

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

Ref No.: QHTL/Sec/SE/2020-21/27

August 10, 2020

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 August 10, 2020**

Dear Sir / Madam,

We wish to inform you that the Board of Directors at its meeting held on August 10, 2020 through video conferencing which commenced at 02:30 P.M. and concluded at 06:15 PM, has approved following:

1. Unaudited Consolidated and Standalone Financial Results of the Company for the quarter ended June 30, 2020.
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 ended June 30, 2020, 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**

**STATEMENT OF CONSOLIDATED FINANCIAL RESULTS OF QUICK HEAL TECHNOLOGIES LIMITED FOR THE QUARTER ENDED JUNE 30, 2020**

| Sr. No | Particulars   | Quarter ended                |                             |                              | Year Ended                  |
|--------|---|------------------------------|-----------------------------|------------------------------|-----------------------------|
|        |   | June 30, 2020<br>(Unaudited) | March 31, 2020<br>(Audited) | June 30, 2019<br>(Unaudited) | March 31, 2020<br>(Audited) |
| 1      | <b>Income</b>   |                              |                             |                              |                             |
|        | Revenue from operations   | 734.62                       | 642.54                      | 576.00                       | 2,861.38                    |
|        | Other income  | 63.15                        | 82.42                       | 84.46                        | 315.96                      |
|        | <b>Total income</b>   | <b>797.77</b>                | <b>724.96</b>               | <b>660.46</b>                | <b>3,177.34</b>             |
| 2      | <b>Expenses</b>   |                              |                             |                              |                             |
|        | Cost of raw materials consumed  | 1.05                         | 0.19                        | 6.29                         | 8.16                        |
|        | Purchase of security software products  | 6.60                         | 45.70                       | 8.27                         | 95.94                       |
|        | Changes in inventories of security software products  | 16.84                        | (17.00)                     | 3.48                         | (3.86)                      |
|        | Employee benefits expense   | 261.53                       | 245.81                      | 266.32                       | 1,014.19                    |
|        | Depreciation and amortisation expense   | 46.51                        | 55.93                       | 51.63                        | 216.77                      |
|        | Other expenses  | 127.24                       | 291.99                      | 163.40                       | 833.03                      |
|        | <b>Total expenses</b>   | <b>459.77</b>                | <b>622.62</b>               | <b>499.39</b>                | <b>2,164.23</b>             |
| 3      | <b>Profit / (loss) before exceptional items and tax (1-2)</b>                                     | <b>338.00</b>                | <b>102.34</b>               | <b>161.07</b>                | <b>1,013.11</b>             |
| 4      | Exceptional items   | -                            | -                           | -                            | -                           |
| 5      | <b>Profit / (loss) before tax (3-4)</b>   | <b>338.00</b>                | <b>102.34</b>               | <b>161.07</b>                | <b>1,013.11</b>             |
| 6      | <b>Tax expense</b>  |                              |                             |                              |                             |
|        | Current tax   |                              |                             |                              |                             |
|        | Pertaining to profit for the current period   | 98.91                        | 2.83                        | 41.78                        | 211.44                      |
|        | Adjustments of tax relating to earlier periods  | -                            | -                           | -                            | -                           |
|        | Deferred tax  | (10.49)                      | 19.58                       | 0.31                         | 57.56                       |
|        | <b>Total tax expense</b>  | <b>88.42</b>                 | <b>22.41</b>                | <b>42.09</b>                 | <b>269.00</b>               |
| 7      | <b>Profit / (loss) for the period (5-6)</b>   | <b>249.58</b>                | <b>79.93</b>                | <b>118.98</b>                | <b>744.11</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   | 1.00                         | 1.25                        | 3.96                         | 9.73                        |
|        | Exchange differences on translation of foreign operations   | (0.08)                       | 1.81                        | (1.32)                       | 2.16                        |
|        | <b>Total other comprehensive income</b>   | <b>0.92</b>                  | <b>3.06</b>                 | <b>2.64</b>                  | <b>11.89</b>                |
| 9      | <b>Total comprehensive income (after tax) (7+8)</b>   | <b>250.50</b>                | <b>82.99</b>                | <b>121.62</b>                | <b>756.00</b>               |
| 10     | Paid-up equity share capital (face value of ₹10 each)   | 642.03                       | 642.03                      | 642.01                       | 642.03                      |
| 11     | Other equity (as per balance sheet of previous accounting year)                                   | -                            | -                           | -                            | 5,798.65                    |
| 12     | <b>Earnings per share of ₹10 each:</b><br>(not annualised for the quarter)                        |                              |                             |                              |                             |
|        | a) Basic  | 3.89                         | 1.24                        | 1.70                         | 11.34                       |
|        | b) Diluted  | 3.89                         | 1.24                        | 1.70                         | 11.34                       |

*ASR*



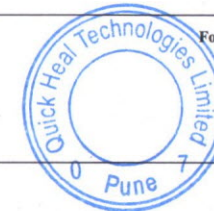
**QUICK HEAL TECHNOLOGIES LIMITED**  
**Regd. Office: Marvel Edge, Office No. 7010 C & D, 7th Floor, Opposite Neco Garden Society, Viman Nagar, Pune - 411014**  
**CIN: L72200MH1995PLC091408**

**NOTES TO THE STATEMENT OF CONSOLIDATED FINANCIAL RESULTS OF QUICK HEAL TECHNOLOGIES LIMITED FOR THE QUARTER ENDED JUNE 30, 2020**

**Notes to financial results:**

- 1 The above financial results for the quarter ended June 30, 2020 have been subjected to limited review by the statutory auditors of the Group and reviewed by the Audit Committee and approved by the Board of Directors of the Parent Company at the meetings held on August 10, 2020 respectively.
- 2 During the year ended March 31, 2019, the Parent 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 million (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 Parent Company replied to the notice of demand to Commissioner of Goods and Service Tax, Pune.  
  
During the earlier years, the Parent Company have received similar notice of demands in relation to service tax under the provisions of Finance Act, 1994 for ₹1,223.07 million (excluding penalty of ₹626.97 million and predeposit, if any) covering the period from March 1, 2011 to March 31, 2016 on supply of anti-virus software in Compact Disk. The Parent 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 million 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 2011 to 2014.  
  
Based on this judgement of CESTAT, New Delhi, technical circular issued by government authorities and an independent legal opinion obtained by the Parent Company in earlier years, the Parent Company is confident of getting the claims set aside for balance period from April 01, 2014 to June 30, 2017. Accordingly no provision/contingent liability has been recognized/disclosed in the financial statements.
- 3 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".
- 4 Figures for the quarter ended March 31, 2020 is the balancing figures between the audited figures in respect of the full years and published year to date figures of nine month ended December 31, 2019
- 5 **Estimated uncertainty relating to COVID-19 outbreak**  
The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. In response, the Indian Government have taken various actions and announced phased lockdown across the country from March 24, 2020 to contain the spread of the virus, which is being extended from time to time till August 31, 2020. This pandemic and Government response resulted in significant disruption in global supply chain and business operations and adversely impacting most of the industries which has resulted in global slowdown.  
  
The Management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the quarter ended June 30, 2020 and has concluded that the impact is primarily on the operational aspects of the business. In assessing the recoverability of receivables including 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 gradually 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.
- 6 Ms. Priti Rao has resigned as Independent Director w.e.f June 01, 2020.
- 7 Mr. Bhushan Gokhale (DIN 01493276) is appointed as an Additional Director in the Independent category w.e.f. August 12, 2020.
- 8 Previous year's figures have been regrouped / reclassified wherever necessary to make them comparable with the current year's classification / disclosure.

Place: Pune  
Date: August 10, 2020



For and on behalf of the Board of Directors

*(Signature)*

**Kailash Katkar**  
**Managing Director**  
**& Chief Executive Officer**

**QUICK HEAL TECHNOLOGIES LIMITED**

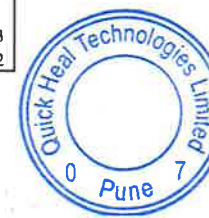
Regd. Office: Marvel Edge, Office No. 7010 C & D, 7th Floor, Opposite Neco Garden Society, Viman Nagar, Pune - 411014

CIN: L72200MH1995PLC091408

**STATEMENT OF STANDALONE FINANCIAL RESULTS OF QUICK HEAL TECHNOLOGIES LIMITED FOR THE QUARTER ENDED JUNE 30, 2020**

| Sr. No | Particulars   | (₹ in million, except per share data) |                             |                              |                             |
|--------|---|---------------------------------------|-----------------------------|------------------------------|-----------------------------|
|        |   | Quarter ended                         |                             | Year ended                   |                             |
|        |   | June 30, 2020<br>(Unaudited)          | March 31, 2020<br>(Audited) | June 30, 2019<br>(Unaudited) | March 31, 2020<br>(Audited) |
| 1      | <b>Income</b>   |                                       |                             |                              |                             |
|        | Revenue from operations   | 734.40                                | 634.31                      | 571.49                       | 2,834.04                    |
|        | Other income  | 62.63                                 | 81.12                       | 84.27                        | 313.41                      |
|        | <b>Total income</b>   | <b>797.03</b>                         | <b>715.43</b>               | <b>655.76</b>                | <b>3,147.45</b>             |
| 2      | <b>Expenses</b>   |                                       |                             |                              |                             |
|        | Cost of raw materials consumed  | 1.05                                  | 0.19                        | 6.18                         | 8.16                        |
|        | Purchase of security software products  | 6.60                                  | 45.70                       | 8.27                         | 95.94                       |
|        | Increase / (decrease) in inventories of security software products                                | 16.84                                 | (21.34)                     | 3.87                         | (16.18)                     |
|        | Employee benefits expense   | 257.54                                | 242.04                      | 264.13                       | 999.90                      |
|        | Depreciation and amortisation expense   | 46.50                                 | 55.88                       | 51.61                        | 216.64                      |
|        | Other expenses  | 124.12                                | 287.46                      | 158.91                       | 815.42                      |
|        | <b>Total expenses</b>   | <b>452.65</b>                         | <b>609.93</b>               | <b>492.97</b>                | <b>2,119.88</b>             |
| 3      | <b>Profit / (Loss) before exceptional items and tax (1-2)</b>                                     | <b>344.38</b>                         | <b>105.50</b>               | <b>162.79</b>                | <b>1,027.57</b>             |
| 4      | Exceptional items (refer note 3)  | -                                     | 23.17                       | -                            | 23.17                       |
| 5      | <b>Profit / (Loss) before tax (3-4)</b>   | <b>344.38</b>                         | <b>82.33</b>                | <b>162.79</b>                | <b>1,004.40</b>             |
| 6      | <b>Tax expense</b>  |                                       |                             |                              |                             |
|        | Current tax   |                                       |                             |                              |                             |
|        | Pertaining to profit for the current period   | 98.54                                 | 2.51                        | 41.62                        | 210.45                      |
|        | Deferred tax  | (10.49)                               | 19.58                       | 0.31                         | 57.56                       |
|        | <b>Total tax expense</b>  | <b>88.05</b>                          | <b>22.09</b>                | <b>41.93</b>                 | <b>268.01</b>               |
| 7      | <b>Profit / (Loss) for the period (5-6)</b>   | <b>256.33</b>                         | <b>60.24</b>                | <b>120.86</b>                | <b>736.39</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   | 1.00                                  | 1.25                        | 3.96                         | 9.73                        |
|        | Net (loss) or gain on FVTOCI assets   | -                                     | -                           | -                            | -                           |
|        | <b>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</b>     |                                       |                             |                              |                             |
|        | Exchange differences on translation of foreign operations   | -                                     | -                           | -                            | -                           |
|        | <b>Total other comprehensive income</b>   | <b>1.00</b>                           | <b>1.25</b>                 | <b>3.96</b>                  | <b>9.73</b>                 |
| 9      | <b>Total comprehensive income (after tax) (7+8)</b>   | <b>257.33</b>                         | <b>61.49</b>                | <b>124.82</b>                | <b>746.12</b>               |
| 10     | Paid-up equity share capital (face value of ₹ 10 each)  | 642.03                                | 642.03                      | 642.01                       | 642.03                      |
| 11     | Other equity (as per balance sheet of previous accounting year)                                   |                                       |                             |                              | 5,840.10                    |
| 12     | <b>Earnings per share of ₹ 10 each:</b><br>(not annualised except for the year ended March)       |                                       |                             |                              |                             |
|        | a) Basic  | 3.99                                  | 0.94                        | 1.73                         | 11.23                       |
|        | b) Diluted  | 3.99                                  | 0.94                        | 1.73                         | 11.22                       |

*DSR*





**QUICK HEAL TECHNOLOGIES LIMITED**

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CIN: L72200MH1995PLC091408

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**Notes to financial results:**

- 1 The above financial results for the quarter ended June 30, 2020 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 August 10, 2020.
- 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 million (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 million (excluding penalty of ₹ 626.97million and predeposit, 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 million 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 2011 to 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 of getting the claims set aside for balance period from April 01, 2014 to June 30, 2017. Accordingly no provision/contingent liability has been recognized/disclosed in the financial statements..

**3 Impairment of investments**

Included in exceptional items

(₹ in million)

| Particulars   | Standalone    |                |               |                |
|---|---------------|----------------|---------------|----------------|
|   | Quarter ended |                |               | Year ended     |
|   | June 30, 2020 | March 31, 2020 | June 30, 2019 | March 31, 2020 |
|   | (Unaudited)   | (Audited)      | (Unaudited)   | (Audited)      |
| Impairment of investment in wholly owned subsidiaries | -             | 23.17          | -             | 23.17          |

- 4 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".



