



# Quick Heal

*Security Simplified*

**Quick Heal Technologies Limited**  
Investor Presentation  
February 2017



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## DISCUSSION SUMMARY

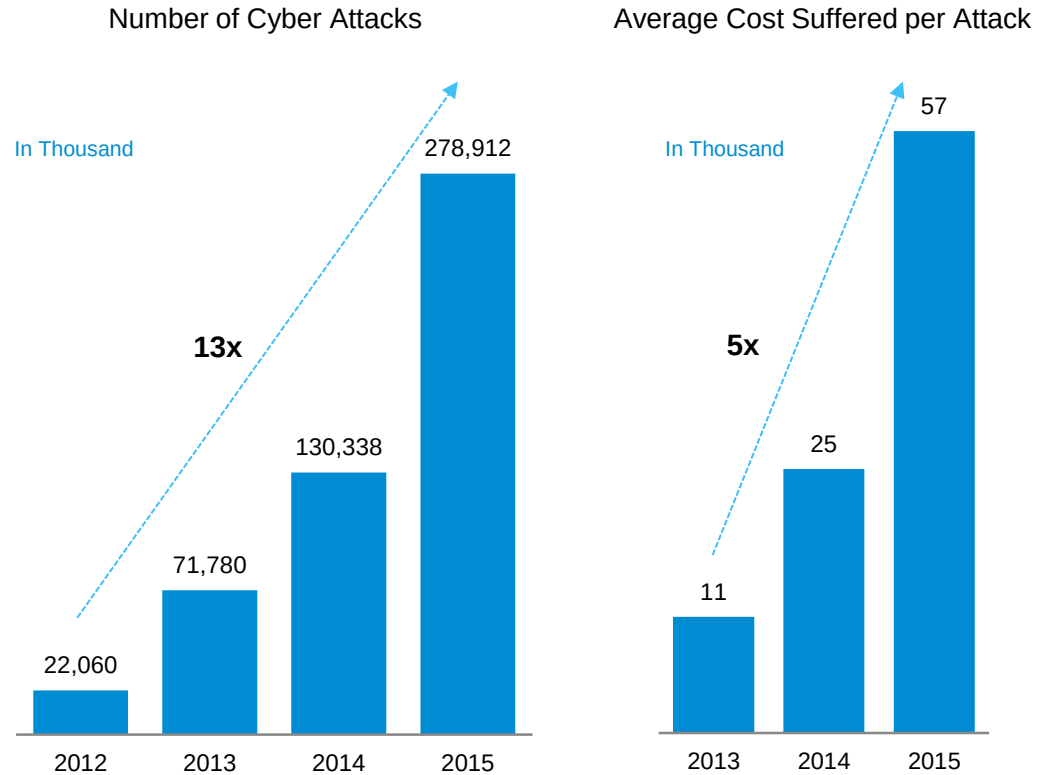
- INDUSTRY OVERVIEW
- COMPANY OVERVIEW
- COMPETITIVE ADVANTAGES
- BUSINESS MODEL
- STRATEGY & OUTLOOK
- Q3 & 9M FY17 RESULT ANALYSIS
- SHAREHOLDING STRUCTURE
- ANNEXURE  
– CASE STUDIES



# INDUSTRY OVERVIEW

## RISING INCIDENCES OF CYBER ATTACKS

### RISING CYBER ATTACKS IN INDIA



### SOCIAL MEDIA SCAMS ON RISE

- 16% of social media scams are targeted at Indian users
- 156% rise has been seen in social media scams

### THE CYBER THREAT SCENARIO IN INDIA 2015-16

- India is the 3<sup>rd</sup> top destination of cyberattacks
- 50% of cybercrimes in India are not reported (KPMG)

### RANSOMWARE THREATS WILL REACH AN ALL-TIME HIGH IN 2016

- India faces the 2<sup>nd</sup> most ransomware attacks in Asia
- 430 million new unique pieces of malware in 2015
- India records 15 ransomware attacks per hour
- Rise of 114% in ransomware attacks. Out of these, 10% were crypto-ransomware attacks
- Ransomware moved beyond PCs to smartphones, Macs and Linux machines

