



Earnings Presentation | Q1-FY23



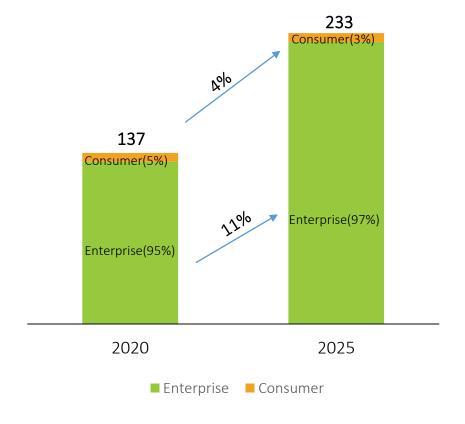
Global cybersecurity market estimated at \$135B in 2020 and Quick Heal expected to grow at 11% till 2025





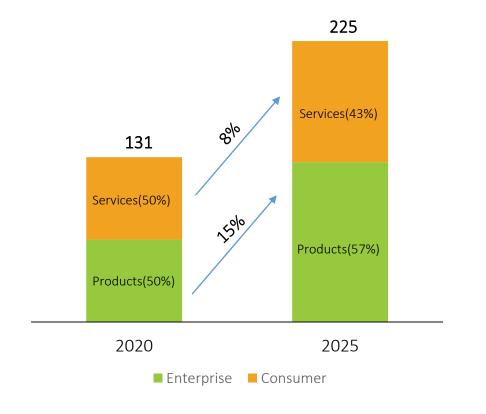
Enterprise market to maintain 95%+ share, growing at 3x consumer market till 2025

Global cybersecurity market (2020,\$B)



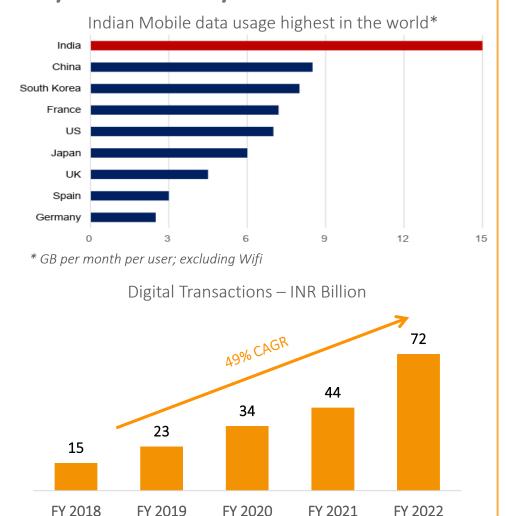
Within enterprise market, product segment to gain significant share, outpacing the overall market by 5pp

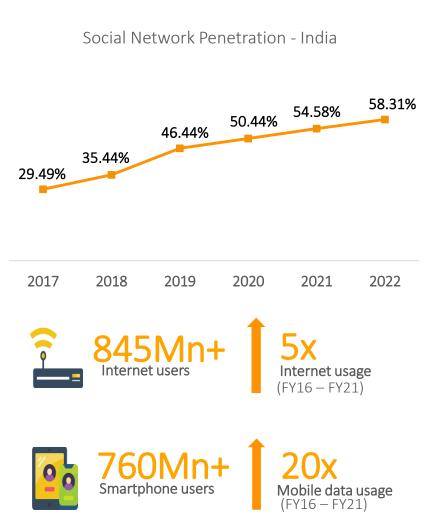
Global cybersecurity market (2020,\$B)



Rapid digitization has enhanced need for greater

cybersecurity investments









the world's largest unique digital identity program

People enrolled in



Users engaged in social media

639m



Application downloads in 2020

30k



Average cost to subscriber per GB wireless data

Rs.**6.98**

Source: The Ministry of Electronics and Information Technology, TRAI, Government of India, Statista, Google report – Insights for Brands, KPMG Report – Fintech In India, India Data Diviner – Macquarie, Nokia MBIT, Goldman Sachs Investment Research – Portfolio Strategy Research (Sept 19, 2021)