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

The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. In response, the Indian government have taken various actions and announced lockdown across the country on March 24, 2020 to contain the spread of the virus, which is being extended from time to time till August 31, 2020. This pandemic and government response resulted in significant disruption in global supply chain and business operations and adversely impacting most of the industries which has resulted in global slowdown.

The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the quarter ended June 30, 2020 and has concluded that the impact is primarily on the operational aspects of the business. In assessing the recoverability of receivables including 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 gradually 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.

6 Ms. Priti Rao has resigned as Independent Director w.e.f June 01, 2020.

7 Mr. Bhushan Gokhale (DIN 01493276) is appointed as an Additional Director in the Independent category w.e.f. August 12, 2020.

8 Figures for the quarter ended March 31, 2020 are the balancing figures between the audited figures in respect of the full years and published year to date figures of nine month ended December 31, 2019.

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

Place: Pune

Date: August 10, 2020



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

FOR IMMEDIATE RELEASE

**Quick Heal Technologies Limited announces Q1FY21 Results**

- Revenue up 27.5% YoY
- EBITDA margin at ~43.8%
- PAT margin at ~34%

**PUNE, August 10, 2020:** Quick Heal Technologies Limited ("Quick Heal"), one of the leading providers of cybersecurity and data protection solutions to consumers, businesses and Government, reported its reviewed and unaudited results for the quarter ended 30<sup>th</sup> June 2020.

**Consolidated Financial Highlights:**

| Particulars (Rs. million) | Q1FY21 | Q1FY20 | YoY Change |
|---------------------------|--------|--------|------------|
| Revenue                   | 735    | 576    | 27.5%      |
| EBITDA                    | 321    | 128    | 150.6%     |
| EBITDA Margin             | 43.75% | 22.26% | 2,149 bps  |
| PAT                       | 250    | 119    | 109.8%     |
| PAT Margin                | 33.97% | 20.66% | 1,331 bps  |

**Mr. Kailash Katkar, Managing Director & Chief Executive Officer, Quick Heal Technologies Limited,** said; *"Even with the COVID-19 headwinds, we were able to deliver strong growth in the first quarter aided by revenue spill over from Q4FY20. Our flagship products 'Seqrite Endpoint Security' and 'Quick Heal Total Security' were recently recognised as top products by the Germany based AV-Test institute. The recognition is a testament to our focus on constant innovation and reinforces our ability to deliver superior protection and robust system performance across consumer and enterprise segments. With many Indian states gradually relaxing lockdown norms and situation expected to come back to normalcy supported by rising cybersecurity awareness, I'm optimistic about the growth prospects of the company."*

**Mr. Nitin Kulkarni, Chief Financial Officer, Quick Heal Technologies Limited,** added *"We delivered strong revenue growth as well as better margins in Q1FY21 due to spill-over of revenue from Q4FY2020. However, non-availability of logistics and transport coupled with an extended lockdown in Q1FY21 affected our retail sales to some extent. Similarly, the overall demand in the enterprise segment has reduced considerably. Our balance sheet remains strong with zero debt and cash and cash equivalents balance of around Rs 387 cr."*

## **Segmental Performance for quarter ended 30<sup>th</sup> June 2020**

- ✓ Retail segment revenue at Rs. 668 million as compared to Rs. 457 million in the corresponding period of the previous year.
- ✓ Covid-19 and the lockdown that followed had reduced the overall buying from enterprises. Despite this headwind, the Enterprise and Government segment registered revenue of Rs. 104 million as compared to Rs. 146 million in the corresponding period previous year.

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

- Quick Heal Launched next-generation suite of cybersecurity solutions powered by Privacy, Protection and Performance. With this launch, Quick Heal is redefining consumer security as it delivers comprehensive solutions to tackle the growing sophistication of cyber-attacks
- 'Quick Heal Total Security' recognised as the 'Top Product' for home users in the latest results published by AV-Test Institute. [Click here to know more.](#)
- Seqrite Endpoint Security recognised as the 'Top Product' for corporates in the latest results published by AV-Test Institute. [Click here to know more.](#)

## **About Quick Heal Technologies Limited**

Quick Heal Technologies Limited is one of the leading providers of IT Security 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.

## **For further details please contact**



## Company

### **Quick Heal Technologies Limited**

CIN No: L72200MH1995PLC091408

Mr. Akash Gosavi

Email Id: [akash.gosavi@quickheal.co.in](mailto:akash.gosavi@quickheal.co.in)

Tel. No.: +91 020 6681 3287



**Quick Heal**

*Security Simplified*

# INVESTOR PRESENTATION

Q1 FY21

August 2020

This presentation and the accompanying slides (the “Presentation”), which have been prepared by Quick Heal Technologies Ltd. (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

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# Agenda

01



Q1FY21 Earnings Highlights

02



Company Overview

03



Industry Overview

04



The Quick Heal Advantage

05



Q1FY21 Earnings



**Quick Heal**

Security Simplified

**SECURITE**

Enterprise Cybersecurity Solutions by Quick Heal

# Q1FY21 EARNINGS HIGHLIGHTS



# Q1FY21 Earnings Highlights

Financial performance for Q1FY21 has improved compared to the previous quarter. We are observing demand returning to normalcy in the Retail market but demand in the MSME market continues to be lacklustre.

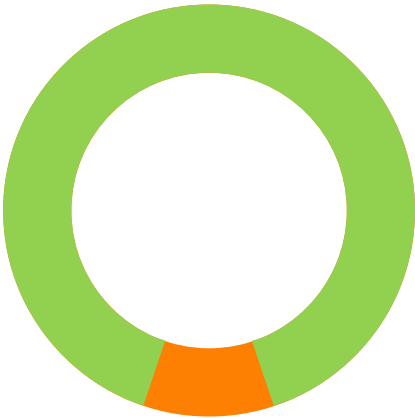
## REVENUE

Q1FY21 Revenue at

₹ **735** mln

up 27.5% from ₹ 576 mln  
in Q1FY20

Retail 87%



Enterprise +  
Government 13%

## EBITDA

Q1FY21 EBITDA at

₹ **321** mln

up 150.6% from ₹ 128 mln  
in Q1FY20

EBITDA margin at

**43.8%**

in Q1FY21 up 2,149bps from  
22.3% in Q1FY20

## PAT

Q1FY21 PAT at

₹ **250** mln

up 109.8% from ₹ 119 mln in  
Q1FY20

PAT margin at

**34.0%**

In Q1FY21 up 1,331bps  
from 20.7% in Q1FY20

## Average revenue per licence for Q1FY21:

Retail at

₹ **446**

Down 19.2% from Q1FY20

Enterprise at

₹ **661**

Up 12.1% from Q1FY20

Despite Covid-19 impact, we have added 3 new enterprise customers with more than 500 users in Q1FY21



**Quick Heal**

*Security Simplified*

**SECURITE**

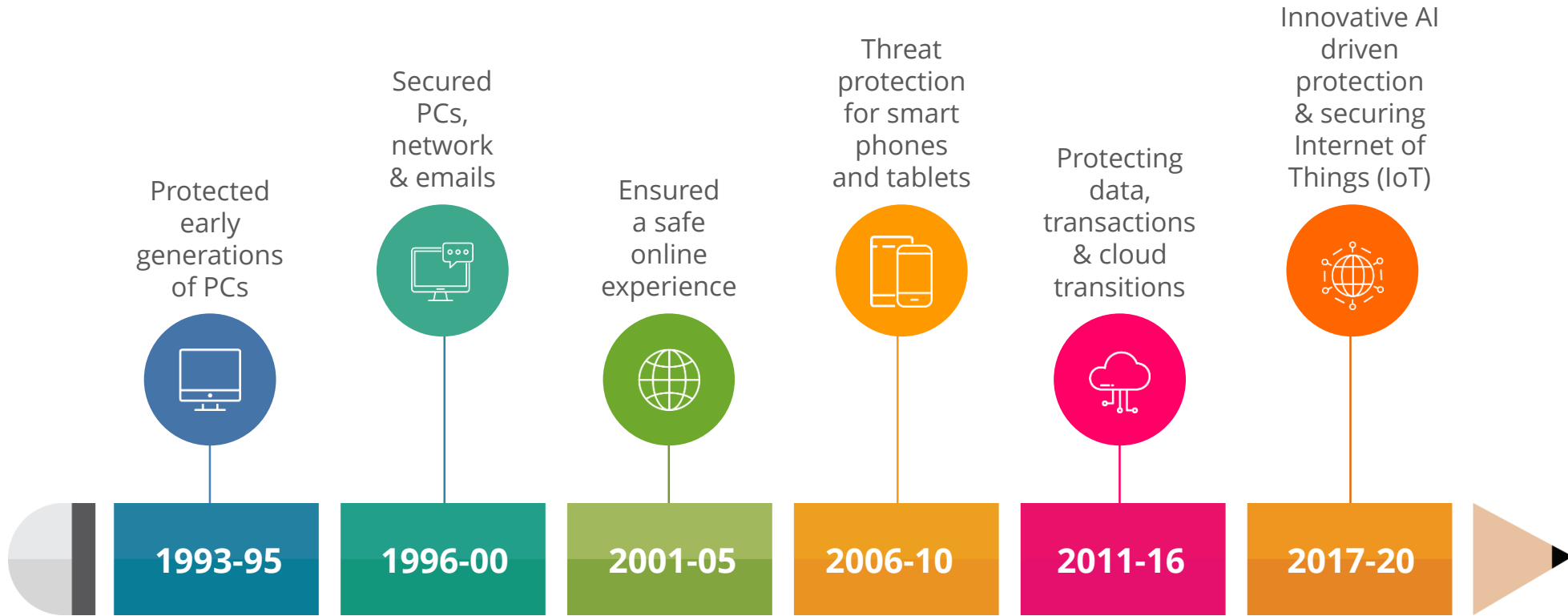
Enterprise Cybersecurity Solutions by Quick Heal

# COMPANY OVERVIEW

# Company at a glance







**Over 25 years**  
of simplifying security

# Scripting a new success story

## In the cyber security industry

### Quick Heal



₹ **668** mln  
Q1FY21 Revenue\*



### SEQRITE



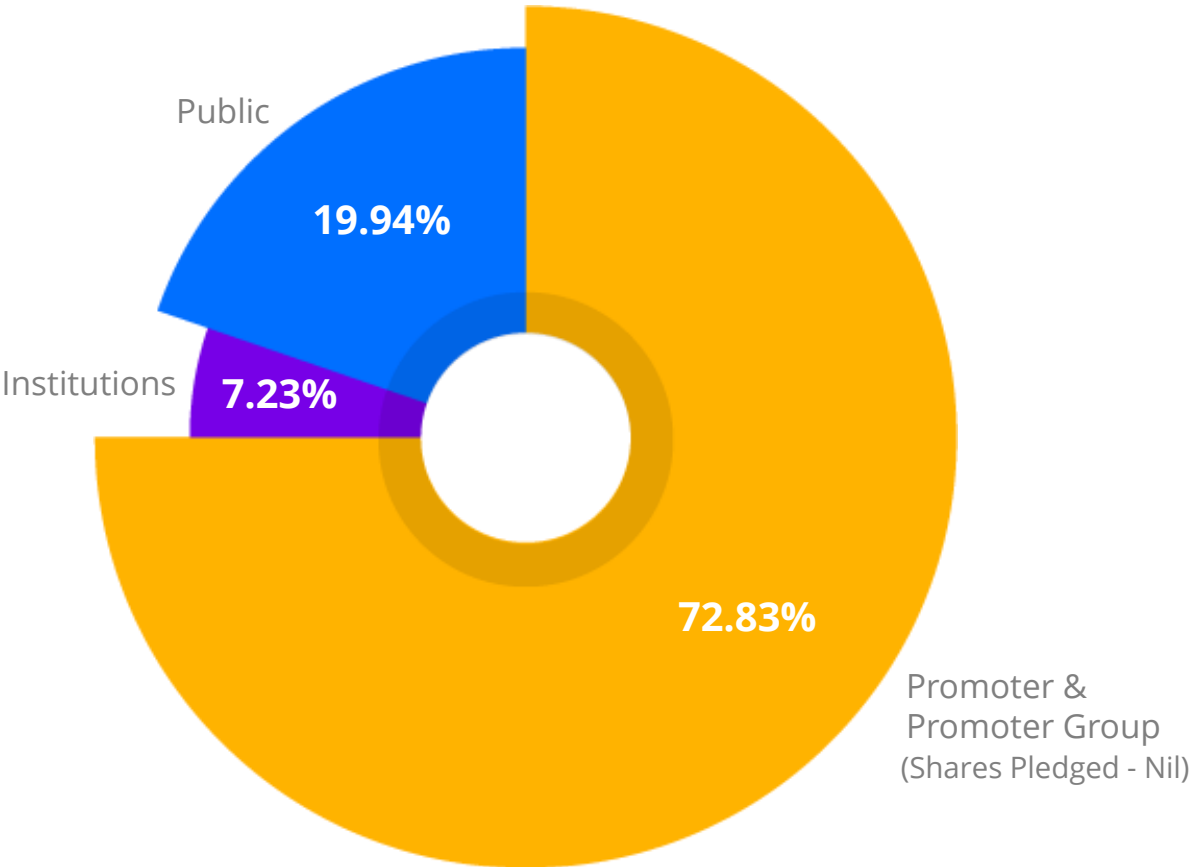
₹ **104** mln  
Q1FY21 Revenue\*

- 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

\*Based on net revenues before adjusting for sales incentives

# Shareholder information

Shareholding structure – 30<sup>th</sup> June 2020



Shareholder Information (as on 30<sup>th</sup> June 2020)