### INDIAN SMEs UNDER INCREASED THREAT

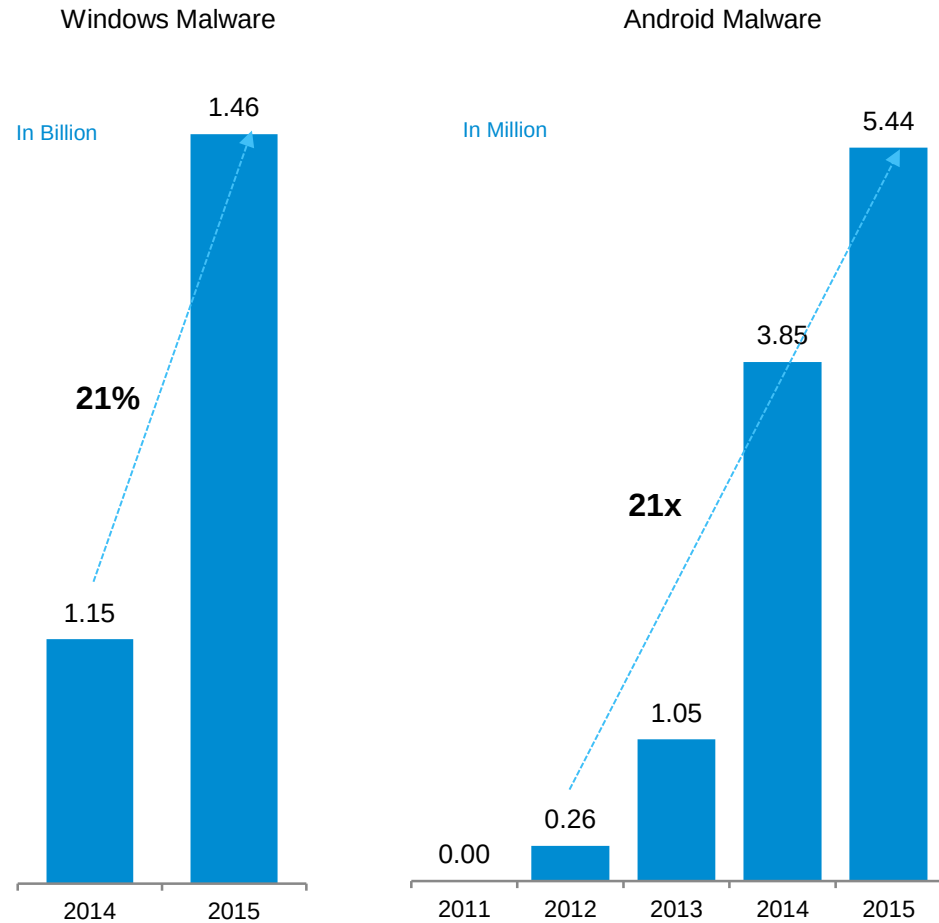
- Large number of financial Trojans against Indian SMEs
- Targeted organizations face at least 2 attacks on average
- 40% of BFSI industries were also hit at least once
- Over half a billion personal records were stolen or lost in 2015, from SMEs

Rising threats in form of malwares, virus, phishing, trojans

Source: Company RHP

# INDUSTRY OVERVIEW

## RISING INCIDENCES OF CYBER ATTACKS



Source: Quick Heal Threat Report 2016

### QUICK HEAL R&D DETECTION STATISTICS

#### 21 new families of mobile banking trojans

50% increase in detection rate from 2014 (Windows malware are propagated through email attachments, infected websites, removable drives and bundled software)