Company at a glance





Vision

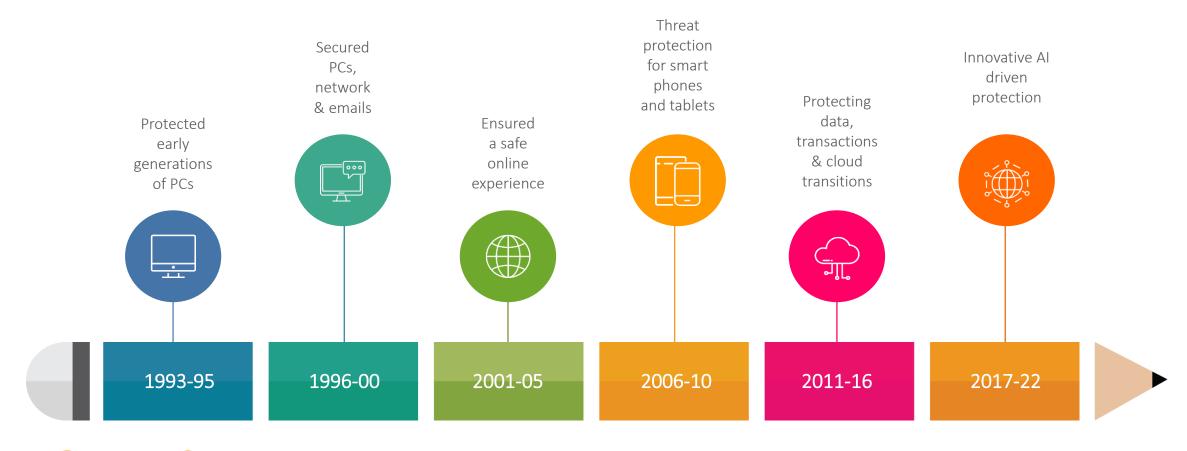
To be the trusted by our customers in securing the digital world and aim to grow as reputable global market leader

Mission

Empowering the team to solve business problems

Our Journey



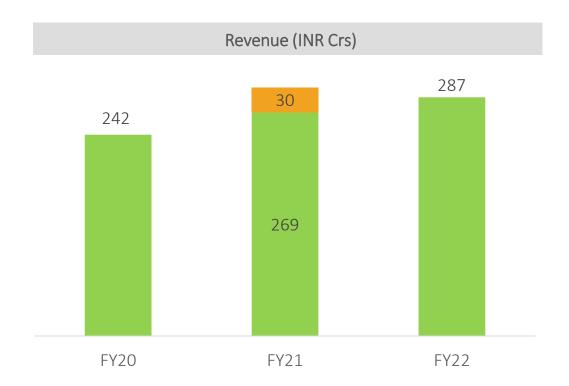


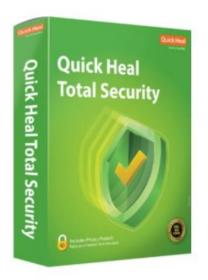
Over 25 years of simplifying security

The Cash Cow: Retail Anti Virus Business

Quick Heal
Security Simplified
Security Simplified

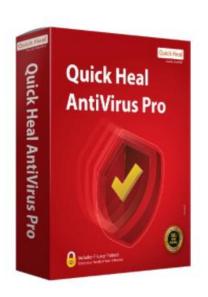
- Over 25 years into existence
- Market leadership with over 30% in the Indian market
- Robust Sales & Distribution network in India











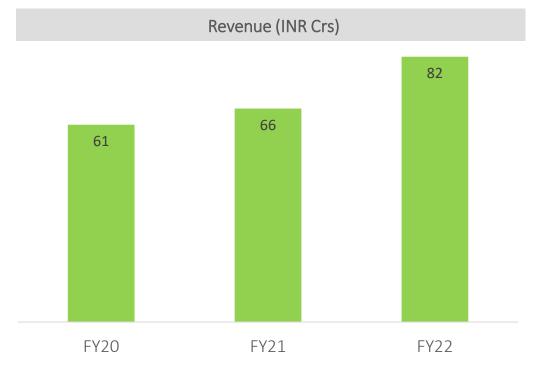
^{*} FY21 revenues included Rs. 30 crores of spillover revenues from FY20 due to Covid pandemic, hence FY22 numbers are not comparable to FY21

Enterprise Solutions

Quick Heal
Security Simplified

SEQRITE

- Incubated the enterprise cybersecurity through internal accruals
- Growth story for QH in the years to come
- Launching new products
- Enterprise solutions represent 95% of the cybersecurity market, which is growing at a CAGR of 11% while QuickHeal is growing at 25%













Future Outlook



Strong and Diversified Increasing R&D spend **Channel Network**

R&D team continuously working towards product upgrades with newer features. In FY22 R&D spends of 26%

With 35,000+ channel partners, بنتب sales team Has deep market penetration 🔌

international clients

Innovation

Quick Heal lays strong emphasis innovation and evolving threats are addressed through timely updates of features.