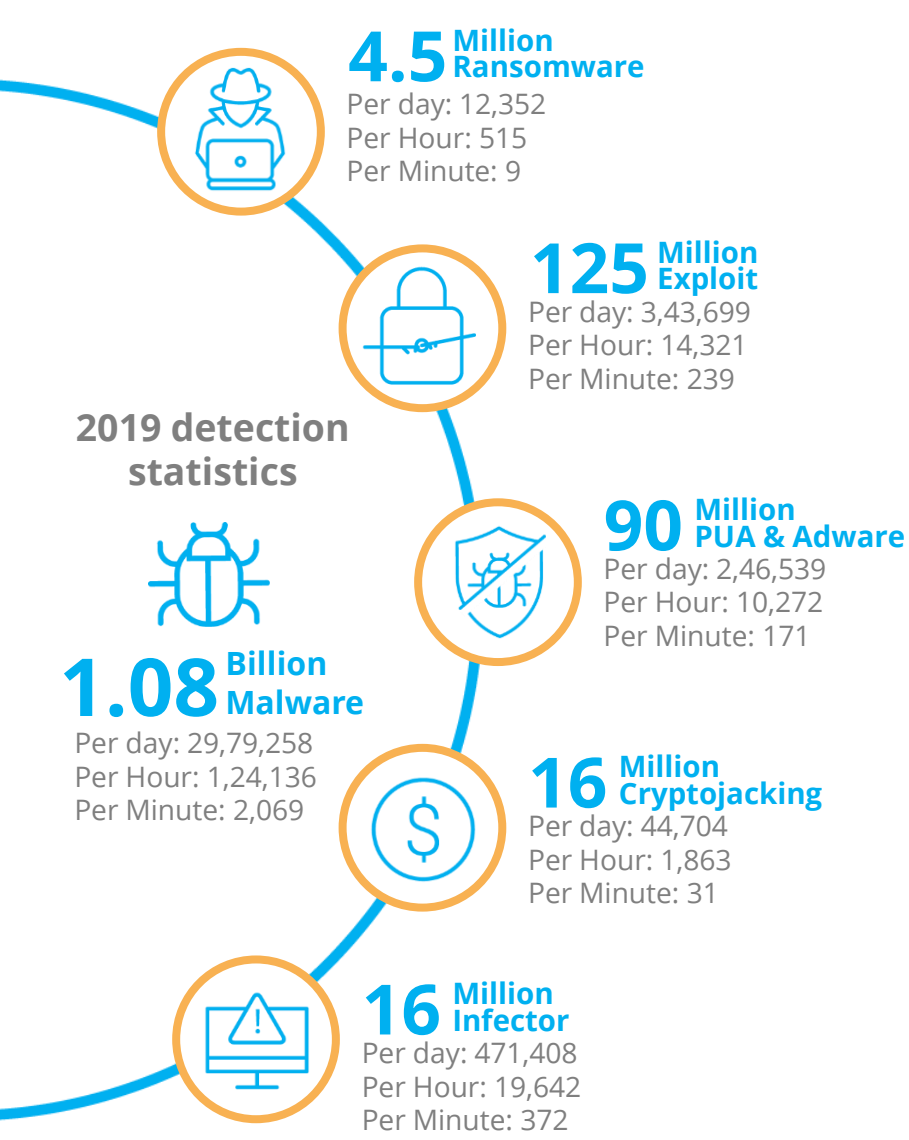
|                                   |                      |
|-----------------------------------|----------------------|
| NSE Ticker                        | QUICKHEAL            |
| BSE Ticker                        | 539678               |
| Market Cap (INR mln)              | 7,435                |
| % Free-float                      | 27.17%               |
| Free-float market cap (INR mln)   | 2,020                |
| Total Debt (INR mln)              | -                    |
| Cash & Cash Equivalents (INR mln) | 3,872                |
| Enterprise Value (INR mln)        | 3,563                |
| Shares Outstanding                | 6,42,03,618          |
| 3M ADTV (Shares)*                 | 4,35,689             |
| 3M ADTV (INR mln)*                | 48.4                 |
| Industry                          | IT Software Products |

\*Source: NSE

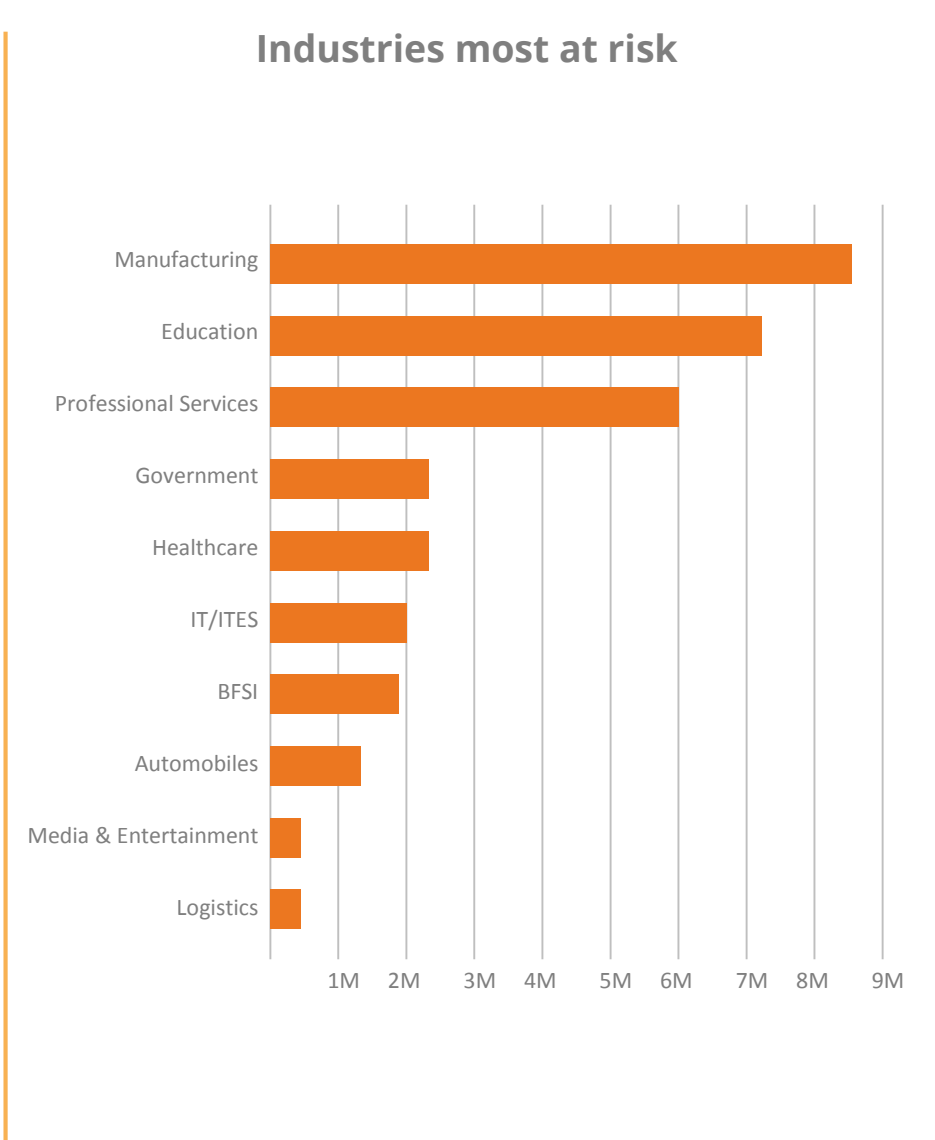
# INDUSTRY OVERVIEW



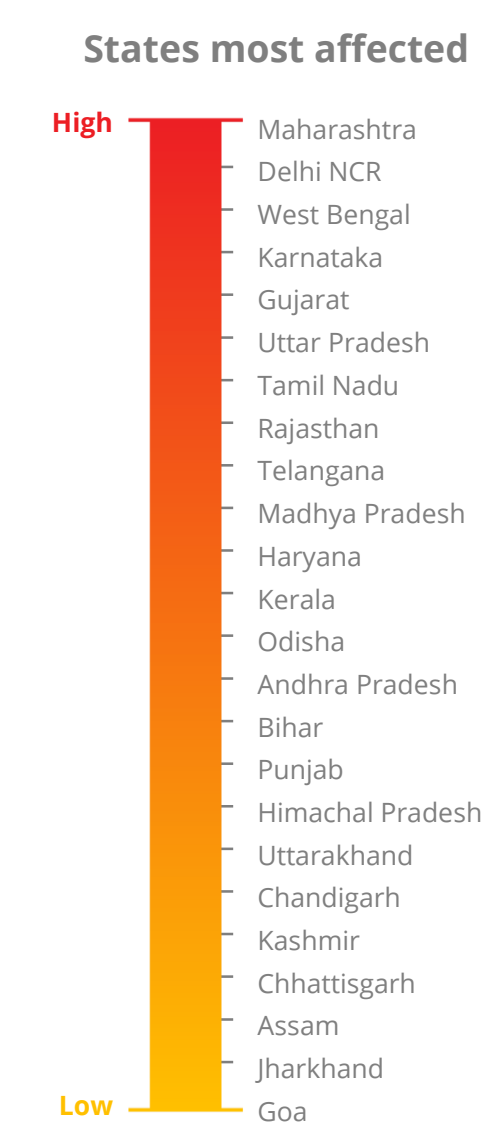
# 2019(Calendar Year) Cyber threat landscape shows that...



Source: Quick Heal Annual Threat Report 2020

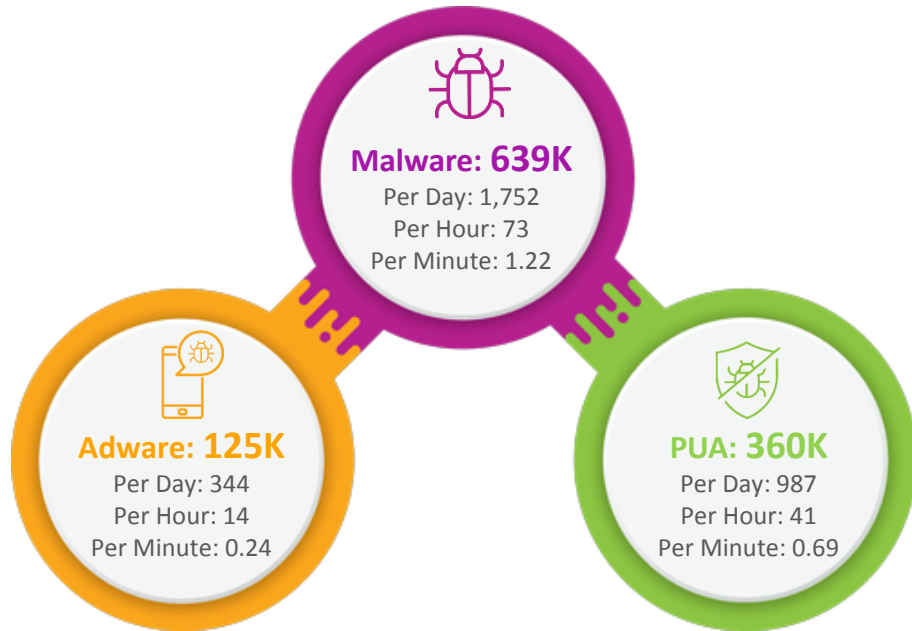


Source: Seqrite Threat Report 2020



# ...cyber-attacks continue to grow in scale and sophistication...

## Detection statistics for Mobile



**₹ 140 mln**

The Average cost of a data breach in India.  
An increase of **9.4%** from 2019

Source: IBM

## Cyber-attacks that grabbed headlines **NEW**

India facing more cyber attacks from China and Pakistan since lockdown

Cybercrime in India surges amid lockdown

Twitter says spear-phishing attack on employees led to breach

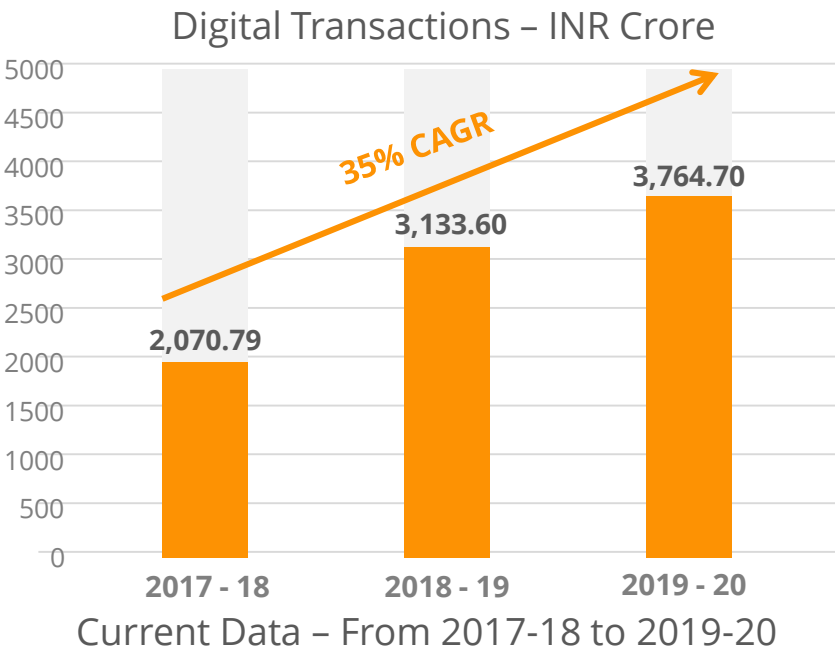
WHO reports five fold increase in cyber-attacks, urges vigilance

Dunzo data breach contained personal info of 3 million accounts

CERT-In warns of BlackRock Android Malware

Source: Reputed News Outlets

...together with rapid growth in India's digital adoption...