#### 803 Android malware families

50% increase in detection rate from 2014

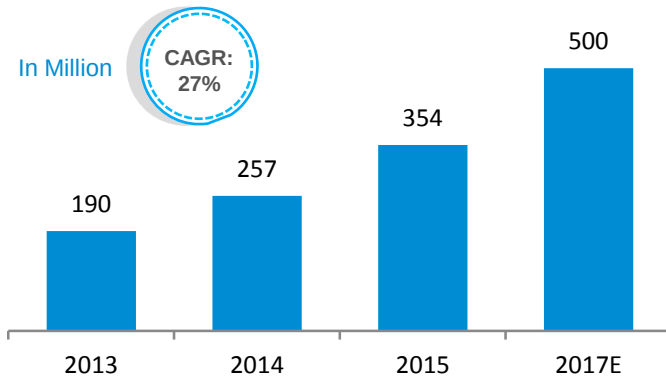
#### 757 new variants of existing Android malware families

23% increase in detection rate from 2014 (Android malware are propagated through ad plug-ins, third party stores, in-app purchases, trojanized apps, fake apps and protector plug-ins)

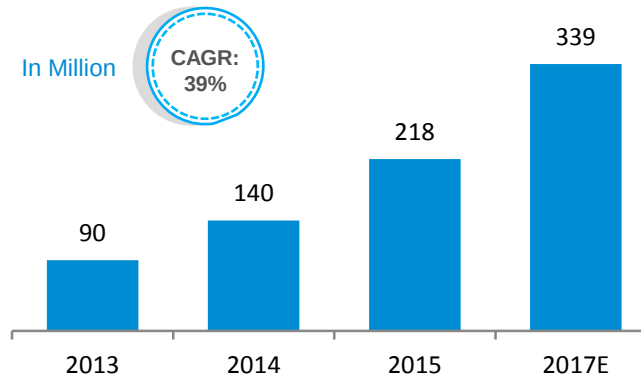
# INDUSTRY OVERVIEW

## FAST EXPANDING INTERNET USER BASE

INDIA HAS 2<sup>ND</sup> LARGEST INTERNET USER BASE IN THE WORLD



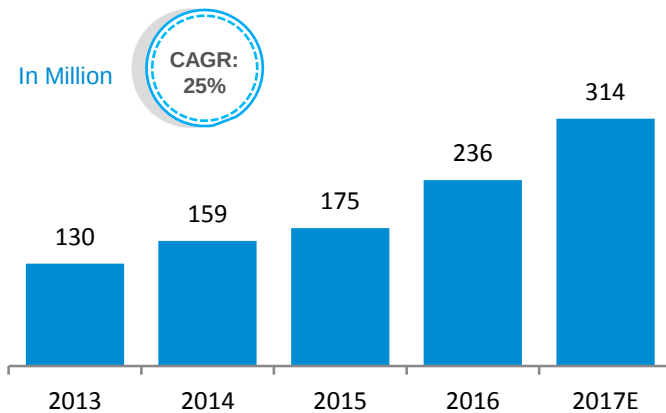
RISING SMARTPHONE SUBSCRIPTIONS



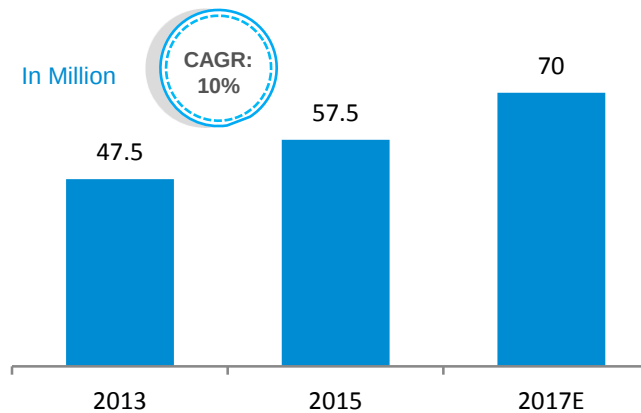
SIGNIFICANT EXPANSION IN NUMBER OF NETWORKED DEVICES

**74%**  
of all devices expected to become mobile connected by 2019

GROWING MOBILE INTERNET USERBASE



CONTINUED INCREASE IN PC INSTALLED BASE

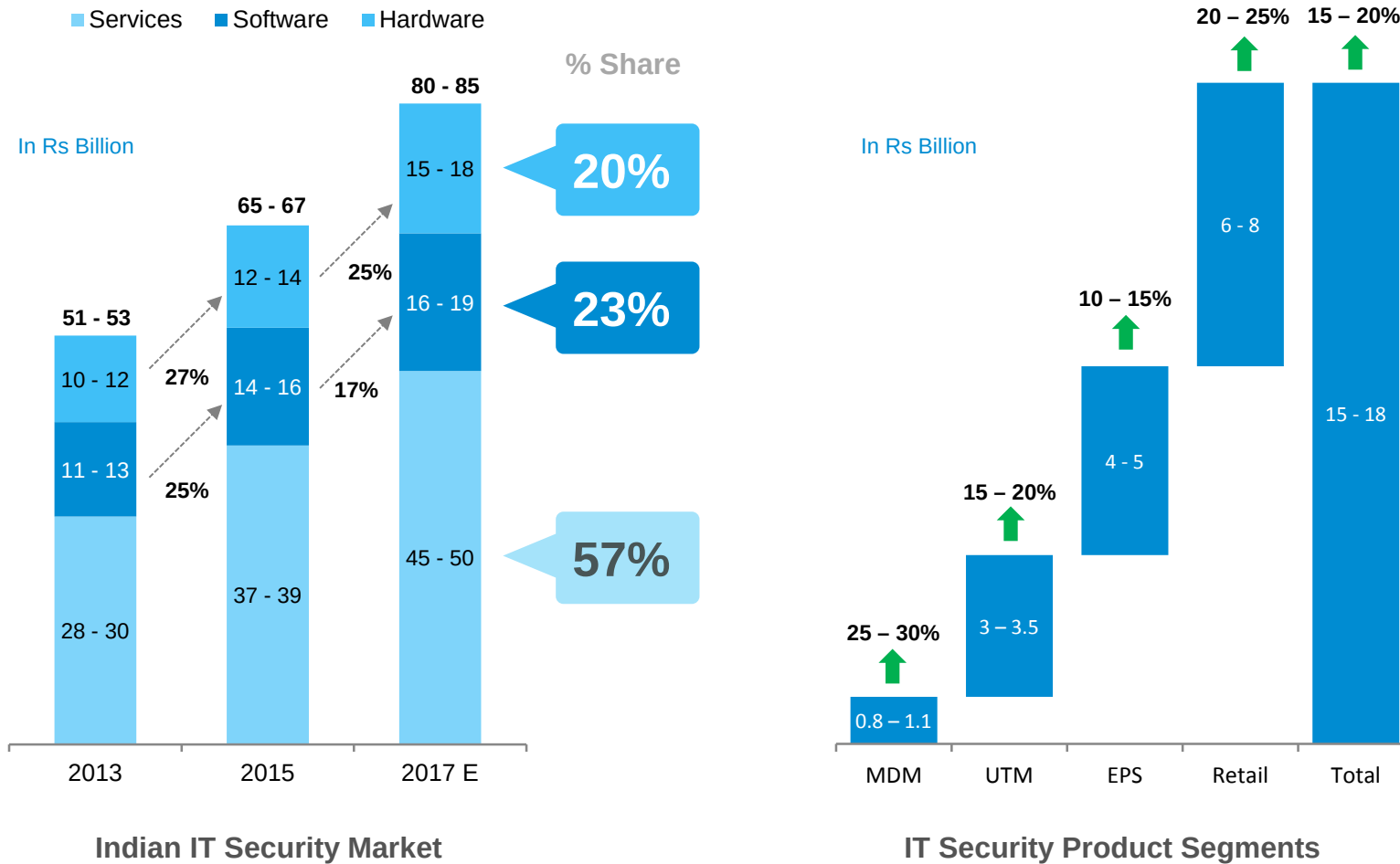


**40%**  
of all devices expected to be smartphones by 2019

# INDUSTRY OVERVIEW

## IT SECURITY MARKET IN INDIA – STRONG GROWTH AHEAD

MULTIPLE LEVERS IN PLACE TO DRIVE RAPID GROWTH IN INDIAN IT SECURITY MARKET



### Key Drivers

- Rapid growth in internet user base and number of networked devices including desktops, laptops, smartphones, tablets
- Increasing number of security intrusions in Corporate India
- Increase in allocation of corporate budgets towards IT Security
- High priority to IT Security especially from businesses having higher dependency on internet (e-commerce) and with sensitive information (BFSI, telecom, or the Government)

