05	579.55
Share application money pending allotment	-	-
Reserves and Surplus	6,512.10	5,388.85
<b>Total Shareholder Funds</b>	<b>7,154.15</b>	<b>5,968.40</b>
<b>Non-Current Liabilities</b>		
Net employee defined benefit liabilities	3.47	-
Other Non Current Liabilities	-	5.19
Deferred tax liability (net)	-	0.97
<b>Total Non-Current Liabilities</b>	<b>3.47</b>	<b>6.16</b>
<b>Current Liabilities:</b>		
Trade and Other Payables	490.83	530.00
Other Financial Liabilities	30.56	19.17
Other Current Liabilities	133.77	165.69
Net employee defined benefit liabilities	25.59	4.34
Current tax liabilities (Net)	13.91	0.71
<b>Total Current Liabilities</b>	<b>694.66</b>	<b>719.91</b>
<b>Total Equity &amp; Liabilities</b>	<b>7,852.28</b>	<b>6,694.47</b>

ASSETS (₹ mln)	Dec 31, 2020	Dec 31, 2021
<b>Non-Current Assets:</b>		
Property, plant and equipment	1,408.53	1,329.96
Capital work-in-progress	34.00	2.44
Intangible assets	63.12	63.99
<b>Non-current financial assets</b>		
Investments in MF ,Tax-Free Bonds & others	296.32	348.12
Loan and Security Deposits	3.82	3.65
Bank Balances	3.40	-
Deferred tax assets (net)	12.49	-
Other non current assets	213.77	204.12
<b>Total Non-Current Assets</b>	<b>2,035.45</b>	<b>1,952.28</b>
<b>Current assets:</b>		
Inventories	32.66	37.38
Investment in Mutual Fund	3,945.08	2,595.89
Trade and other receivables	1,132.78	1,514.03
Bank Balances & Cash and Cash Equivalents	66.61	85.76
Investment in Fixed Deposit	576.63	446.40
Loan and security deposits	6.95	4.28
Interest accrued on FDR & Tax-Free Bonds	12.24	7.52
Other Current assets	43.88	45.39
Assets classified as held for sale	-	5.54
<b>Total Current Assets</b>	<b>5,816.83</b>	<b>4,742.19</b>
<b>Total Assets</b>	<b>7,852.28</b>	<b>6,694.47</b>

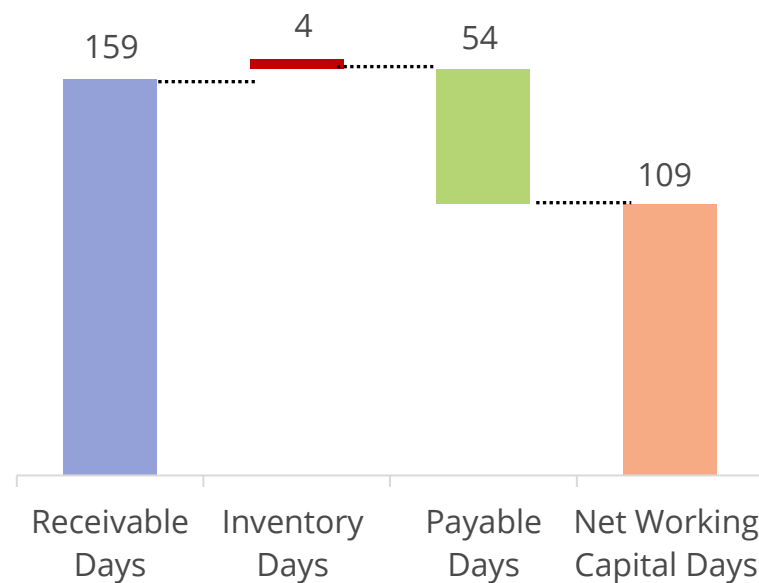
NOTE: Certain figures have been re-grouped wherever necessary