India in Numbers



**500**million+  
Internet users



**450**million+  
Smartphone users



**1.26b**

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



**48.48%**

Internet penetration in India in 2019



**400m**

Users engaged in social media



**10.37GB**

Average Wireless Data Usage per wireless data subscriber per month in 2019



**19b**

Application downloads in 2019

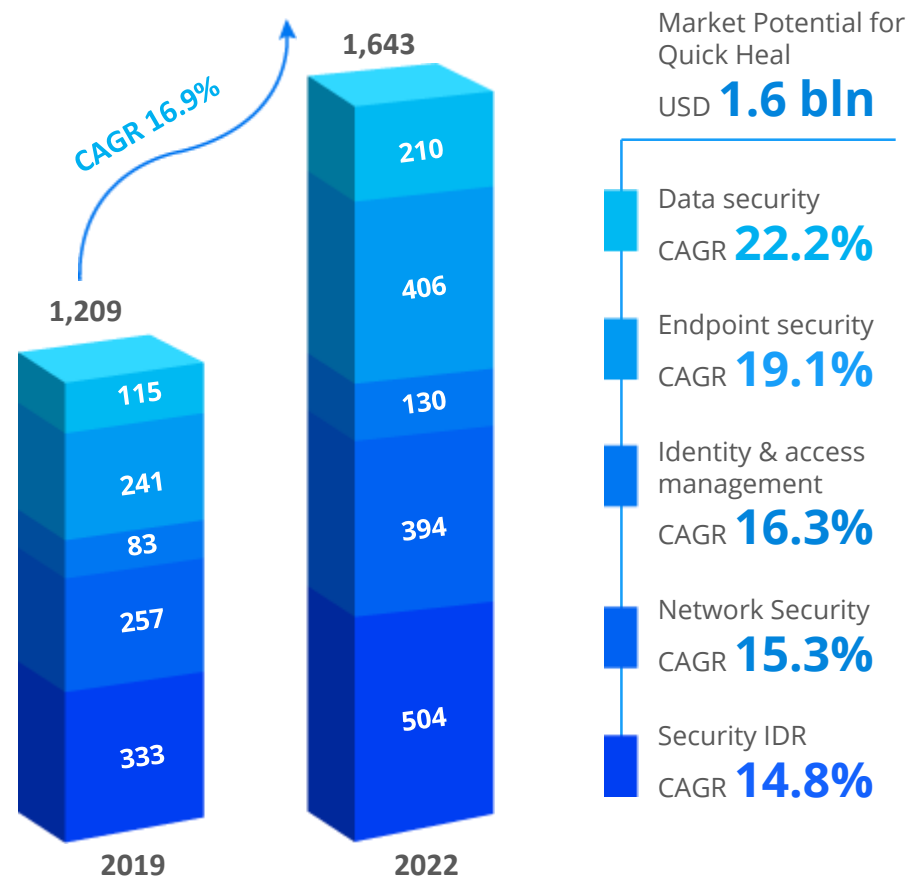


**Rs.6.98**

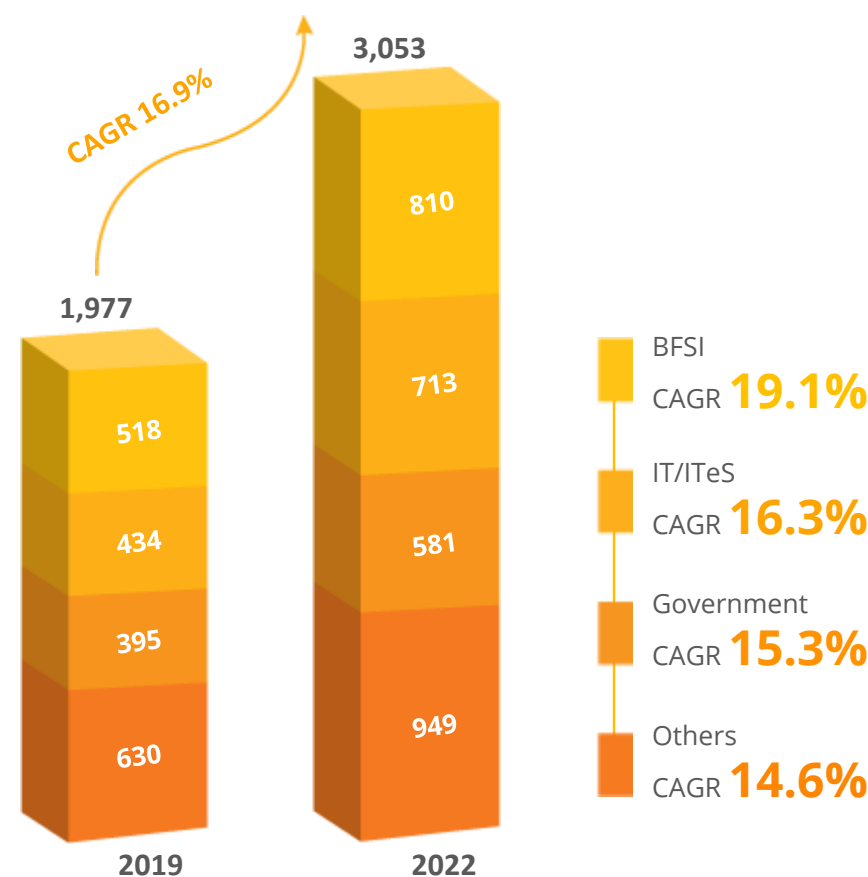
Average cost to subscriber per GB wireless data

# ...is expected to increase Cybersecurity spending in India

Expected growth of Cybersecurity products in India  
(USD mln)



Expected sectoral expenditure on Cybersecurity  
(USD mln)



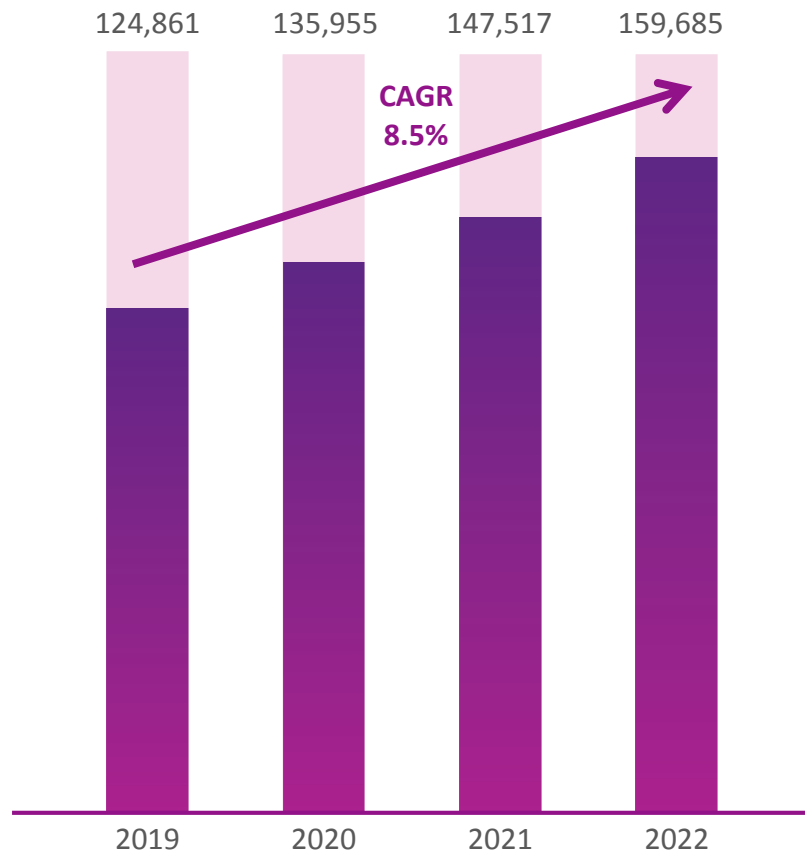
Cybersecurity market in India is expected to grow at ~16% CAGR between 2019 to 2022 and become a \$3 bln market with security product market estimated to grow at ~17% to become \$1.6 bln market. Quick Heal is well placed to capitalise on this opportunity.



# Global cybersecurity market

## along with cyber threat predictions for 2020

Globally cybersecurity market to grow  
at 8.5% CAGR  
(\$ mln)



Source: Gartner

### Threat Predictions for 2020

- 01 Increase in web skimming attacks
- 02 Look out for more Bluekeep-like wormable exploits
- 03 Deepfakes to cyber-frauds
- 04 APT attacks on critical infrastructures
- 05 Increase in threat landscape because of 5G
- 06 Attacks against Windows 7 to increase
- 07 Increased use of LOLBins
- 08 Increase in Office Macro-based attacks over office exploits
- 09 Ransomware to darken the cloud

Source: Seqrite Threat Report 2020

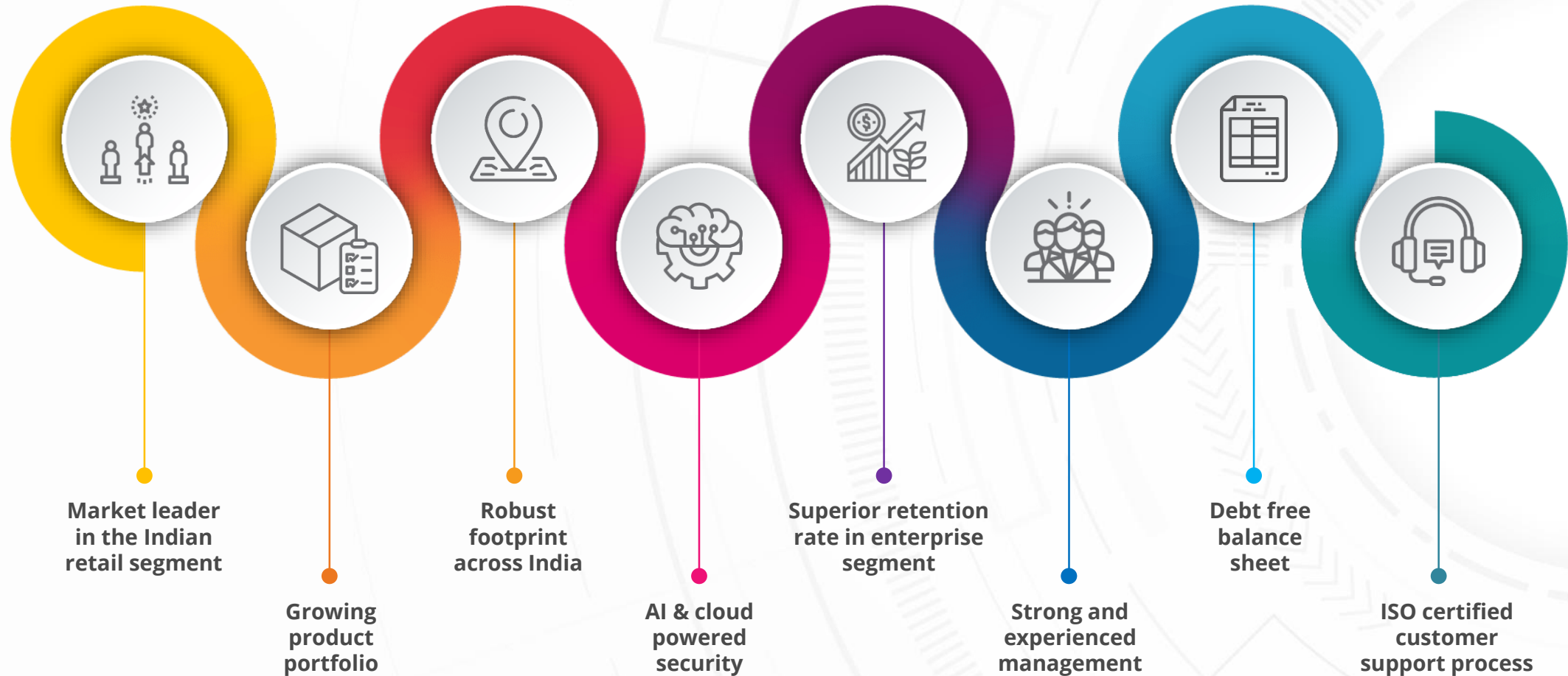


**Quick Heal**  
*Security Simplified*

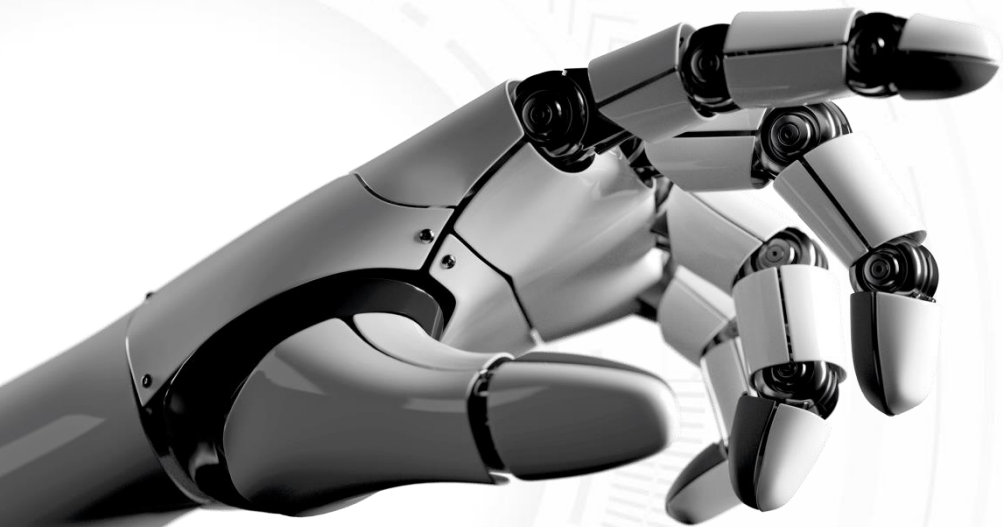
**SEQRITE**  
Enterprise Cybersecurity Solutions by Quick Heal