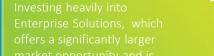


Security Simplified

Hiring the best

Focused on hiring the best employees to innovate, market and distribute its products globally











Q1-FY23 Earnings Highlights



REVENUE



Q1-FY23 Revenue at

₹61.1 crs

Up 11.5% YoY

EBITDA

Q1-FY23 EBITDA at

₹ 1.1 crs

Down 79.8% YoY

PAT



Q1-FY23 PAT at

₹0.2 crs

Down 97.1% YoY

DILUTED EPS

Q1-FY23 EPS at

₹**0.03** crs

Down 96.9% YoY

RETAIL REVENUE

Q1-FY23 Retail revenue at

₹42.8* crs

Flattish YoY

ENTERPRISE REVENUE

Q1-FY23 Enterprise revenue at

₹21.6* crs

Up 49.1% YoY

Q1-FY23 Revenue split





Enterprise + Government 33.5%

^{*}Based on gross revenues before adjusting for sales incentives



Scripting a new success story In the cybersecurity industry

Quick Heal





Retail segment

₹ 42.8 crs

Q1-FY23 Revenue* Flattish YoY















SECRITE





Enterprise segment

₹ 21.6 crs

Q1-FY23 Revenue*







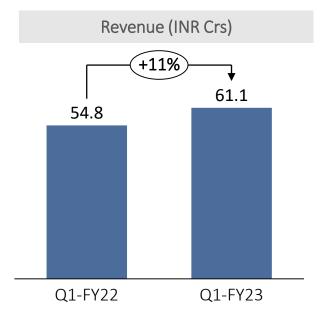


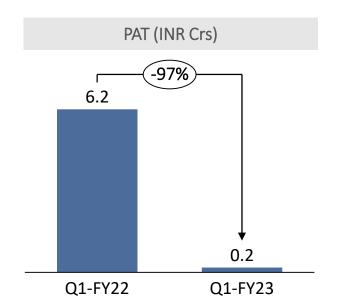


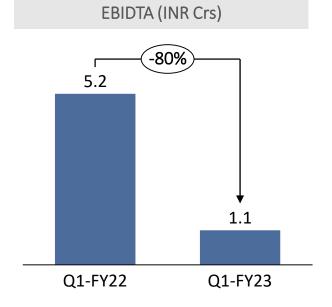
- India's first listed cybersecurity products company
- A "Make in India" product configured to secure individuals, companies, cities and countries
- Undisputed leader in the retail segment
- Segrite making inroads in the SMB & enterprise segment
- Quick Heal Security Labs a team of highly efficient 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

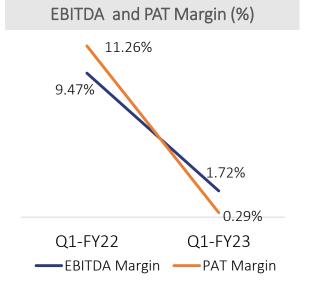
Q1-FY23 Consolidated Performance Highlights





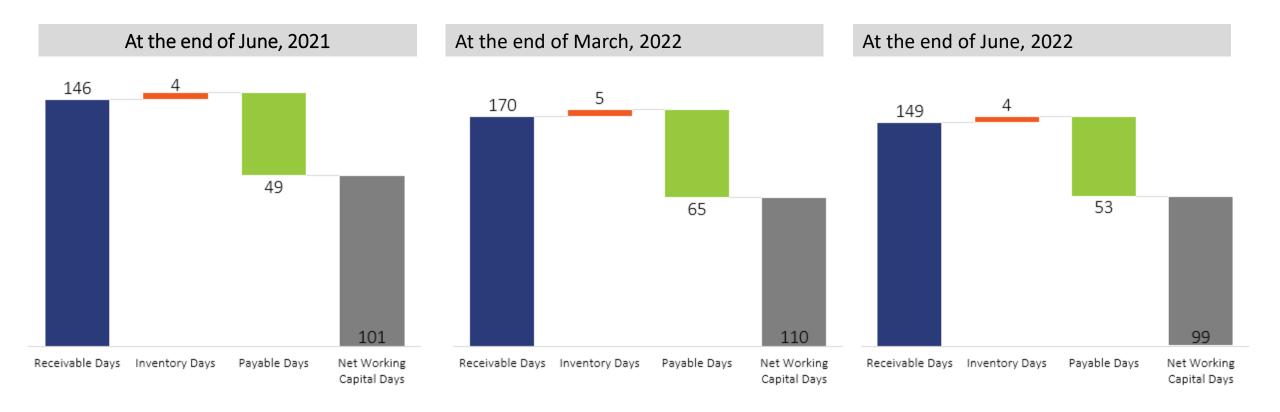






Working Capital Analysis





*Note:

• Calculation of Days = [(Particular heading/ Sales) X (last 365 days)]

Quarterly Income Statement



DARTICI II ARC (# arc)		Standalone			Consolidated		
PARTICULARS (₹ crs)	Q1-FY22	Q1-FY23	% change	Q1-FY22	Q1-FY23	% change	
Total Revenue	54.38	61.09	12.34%	54.78	61.08	11.50%	
Direct Cost	1.65	1.88		1.37	1.88		
Gross Profit	52.73	59.21	12.29%	53.41	59.20	10.84%	
Gross Margin	96.97%	96.92%	-4 BPS	97.50%	96.92%	-58 BPS	
Operating Cost							
Research and Development (R&D)	20.06	27.82		20.06	27.82		
Sales and Marketing (S&M)	16.63	18.42		16.87	18.43		
General Administration (G&A)	11.62	11.81		11.29	11.90		
Total Expenditure	48.31	58.05	-20.16%	48.22	58.15	-20.59%	
EBITDA	4.42	1.16	-73.76%	5.19	1.05	-79.77%	
EBITDA Margin	8.13%	1.90%	-623 BPS	9.47%	1.72%	-776 BPS	
Depreciation	4.10	3.95		4.10	3.95		
EBIT	0.32	-2.79	-971.88%	1.09	-2.90	-366.06%	
EBIT Margin	0.59%	-4.57%	-516 BPS	1.99%	-4.75%	-674 BPS	
Other Income	6.24	3.19		6.25	3.20		
Profit Before Tax (before exceptional item)	6.56	0.40	-93.90%	7.34	0.30	-95.91%	
Exceptional items	2.16	-		-	-		
Profit before Tax after exceptional items	4.40	0.40	-90.91%	7.34	0.30	-95.91%	
Tax	1.14	0.10		1.17	0.12		
Profit After Tax (PAT)	3.26	0.30	-90.80%	6.17	0.18	-97.08%	
PAT Margin	5.99%	0.49%	-550 BPS	11.26%	0.29%	-1,097 BPS	

NOTE: Certain figures have been re-grouped wherever necessary

Quarterly Ratio analysis



In 9/	Standalone		Consolidated	
In %	Q1-FY22	Q1-FY23	Q1-FY22	Q1-FY23
Expenses				
Direct Cost / Revenue	3.03%	3.08%	2.50%	3.08%
R&D / Revenue	36.89%	45.54%	36.62%	45.55%
S&M / Revenue	30.58%	30.15%	30.79%	30.17%
G&A / Revenue	21.37%	19.33%	20.61%	19.48%
Total Cost / Revenue	88.84%	95.02%	88.02%	95.20%
Margin				
Gross Margin	96.97%	96.92%	97.50%	96.92%
EBITDA	8.13%	1.90%	9.47%	1.72%
EBIT	0.59%	-4.57%	1.99%	-4.75%
PBT	8.09%	0.65%	13.40%	0.49%
PAT	5.99%	0.49%	11.26%	0.29%

Historical Annual Consolidated Income Statement





PARTICULARS (INR Crs)	FY20	FY21	FY22
Total Revenue	286.14	333.04	341.90
Direct Cost	12.41	13.70	13.84
Gross Profit	273.73	319.34	328.06
Gross Margins (%)	95.66%	95.89%	95.95%
Operating Cost			
Total Expenditure	182.33	177.90	221.20
EBITDA	91.39	141.44	106.86
EBITDA Margins (%)	31.94%	42.47%	31.26%
Depreciation	21.68	19.49	17.38
EBIT	69.71	121.95	89.48
EBIT Margins (%)	24.36%	36.62%	26.17%
Other Income	31.59	24.16	19.20
Profit Before Tax (PBT)	101.31	146.11	108.68
Tax	26.90	39.16	25.49
Profit After Tax (PAT)	74.41	106.95	83.19
PAT Margins (%)	26.00%	32.11%	24.33%
Basic & Diluted EPS (INR)	11.34	16.65	13.94