Source: Zinnov Analysis  
 MDM: Mobile Device Management, UTM: Unified Threat Management,  
 EPS: Endpoint Security

# COMPANY OVERVIEW

## QUICK HEAL – BRIEF PROFILE



### BUSINESS OVERVIEW

- Incorporated in 1995, Quick Heal is the pioneer in Indian IT Security Software and is currently one of the leading providers of Security Software Products and Solutions in India
- More than 30% market share in Retail segment
- Strong recognition / customer recall – “Quick Heal” for retail products and “Segrite” for enterprise products
- Active licenses of over 7.6 mn as on Dec-16 across more than 80 countries
- Continued backing by Venture Capital Investor - Sequoia Capital which still holds 5.23%



### KEY STRENGTHS

- Established and proven technology over a span of 22 years
- Comprehensive product offering (majority indigenously developed) across all segments (Home, SMB, Enterprise), all platforms (Windows, Mac, Android, iOS, Linux) and all devices (Desktops, Laptops, Mobiles, Tablets)
- Strong and diversified Channel network – 64 Offices and Warehouses in 36 Cities in India and 4 International Offices, 15,371 Retail Channel Partners, 499 Enterprise Channel Partners, 99 Government Partners, 1,513 Mobile Channel Partners
- Superior Customer Support



### STRONG FINANCIALS

- Consolidated Revenues, EBITDA and PAT were Rs 3,380.7 mn, Rs 1,024.6 mn and Rs 584.0 mn respectively in FY16
- Robust profitability with EBITDA Margin of 30.3% and PAT Margin of 17.3% in FY16