# THE QUICK HEAL ADVANTAGE

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



# Strong threat detection and prevention capabilities...



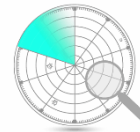
## GoDeep.AI

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

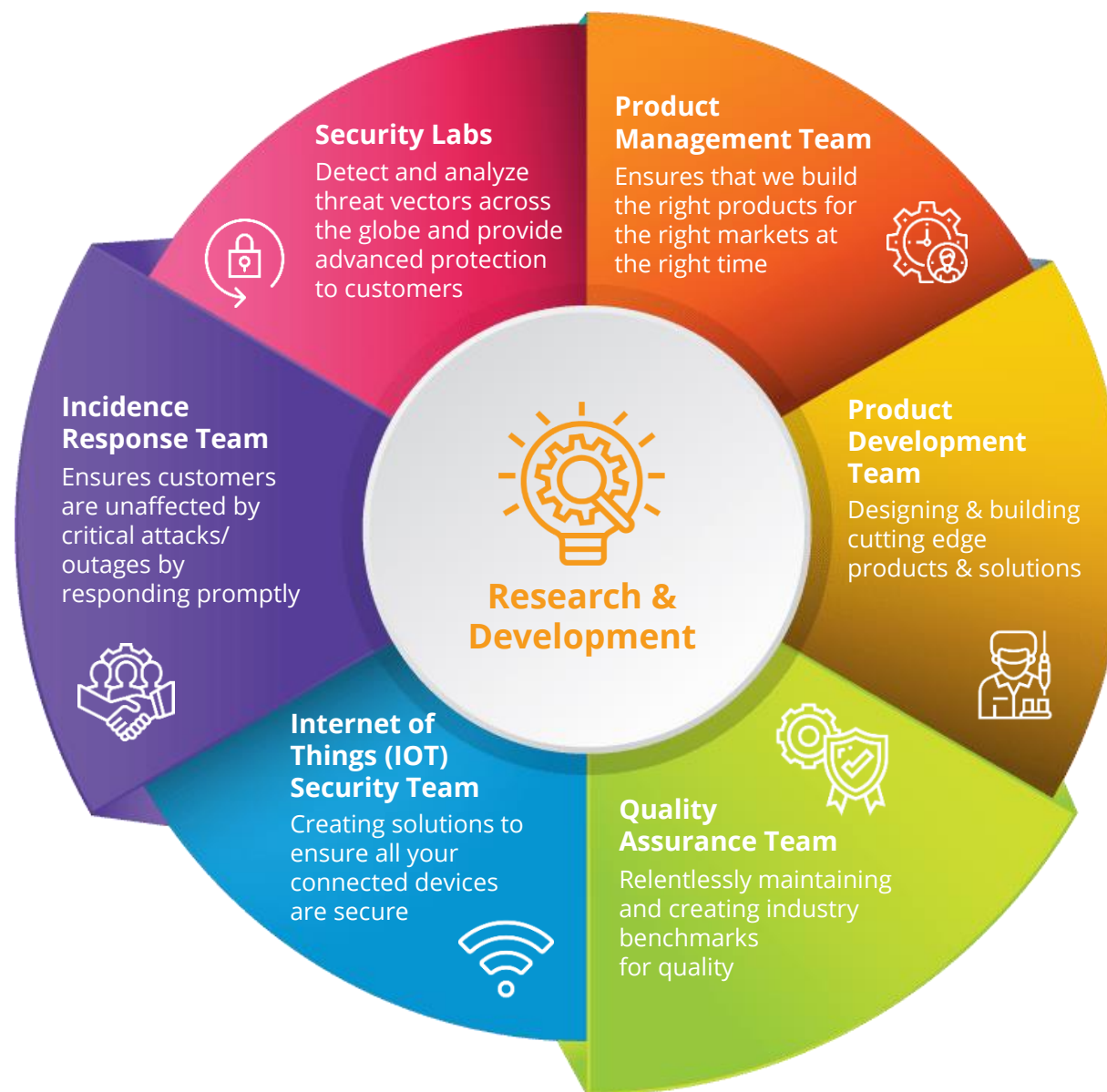


...with State-of-the-Art

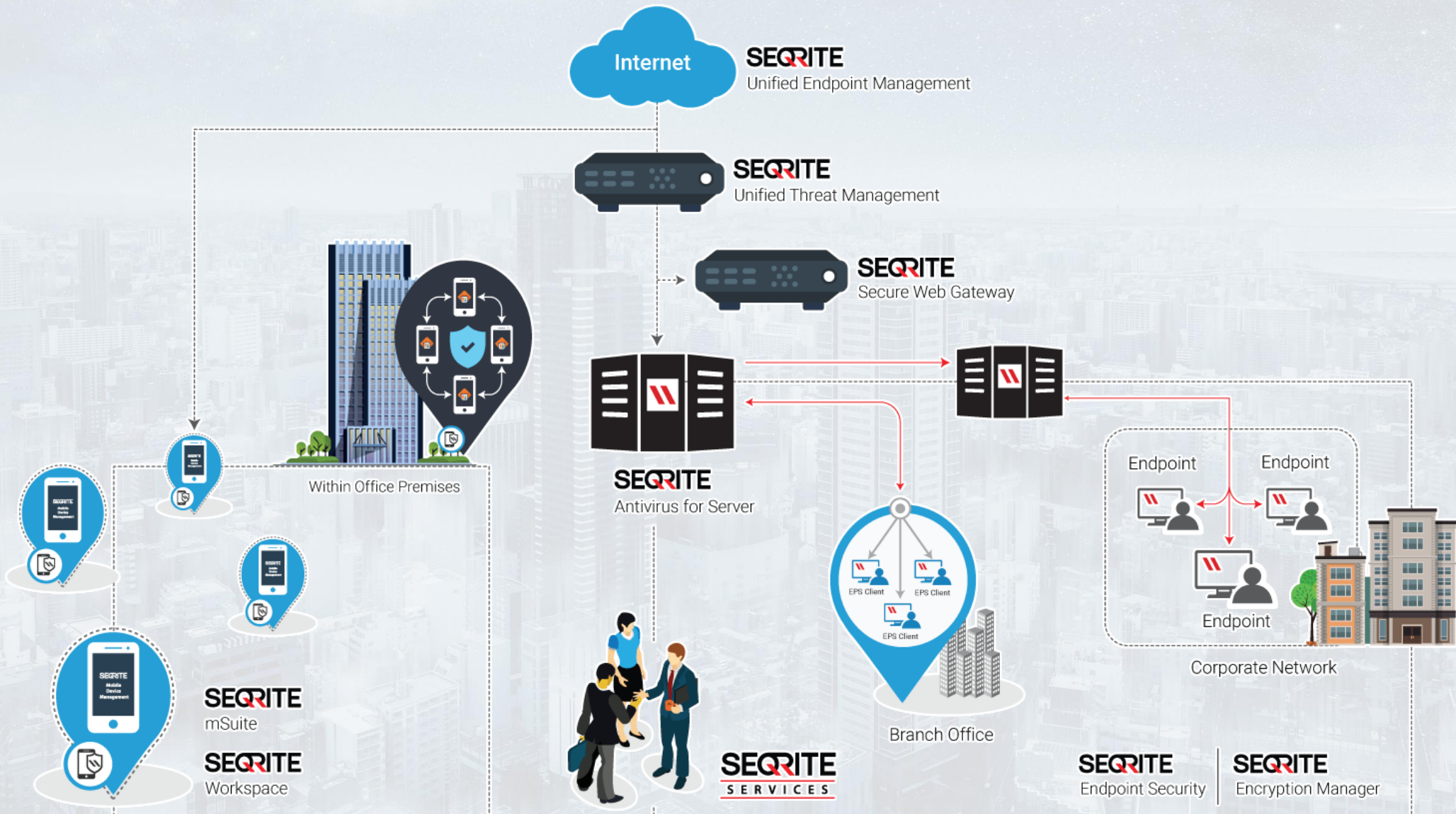
# Research & Development

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

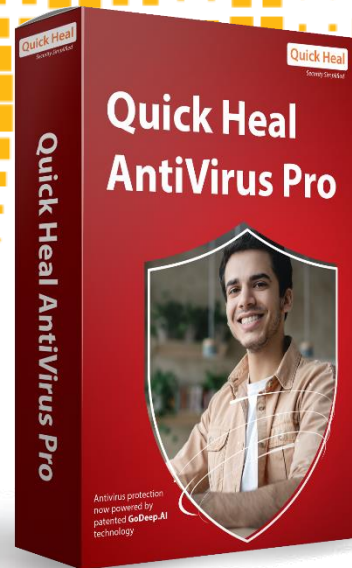


# Product Portfolio – Enterprise & Government





# Product Portfolio – Home, SOHO & Mobile



# Robust sales & distribution network in India





# QUICK HEAL Global Presence



**India (HO)**  
Quick Heal Technologies  
Limited

**USA**  
Quick Heal Technologies  
America Inc.

**Japan**  
Quick Heal Japan KK

**Kenya**  
Quick Heal Technologies  
Africa Limited

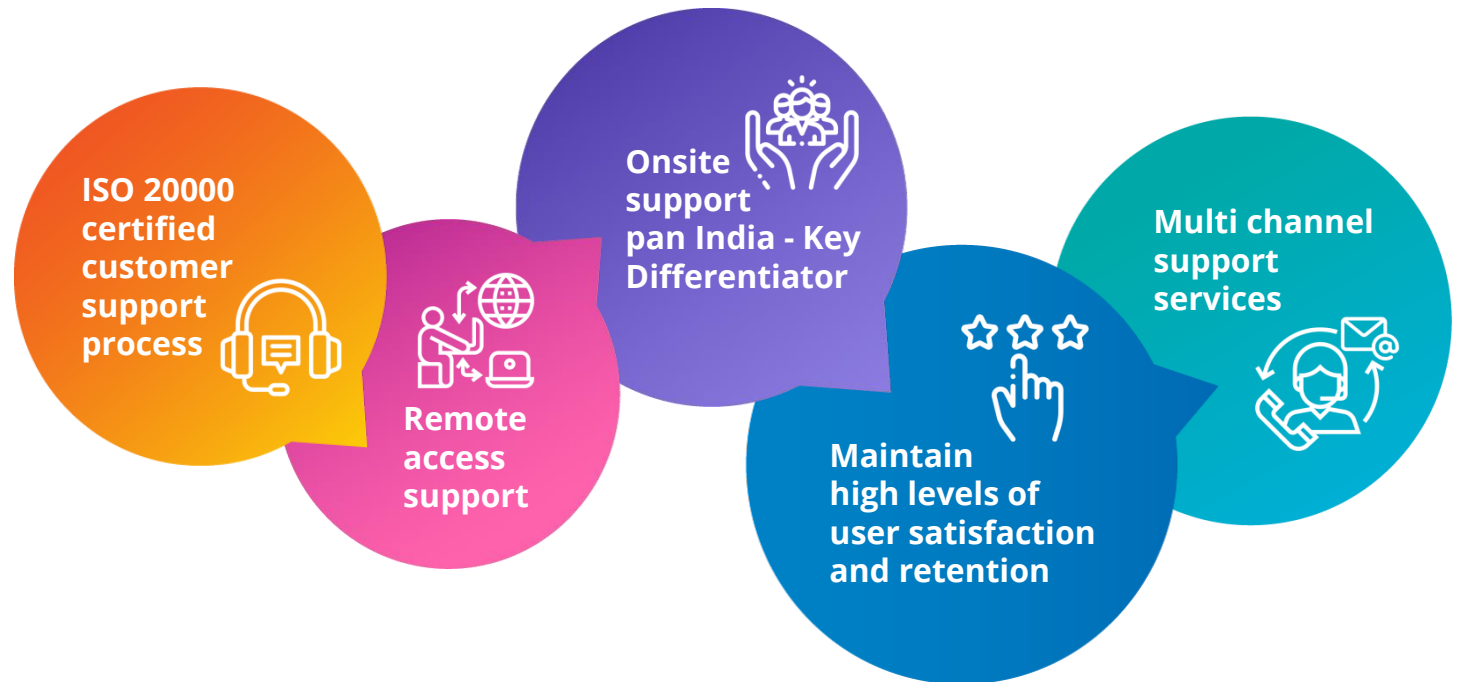
**UAE**  
Quick Heal Technologies  
(MENA) FZE

*For product sold countries refer annexure (slide no: 48)*



# 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  
(w.e.f. Aug 12, 2020)*

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

...along with strong Management...