# Working capital analysis

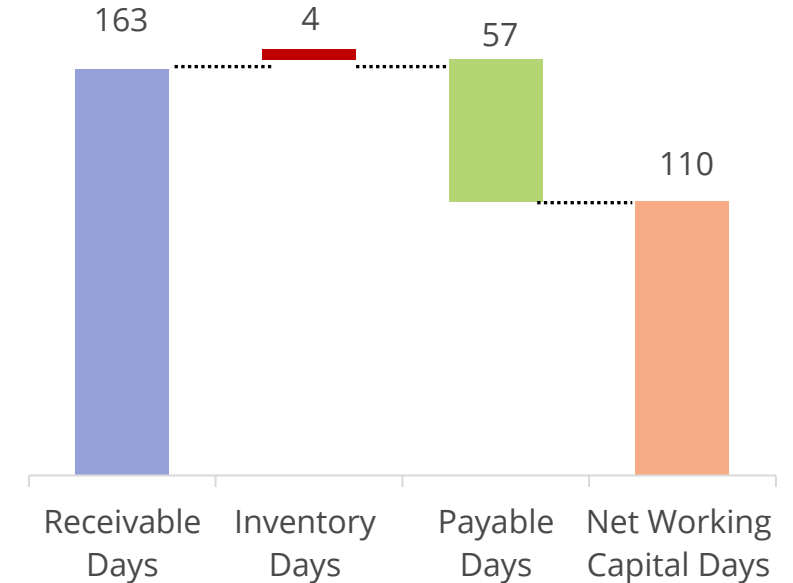
At the end of December, 2020\*



At the end of September, 2021\*\*



At the end of December, 2021\*



**Note\***

Receivable Days = [(Debtors/ Sales) X (275 days)]

Inventory Days = [(Inventory/Sales) X (275 days)]

Payable Days = [(Creditor/Sales) X (275 days)]

**Note\*\***

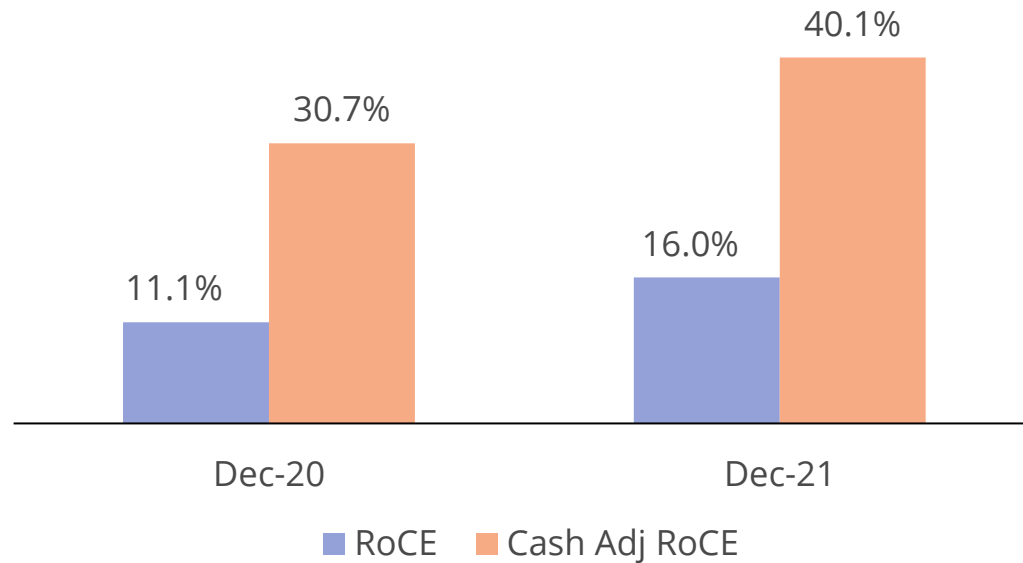
Receivable Days = [(Debtors/ Sales) X (183 days)]

Inventory Days = [(Inventory/Sales) X (183 days)]

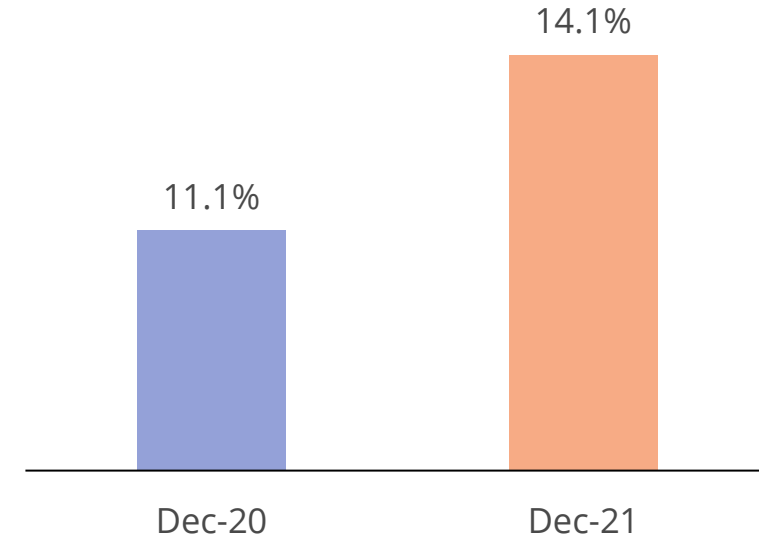
Payable Days = [(Creditor/Sales) X (183 days)]

Calculation is based on net revenues before adjusting for sales incentives

## Return on Capital Employed\*



## Return on Equity\*



- **Company is continuously evaluating strategic inorganic opportunities to invest across the cybersecurity ecosystem**
- **Till such time the company invests its surplus cash in mutual funds, tax free-bonds and fixed deposits**