Historical Annual Consolidated Balance Sheet





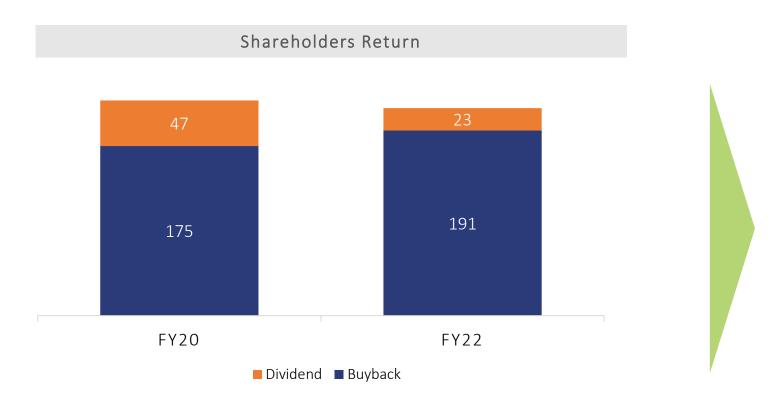
EQUITY AND LIABILITIES (INR Crs)	FY20	FY21	FY22
Share Holder's Funds			
Equity Share Capital	64	64	58
Share application money pending allotment	-	-	-
Reserves and Surplus	580	688	570
Total Shareholder Funds	644	751	628
Non-Current Liabilities			
Net employee defined benefit liabilities	-	1	1
Other Non Current Liabilities	2	-	-
Deferred tax liability (net)	-	1	1
Total Non-Current Liabilities	2	2	2
Current Liabilities:			
Trade and Other Payables	39	50	65
Other Financial Liabilities	1	1	1
Other Current Liabilities	9	19	19
Net employee defined benefit liabilities	-	1	-
Current tax liabilities (Net)	1	3	1
Total Current Liabilities	50	74	86
Total Equity & Liabilities	696	827	716

ASSETS (INR Crs)	FY20	FY21	FY22
Non-Current Assets			
Property, plant and equipment	149	140	106
Capital work-in-progress	3	2	-
Investment Property	-	-	25
Intangible assets	10	5	6
Non-current financial assets			
Investments in MF ,Tax-Free Bonds & Others	35	32	27
Other Financial Assets	-	1	1
Deferred tax assets (net)	3	-	-
Other non current assets	18	15	16
Total Non-Current Assets	218	195	181
Current assets			
Inventories	6	3	5
Investment in Mutual Fund	275	383	290
Trade and other receivables	113	151	172
Bank Balances & Cash and Cash Equivalents	10	17	8
Investment in Fixed Deposit	70	68	55
Other Financial Assets	2	1	1
Other Current assets	2	7	4
Assets classified as held for sale	-	2	-
Total Current Assets	479	632	535
Total Assets	696	827	716

NOTE: Certain figures have been re-grouped wherever necessary

Shareholders Return





Since FY20, Company has rewarded shareholders with ₹ 436 Crs which translates to ₹ ~75 per share*

• Constantly rewarded shareholders through dividend and buyback program

NOTE: Interim dividend announced in FY20 was paid during the same financial year (i.e. FY20)

Capital Market Data

Quick Heal Security Simplified SEQRITE

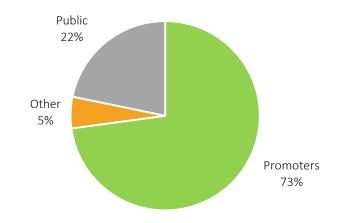
Stock Market Performance (as on 30th June, 2022)



Jul-21 Aug-21 Sep-21 Oct-21 Nov-21 Dec-21 Jan-22 Feb-22 Mar-22 Apr-22 May-22 Jun-22

Price Data (As of 30 th June 2022)		
Face Value	10.0	
Market Price	157.1	
52 Week H/L	319.9/143.9	
Market Cap (INR Cr)	911.51	
Equity Shares Outstanding (Cr)	5.8	
1 Year Avg. Trading Volume ('000)	225.2	
1 Year Avg. Net Turnover (Mn)	55.5	

Shareholding Pattern (as on 30th June, 2022)



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For further details, please feel free to contact our Investor Relations Representatives:



Mr. Anuj Sonpal Valorem Advisors

Tel: +91-22-4903 9500

Email: guickheal@valoremadvisors.com

Investor Relations Officer

Mr. Deepak Kumar

Deepak.Kumar01@quickheal.co.in

Company Secretary

Mr. Srinivas Anasingaraju

cs@quickheal.co.in

+91-20-66813232

CIN No: L72200MH1995PLC091408

www.quickheal.co.in