**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.



**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.



**Mr. Nitin Kulkarni**  
*CFO*

25+ years of experience in managing different aspects of finance in IT and Manufacturing Industry.

Previously held leadership positions at Tech Mahindra, KPIT, Atlas Copco India and Persistent Systems.

A member of the Institute of Chartered Accountants of India.



# ...and seasoned Leadership team



**Ms. Reetu Raina**  
*Chief Human Resources Officer*

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. 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.

20 years of experience in FMCG, Beverages, Telecom and IT Industries.



**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.

20 years of diverse sales experience including leadership roles in cybersecurity companies.



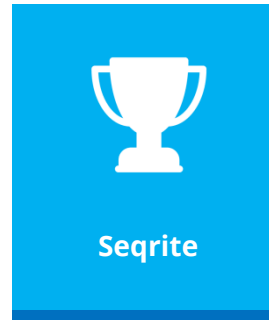
**Mr. Bijoe George**  
*Head, Global Marketing*

Marketing strategist with over two decades of rich data-driven, integrated marketing experience.

Leading marketing transformation to deliver strategic value. Has extensive experience working on technology brands that include Cisco, HPE, Infosys, Citrix to name a few.

Bijoe loves the interplay between strategy, technology & creative while delivering results, big ideas and big wins.

# Strong brand recognition...



**Best Enterprise IT Security Brand** at the 11th NCN Innovative Product Award 2018



**Best Protection rate** In AV-Comparatives Test 2018



Certified as **'Approved Corporate Endpoint Protection'** for Windows by 'AV-Test' 2018



**Best cybersecurity brand** award at National Summit on Digital Innovation & Cybersecurity Summit 2018



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



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



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



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



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



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

# ...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



# Our marquee customers



**INDIAN NAVY**



**BITS Pilani**  
Pilani | Dubai | Goa | Hyderabad

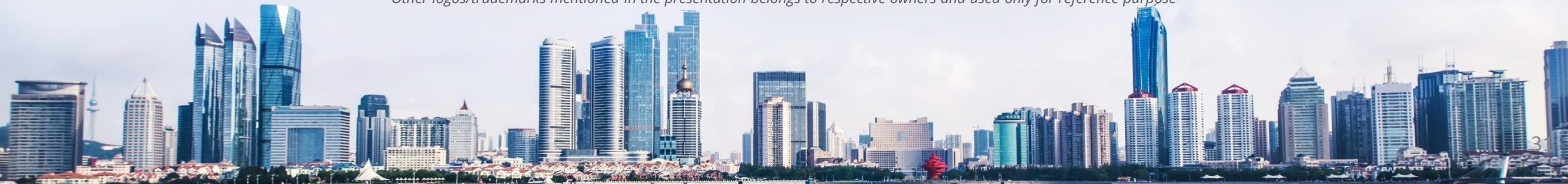


**NUCLEAR POWER CORPORATION OF INDIA LIMITED**  
(A Government of India Enterprise)  
Department of Atomic Energy



## Trusted by over 9 million users across the world

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# Securing the future through our community initiatives

22,87,000+

Lives directly impacted since 2016



## Cybersecurity

- Cybersecurity Awareness
- Securing Futures through secured programming



20,000+

Lives directly impacted since 2016



## Education

- Life Skills Education
- Shaalangan Counselling Centre



2,500+

Lives impacted since 2016



## Eradicating Extreme Hunger & Poverty

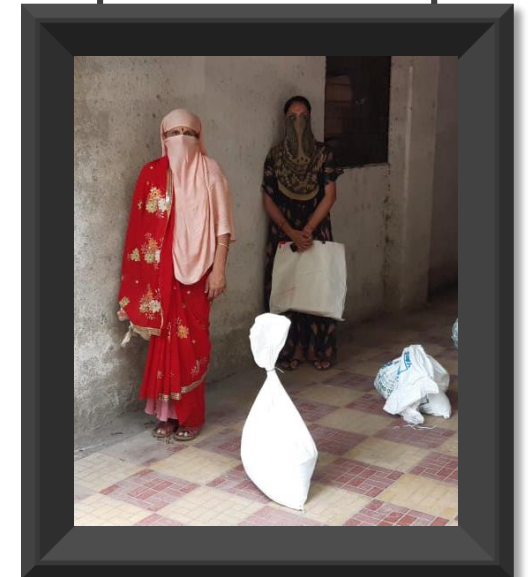
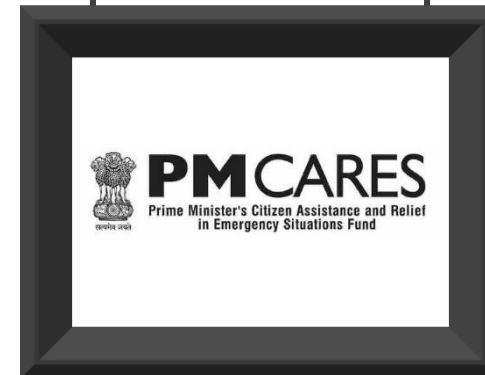
Project Disha works with Paud's Katkari Tribe



# CSR initiatives for Covid-19 Relief

## As a responsible corporate citizen:

- ▶ Supported 'Covid-19 Warriors' – the true heroes!
- ▶ Distributed ration kits to the needy in association with RSS Jana Kalyan Samiti
- ▶ Provided food, shelter and PPE kits to social workers
- ▶ Contributed to the PM CARES fund



# 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

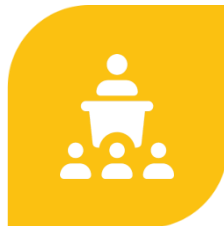
## Offerings



CORPORATE  
TRAINING



NEED-BASED  
TRAINING



WORKSHOPS  
& SEMINARS



CONNECTING CYBER  
ECO-SYSTEM

## Academy Partners



### Savitribai Phule Pune University

Designed 'M-Tech in Information Security' Program for Savitribai Phule Pune University



### Quantum University

MoU with Quantum University for a joint B.Tech (Hons.) with specialization in Cyber Security



### Gujarat Forensic Sciences University

MoU with Gujarat Forensic Sciences University during Vibrant Gujarat 2017



### Maharashtra Cosmopolitan Education Society

The society runs 30 institutes from its ultra modern campuses located in Maharashtra



### Chitkara University

MoU with Chitkara University Introduced an additional stream in Cyber Security for the four-year Undergraduate program



### Deen Dayal Upadhyaya College

MoU with Deen Dayal Upadhyaya College, a constituent college of the University of Delhi

**Quick Heal**

*Security Simplified*

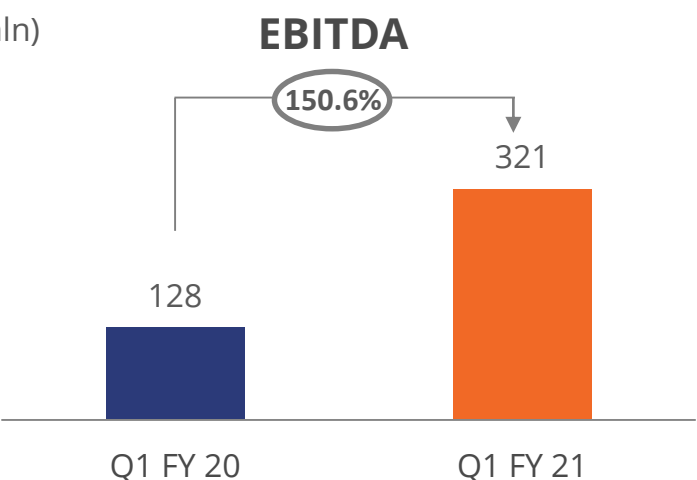
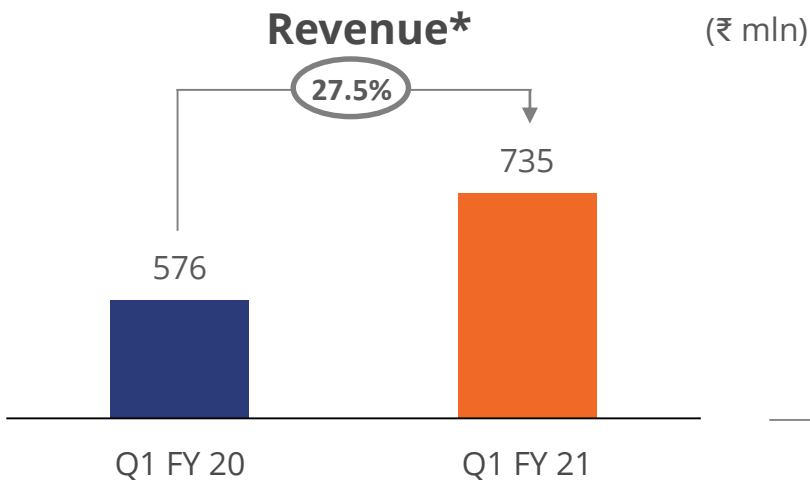
**SECURITE**

Enterprise Cybersecurity Solutions by Quick Heal

# Q1FY21 EARNINGS

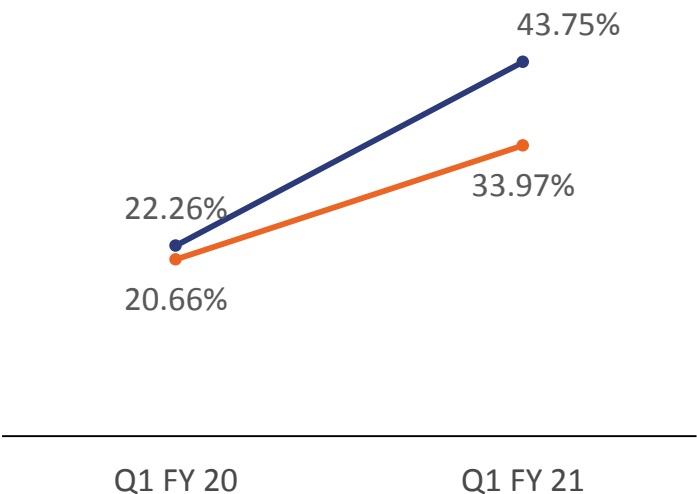
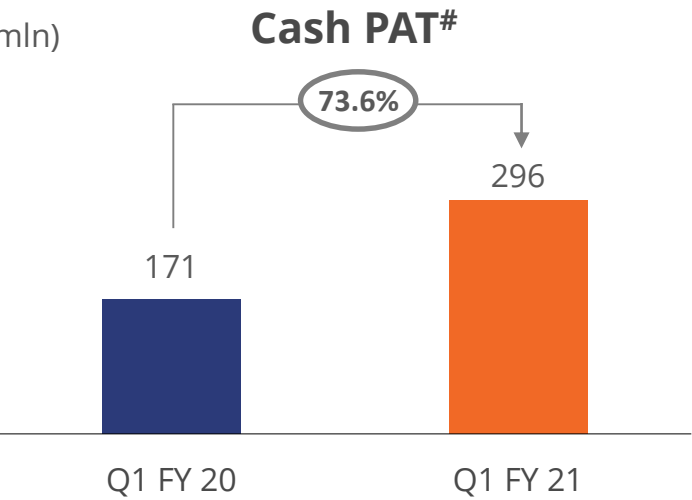
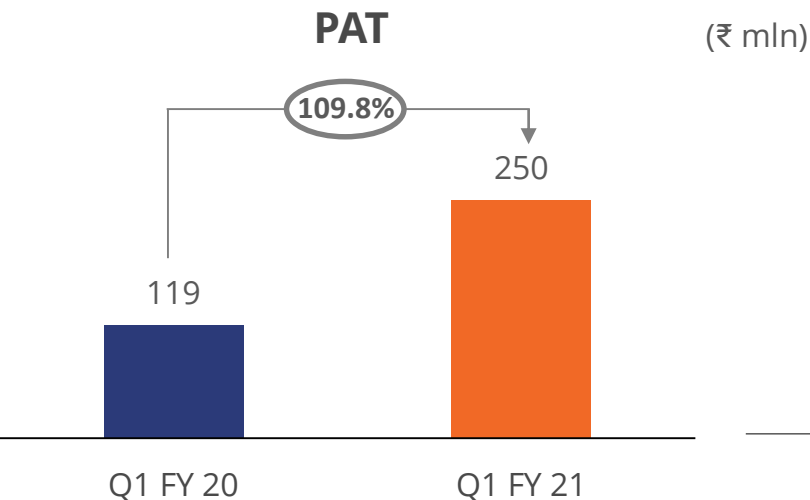