**RoCE** = EBIT / Avg. Capital Employed (Equity + Debt)

**Cash Adj. RoCE** = EBIT / Avg. Cash Adj. Capital Employed (Equity + Debt - Cash & Cash Equivalents)

**ROE** = PAT / Avg. Equity

\* Calculated on trailing 12 months basis



Quick Heal

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Enterprise Cybersecurity Solutions by Quick Heal

# Thank You

## Chief Financial Officer

Mr. Navin Sharma

Navin.Sharma@quickheal.co.in

## Company Secretary

Mr. Srinivas Anasingaraju

cs@quickheal.co.in

+91-20-66813232

**CIN No: L72200MH1995PLC091408**

[www.quickheal.co.in](http://www.quickheal.co.in)

## Products Sold in following countries

- Australia
- Bangladesh
- Benin
- Cambodia
- Canada
- Chile
- Colombia
- Congo
- Ecuador
- El Salvador
- France
- Gambia
- Germany
- Guinea
- Honduras
- Hong Kong
- Italy
- Japan
- Jordan
- Kenya
- Kuwait
- Macao
- Malaysia
- Mauritius
- Mexico
- Morocco
- Netherlands
- New Zealand
- Nigeria
- Saudi Arabia
- Singapore
- Solomon Islands
- South Africa
- South Korea
- Sri Lanka
- Panama
- Paraguay
- Peru
- Philippines
- Qatar
- Rwanda
- Thailand
- Turkey
- Uganda
- UAE
- USA
- Venezuela

## Sales & Support offices across India

- Chandigarh
- New Delhi
- Jaipur
- Lucknow
- Patna
- Guwahati
- Ahmedabad
- Indore
- Surat
- Nashik
- Nagpur
- Mumbai
- Pune
- Aurangabad
- Kolhapur
- Raipur
- Kolkata
- Bhubaneshwar
- Hyderabad
- Bangalore
- Chennai
- Kochi



**Independent Auditor's Review Report on Consolidated Unaudited Quarterly and year to date financial results of the Group, its Associate and Jointly controlled entities pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**The Board of Directors  
Quick Heal Technologies Limited**

1. We have reviewed the accompanying statement of consolidated unaudited financial results of Quick Heal Technologies Limited ('the Holding Company'), its subsidiaries, (the Holding Company and its subsidiaries together referred to as the 'Group') for the quarter ended December 31, 2021 and the year to-date results for the period from April 1, 2021 to December 31, 2021 ('the Statement'), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulations'). This statement is the responsibility of the Holding Company's Management and has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the statement based on our review.
2. This Statement has been prepared by the Holding Company's Management in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review 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 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. This Statement includes the results of the following entities:

Sr. No	Name of the Company	Relationship with the Holding Company
1.	Quick Heal Technologies Japan K.K.	Wholly Owned Subsidiary



# MSKA & Associates

Chartered Accountants

2.	Quick Heal Technologies America Inc.	Wholly Owned Subsidiary
3.	Quick Heal Technologies Africa Limited	Wholly Owned Subsidiary
4.	Seqrite Technologies DMCC	Wholly Owned Subsidiary

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement are prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The consolidated unaudited financial results include the interim financial information of 4 subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total assets of Rs. 98.10 million as at December 31, 2021 and total revenue of Rs. 23.41 million and Rs. 5.57 million, total net profit/(loss) after tax of Rs. 0.60 million and Rs. 0.82 million and total comprehensive income / (loss) of Rs. 0.60 million and Rs. 0.82 million for the quarter ended December 31, 2021 and for the period from April 1, 2021 to December 31, 2021, respectively, as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

**For MSKA & Associates**

Chartered Accountants

ICAI Firm Registration No.105047W



Signed by  
Nitin Jumani  
Date:  
2022.01.24  
16:10:50

Nitin Manohar Jumani

Partner

Membership No.: 111700

UDIN: 22111700AAAAAD3508

Place: Pune

Date: January 24, 2022

**Independent Auditor's Review Report on unaudited quarterly and year to date standalone financial results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**The Board of Directors**

**Quick Heal Technologies Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Quick Heal Technologies Limited ('the Company') for the quarter ended December 31, 2021 and the year to-date results for the period April 1, 2021 to December 31, 2021 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation'). This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to express a conclusion on the statement based on our review.
2. This Statement has been prepared by the Company's Management in accordance with the recognition and measurement principles laid down in Ind AS 34 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether standalone financial results are free of material misstatements. A review 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 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.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For MSKA & Associates**  
Chartered Accountants  
ICAI Firm Registration No.105047W



Signed by  
Nitin Jumani  
Date:  
2022.01.24  
16:11:40

**Nitin Manohar Jumani**  
Partner  
Membership No.: 111700  
UDIN: 22111700AAAAAC4955

Place:  
Date: January 24, 2022