# Q1FY21 – Consolidated Performance Highlights



## Margins

EBITDA % PAT %

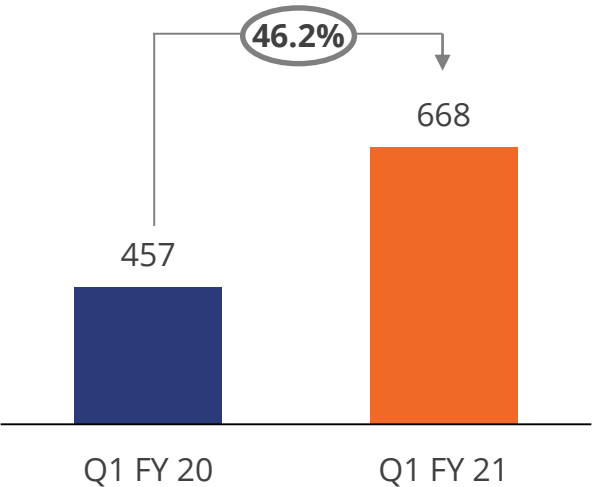


\*As per Ind AS # Cash PAT = PAT + Depreciation

# Q1FY21 Segment performance

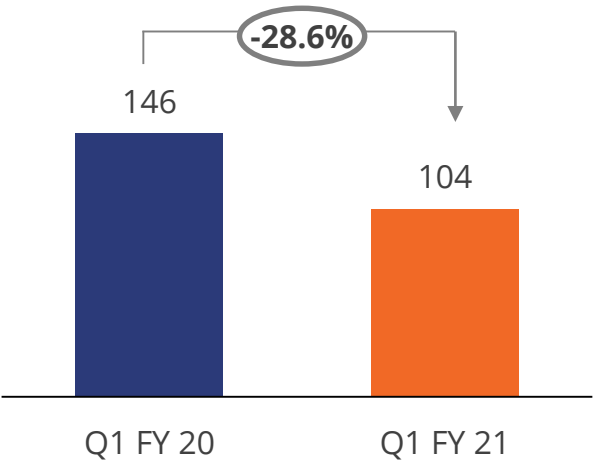
## Retail

### Revenue break-up

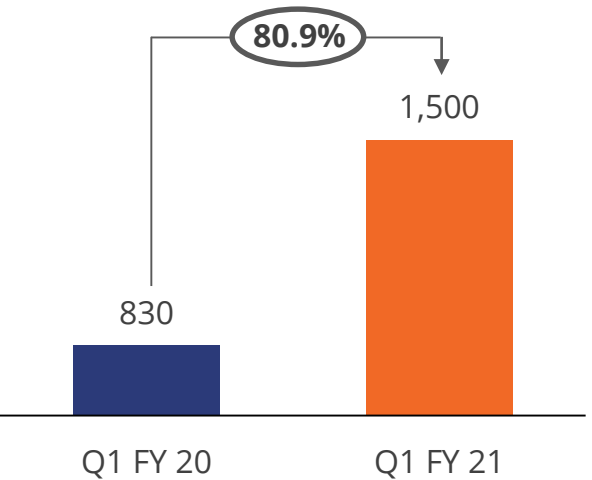


## Enterprise & Government

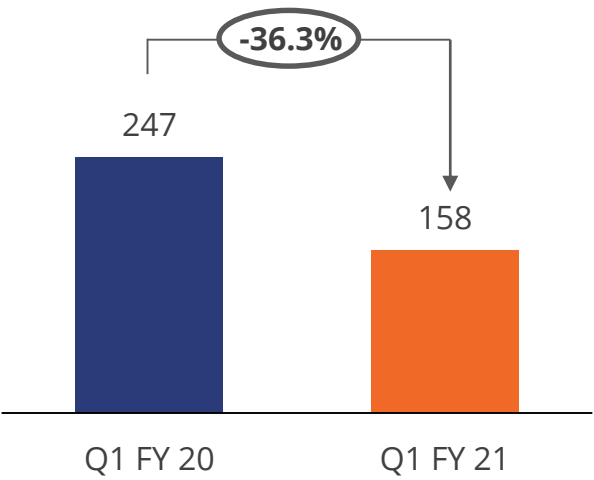
(₹ mln)



### Licenses Sold Analysis



(in 000's)



Based on net revenues before adjusting for sales incentives

## Q1FY21 – Profitability statement

| PARTICULARS (₹ mln)                                     | Standalone    |               |                 | Consolidated  |               |                 |
|---|---------------|---------------|-----------------|---------------|---------------|-----------------|
|   | Q1FY20        | Q1FY21        | % change        | Q1FY20        | Q1FY21        | % change        |
| <b>Total Revenue</b>                                    | <b>571.49</b> | <b>734.40</b> | <b>28.51%</b>   | <b>576.00</b> | <b>734.62</b> | <b>27.54%</b>   |
| Direct Cost   | 27.49         | 29.01         |                 | 27.21         | 29.03         |                 |
| <b>Gross Profit</b>                                     | <b>544.00</b> | <b>705.39</b> | <b>29.67%</b>   | <b>548.79</b> | <b>705.59</b> | <b>28.57%</b>   |
| <b>Gross Margin</b>                                     | <b>95.19%</b> | <b>96.05%</b> | <b>+86bps</b>   | <b>95.28%</b> | <b>96.05%</b> | <b>+77bps</b>   |
| Operating Cost  |               |               |                 |               |               |                 |
| Research and Development (R&D)                          | 140.62        | 142.33        |                 | 140.62        | 142.33        |                 |
| Sales and Marketing (S&M)                               | 129.33        | 123.41        |                 | 132.75        | 127.48        |                 |
| General Administration (G&A)                            | 143.92        | 111.40        |                 | 147.18        | 114.42        |                 |
| <b>Total Expenditure</b>                                | <b>413.87</b> | <b>377.14</b> | <b>8.87%</b>    | <b>420.55</b> | <b>384.23</b> | <b>8.64%</b>    |
| <b>EBITDA</b>   | <b>130.13</b> | <b>328.25</b> | <b>152.25%</b>  | <b>128.24</b> | <b>321.36</b> | <b>150.59%</b>  |
| <b>EBITDA Margin</b>                                    | <b>22.77%</b> | <b>44.70%</b> | <b>+2193bps</b> | <b>22.26%</b> | <b>43.75%</b> | <b>+2149bps</b> |
| Depreciation  | 51.61         | 46.50         |                 | 51.63         | 46.51         |                 |
| <b>EBIT</b>   | <b>78.52</b>  | <b>281.75</b> | <b>258.83%</b>  | <b>76.61</b>  | <b>274.85</b> | <b>258.77%</b>  |
| <b>EBIT Margin</b>                                      | <b>13.74%</b> | <b>38.36%</b> | <b>+2462bps</b> | <b>13.30%</b> | <b>37.41%</b> | <b>+2411bps</b> |
| Other Income  | 84.27         | 62.63         |                 | 84.46         | 63.15         |                 |
| <b>Profit Before Tax (PBT before exceptional items)</b> | <b>162.79</b> | <b>344.38</b> | <b>111.55%</b>  | <b>161.07</b> | <b>338.00</b> | <b>109.85%</b>  |
| Exceptional Item  | -             | -             |                 | -             | -             |                 |
| <b>Profit Before Tax (PBT after exceptional items)</b>  | <b>162.79</b> | <b>344.38</b> |                 | <b>161.07</b> | <b>338.00</b> | <b>109.77%</b>  |
| Tax   | 41.93         | 88.05         |                 | 42.09         | 88.42         |                 |
| <b>Profit After Tax (PAT)</b>                           | <b>120.86</b> | <b>256.33</b> | <b>112.09%</b>  | <b>118.98</b> | <b>249.58</b> | <b>109.77%</b>  |
| <b>PAT Margin</b>                                       | <b>21.15%</b> | <b>34.90%</b> | <b>+1375bps</b> | <b>20.66%</b> | <b>33.97%</b> | <b>+1331bps</b> |

NOTE: Certain figures have been re-grouped wherever necessary

## Q1FY21 – Ratio analysis

| In %                          | Standalone |        | Consolidated |        |
|-------------------------------|------------|--------|--------------|--------|
|                               | Q1FY20     | Q1FY21 | Q1FY20       | Q1FY21 |
| <b>Expenses</b>               |            |        |              |        |
| Direct Cost / Revenue         | 4.81%      | 3.95%  | 4.72%        | 3.95%  |
| R&D / Revenue                 | 24.61%     | 19.38% | 24.41%       | 19.37% |
| S&M / Revenue                 | 22.63%     | 16.80% | 23.05%       | 17.35% |
| G&A / Revenue                 | 25.18%     | 15.17% | 25.55%       | 15.58% |
| Total Cost / Revenue          | 72.42%     | 51.35% | 73.01%       | 52.30% |
| <b>Margin</b>                 |            |        |              |        |
| Gross Margin                  | 95.19%     | 96.05% | 95.28%       | 96.05% |
| EBITDA                        | 22.77%     | 44.70% | 22.26%       | 43.75% |
| EBIT                          | 13.74%     | 38.36% | 13.30%       | 37.41% |
| PBT (Before Exceptional Item) | 28.49%     | 46.89% | 27.96%       | 46.01% |
| PBT (After Exceptional Item)  | 28.49%     | 46.89% | 27.96%       | 46.01% |
| PAT                           | 21.15%     | 34.90% | 20.66%       | 33.97% |



# Consolidated Balance Sheet

| EQUITY AND LIABILITIES (₹ mln)            | Jun 30, 2019    | Jun 30, 2020    |
|---|-----------------|-----------------|
| <b>Share Holder's Funds:</b>              |                 |                 |
| Equity Share Capital                      | 642.01          | 642.03          |
| Share application money pending allotment | -               | -               |
| Reserves and Surplus                      | 5,630.51        | 6,046.26        |
| <b>Total Shareholder Funds</b>            | <b>6,272.52</b> | <b>6,688.29</b> |
| <b>Non-Current Liabilities</b>            |                 |                 |
| Net employee defined benefit liabilities  | -               | 5.58            |
| Other Non Current Liabilities             | 19.53           | 15.15           |
| <b>Total Non-Current Liabilities</b>      | <b>19.53</b>    | <b>20.73</b>    |
| <b>Current Liabilities:</b>               |                 |                 |
| Trade and Other Payables                  | 371.60          | 421.55          |
| Other Financial Liabilities               | 33.75           | 8.14            |
| Other Current Liabilities                 | 108.84          | 91.95           |
| Net employee defined benefit liabilities  | 19.57           | 7.74            |
| Current tax liabilities (Net)             | 13.26           | 104.46          |
| <b>Total Current Liabilities</b>          | <b>547.02</b>   | <b>633.84</b>   |
| <b>Total Equity &amp; Liabilities</b>     | <b>6,839.07</b> | <b>7,342.86</b> |

| ASSETS (₹ mln)                             | Jun 30, 2019    | Jun 30, 2020    |
|--|-----------------|-----------------|
| <b>Non-Current Assets:</b>                 |                 |                 |
| Property, plant and equipment              | 1,602.50        | 1,452.29        |
| Capital work-in-progress                   | 36.63           | 34.00           |
| Intangible assets                          | 63.85           | 86.08           |
| <b>Non-current financial assets</b>        |                 |                 |
| Investments in MF ,Tax-Free Bonds          | 313.59          | 233.67          |
| Loan and Security Deposits                 | 3.75            | 3.81            |
| Bank Balances                              | 3.93            | 3.35            |
| Deferred tax assets (net)                  | 84.76           | 36.02           |
| Other non current assets                   | 92.83           | 195.19          |
| <b>Total Non-Current Assets</b>            | <b>2,201.84</b> | <b>2,044.41</b> |
| <b>Current assets:</b>                     |                 |                 |
| Inventories                                | 48.89           | 44.50           |
| Investment in Mutual Fund                  | 2,044.32        | 610.68          |
| Trade and other receivables                | 1,032.73        | 1,432.99        |
| Bank Balances & Cash and Cash Equivalents  | 233.05          | 98.39           |
| Investment in Fixed Deposit                | 1,152.55        | 2,970.59        |
| Loan and security deposits                 | 7.00            | 8.89            |
| Interest accrued on FDR and Tax-Free Bonds | 46.16           | 36.82           |
| Other Current assets                       | 72.53           | 95.59           |
| <b>Total Current Assets</b>                | <b>4,637.23</b> | <b>5,298.45</b> |
| <b>Total Assets</b>                        | <b>6,839.07</b> | <b>7,342.86</b> |

NOTE: Certain figures have been re-grouped wherever necessary

# Standalone Balance Sheet

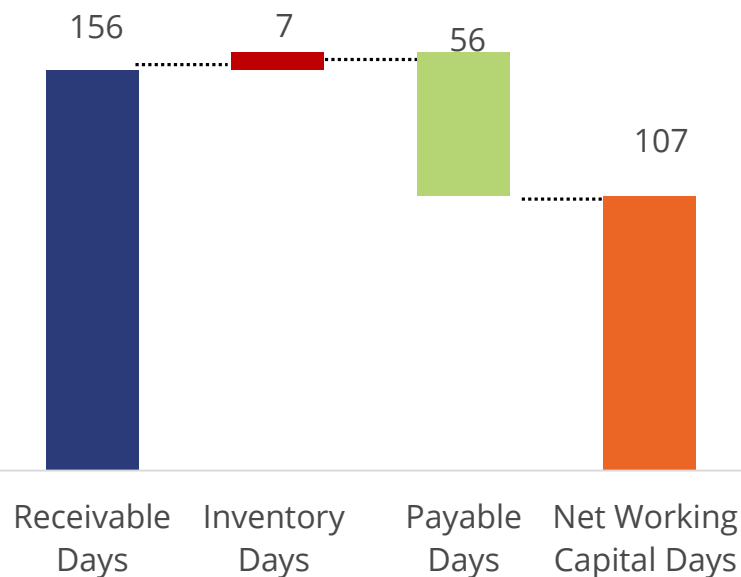
| EQUITY AND LIABILITIES (₹ mln)            | Jun 30, 2019    | Jun 30, 2020    |
|---|-----------------|-----------------|
| <b>Share Holder's Funds:</b>              |                 |                 |
| Equity Share Capital                      | 642.01          | 642.03          |
| Share application money pending allotment | -               | -               |
| Reserves and Surplus                      | 5,685.02        | 6,094.96        |
| <b>Total Shareholder Funds</b>            | <b>6,327.03</b> | <b>6,736.99</b> |
| <b>Non-Current Liabilities</b>            |                 |                 |
| Net employee defined benefit liabilities  | -               | 5.58            |
| Other Non Current Liabilities             | 19.53           | 15.15           |
| <b>Total Non-Current Liabilities</b>      | <b>19.53</b>    | <b>20.73</b>    |
| <b>Current Liabilities:</b>               |                 |                 |
| Trade and Other Payables                  | 368.50          | 417.63          |
| Other Financial Liabilities               | 33.75           | 8.14            |
| Other Current Liabilities                 | 102.86          | 89.54           |
| Net employee defined benefit liabilities  | 19.40           | 7.74            |
| Current tax liabilities (Net)             | 13.03           | 104.06          |
| <b>Total Current Liabilities</b>          | <b>537.54</b>   | <b>627.11</b>   |
| <b>Total Equity &amp; Liabilities</b>     | <b>6,884.10</b> | <b>7,384.83</b> |

| ASSETS (₹ mln)                                    | Jun 30, 2019    | Jun 30, 2020    |
|---|-----------------|-----------------|
| <b>Non-Current Assets:</b>                        |                 |                 |
| Property, plant and equipment                     | 1,602.18        | 1,452.05        |
| Capital work-in-progress                          | 36.63           | 34.00           |
| Intangible assets                                 | 63.64           | 85.88           |
| <b>Non-current financial assets</b>               |                 |                 |
| Investments in MF & Tax-Free Bonds & Subsidiaries | 423.89          | 341.50          |
| Loan and Security Deposits                        | 3.75            | 3.81            |
| Bank Balances                                     | 3.93            | 3.35            |
| Deferred tax assets (net)                         | 84.76           | 36.02           |
| Other non current assets                          | 92.83           | 195.19          |
| <b>Total Non-Current Assets</b>                   | <b>2,311.61</b> | <b>2,151.80</b> |
| <b>Current assets:</b>                            |                 |                 |
| Inventories                                       | 36.08           | 44.30           |
| Investment in Mutual Fund                         | 2,044.32        | 610.68          |
| Trade and other receivables                       | 1,028.60        | 1,438.16        |
| Bank Balances & Cash and Cash Equivalents         | 186.68          | 31.93           |
| Investment in Fixed Deposit                       | 1,152.55        | 2,970.59        |
| Loan and security deposits                        | 6.33            | 8.18            |
| Interest accrued on FDR and Tax-Free Bonds        | 46.16           | 36.86           |
| Other Current assets                              | 71.77           | 92.33           |
| <b>Total Current Assets</b>                       | <b>4,572.49</b> | <b>5,233.03</b> |
| <b>Total Assets</b>                               | <b>6,884.10</b> | <b>7,384.83</b> |

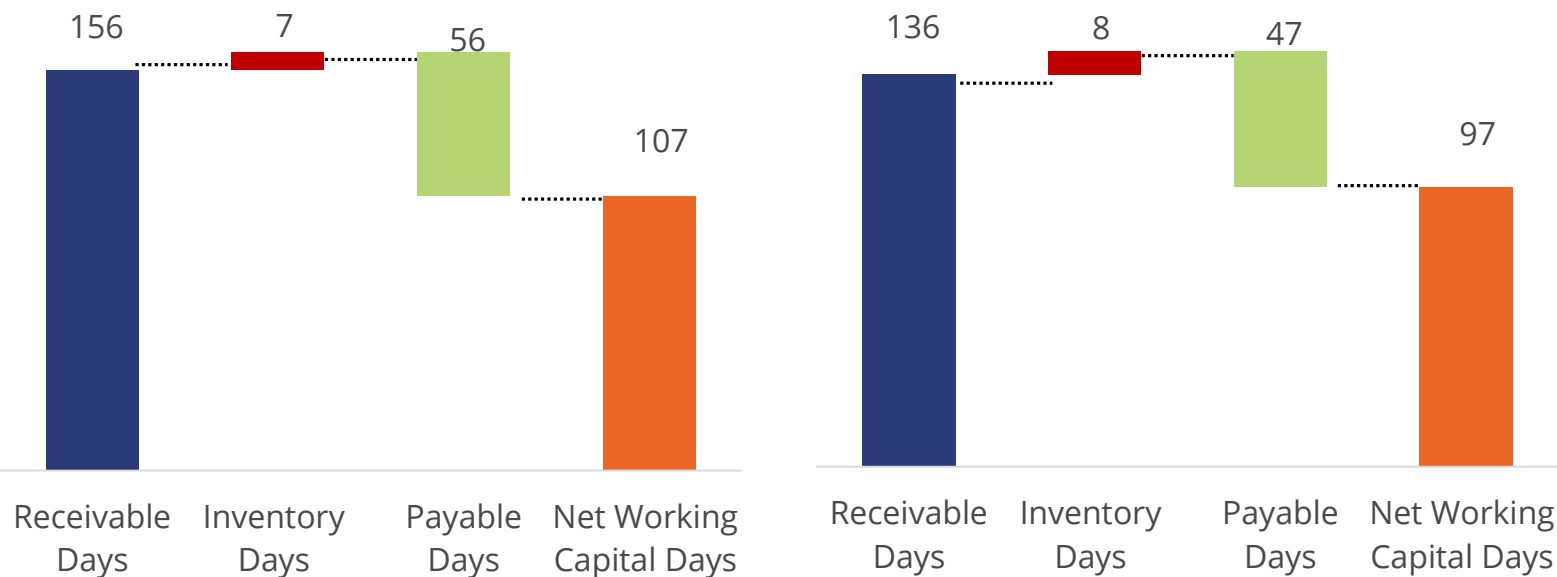
NOTE: Certain figures have been re-grouped wherever necessary

# Working capital analysis

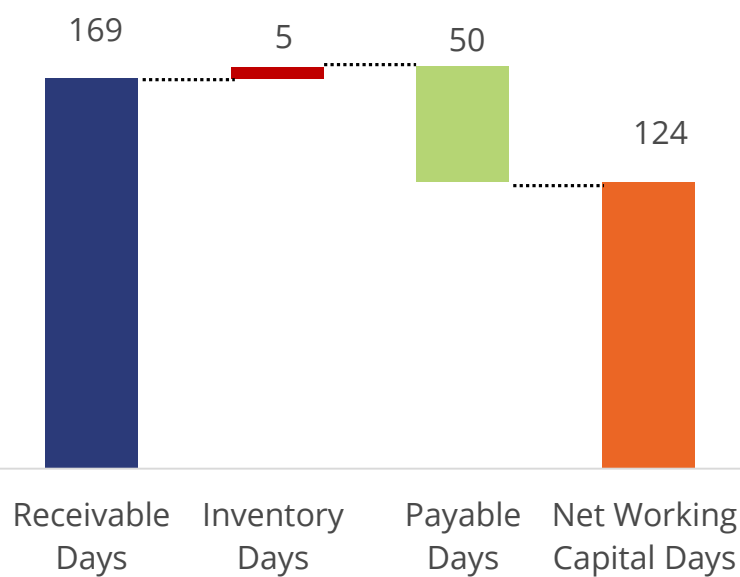
At the end of June 2019\*



At the end of March 2020\*\*



At the end of June 2020\*



**Note\*\***

Receivable Days = [(Debtors/ Sales) X (366 days)]  
Inventory Days = [(Inventory/Sales) X (366 days)]  
Payable Days = [(Creditor/Sales) X (366 days)]

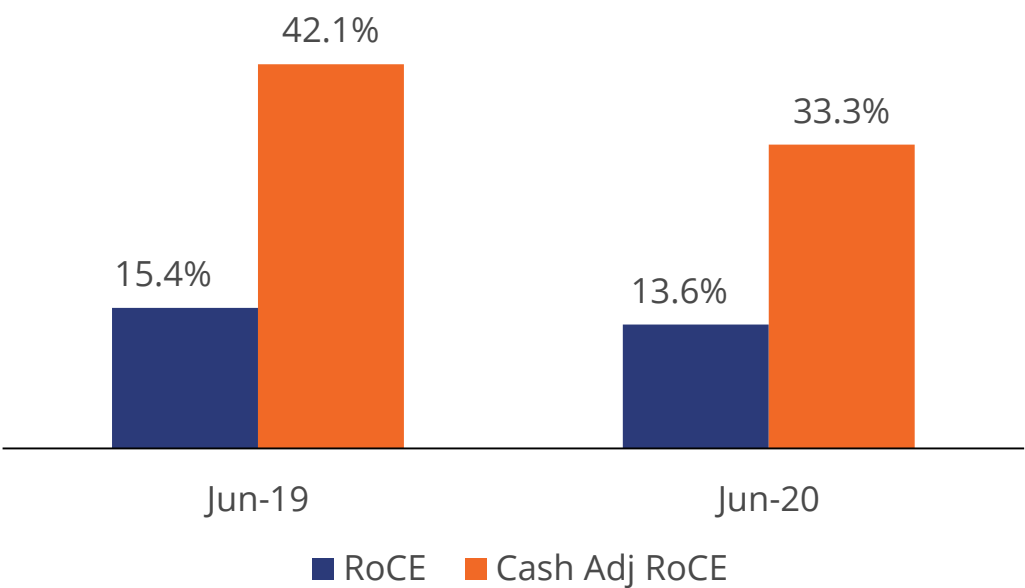
**Note\***

Receivable Days = [(Debtors/ Sales) X (91 days)]  
Inventory Days = [(Inventory/Sales) X (91 days)]  
Payable Days = [(Creditor/Sales) X (91 days)]

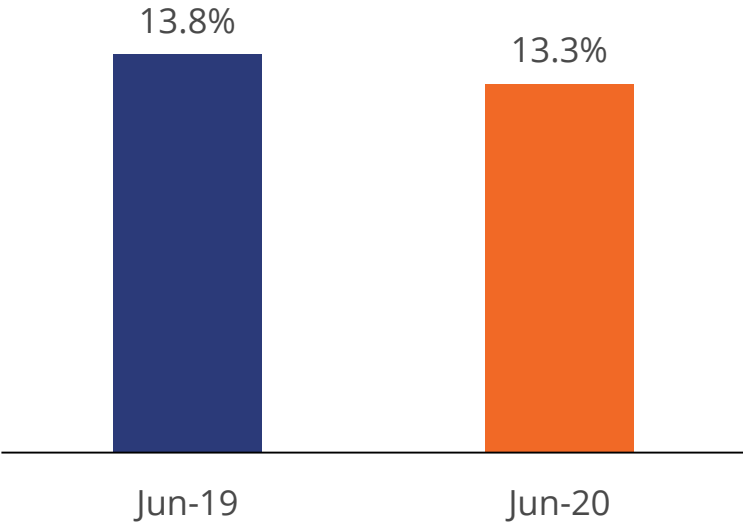
Calculation is based on net revenues before adjusting for sales incentives

# Return ratio analysis

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



# Thank You

## Chief Financial Officer

Mr. Nitin Kulkarni

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+91-20-66813232

## Company Secretary

Mr. Srinivas Anasingaraju

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**CIN No: L72200MH1995PLC091408**

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# Annexure

## Products Sold in following countries

- Italy
- Nigeria
- UAE
- Kenya
- Philippines
- Colombia
- Sri Lanka
- Singapore
- Congo
- Bangladesh
- Thailand
- Peru
- Australia
- Mexico
- Hong Kong
- Mauritius
- South Africa
- Jordan
- Malaysia
- Gambia
- Venezuela
- USA
- Guinea
- New Zealand
- Cambodia
- Ecuador
- Chile
- South Korea
- Paraguay
- Saudi Arabia
- Turkey
- Aruba
- Ghana
- Tanzania
- Canada
- Panama
- Myanmar
- Honduras
- Rwanda
- Germany
- Malta
- Uganda
- El Salvador
- Croatia
- Nicaragua
- Zambia
- Poland
- Netherlands

## Sales & Support offices across India

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





**Independent Auditor's Review Report on Consolidated Unaudited Quarterly financial results  
of the Group 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 June 30, 2020 ('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 Regulation').
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared 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. Our responsibility is to express a conclusion on the Statement based on our review.
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. The 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               |
| 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 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 four subsidiaries which have not been reviewed by their auditors, whose interim financial information reflect total revenue of Rs. 3.23 million, total net loss after tax of Rs. 5.63 million and total comprehensive loss of Rs. 5.63 million for the quarter ended June 30, 2020, respectively as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these interim financial informations 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

**NITIN MANOHAR JUMANI**  
Digitally signed by NITIN MANOHAR JUMANI  
Date: 2020.08.10  
17:31:02 +05'30'

**Nitin Manohar Juman**  
Partner  
Membership No.111700  
UDIN: 20111700AAAACI7106

Place: Pune  
Date: August 10, 2020



**Independent Auditor's Review Report on unaudited quarterly 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 June 30, 2020 ('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').
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared 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. Our responsibility is to express a conclusion on the Statement based on our review.
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 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.

1. 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

**NITIN MANOHAR  
JUMANI**

Digitally signed by NITIN

MANOHAR JUMANI

Date: 2020.08.10

17:31:37 +05'30'

**Nitin Manohar Juman**

Partner

Membership No. 111700

UDIN: 20111700AAAACH7337

Place: Pune

Date: August 10, 2020