- Strong cash generation with Operating Cash Flow / EBITDA of 74.8% in FY16
- Strong balance sheet with zero debt and healthy cash position in FY16



# COMPANY OVERVIEW

## QUICK HEAL JOURNEY

### 1995 - 1998

- Incorporation as 'CAT Computer Services Pvt. Ltd.'
- Launch of 'Quick Heal' DOS version
- Launch of 'Quick Heal' Windows version

### 2006 - 2007

- Company renamed as Quick Heal Technologies Pvt. Ltd. from CAT Computer Services Pvt. Ltd.
- Quick Heal sets up Technical Support Centre at Nashik

### 2009 - 2010

- Private Equity Investment firm Sequoia Capital, invests in Quick Heal
- Quick Heal recognized by CRN India as No.1 Channel Champion

### 2011

- Incorporates Quick Heal in Kenya
- Incorporates Quick Heal in Japan
- Quick Heal acquires SurfCanister Sandbox technology from Apurva Technologies, India

### 2002 - 2004

- Quick Heal starts Radio Campaign
- Quick Heal starts its first branch in Nashik

### 2008

- Quick Heal becomes Microsoft's certified partner
- Quick Heal hosts AAVAR International Security Conference in India

### 2012 - 2013

- Launches Quick Heal Mobile Security
- Launches Quick Heal End Point Security
- Quick Heal acquires behavior based technologies from Nova Shield Inc. UK
- Incorporates Quick Heal in Dubai
- ISO 9000

### 2016

- Listing on BSE and NSE exchanges
- ISO 27001
- ISO 20000

### 2015

- Launches Seqrite a brand encompassing security products for Business Enterprise customers
- Quick Heal invests in 'Smartalyse Technologies Pvt. Ltd., India'
- Quick Heal inaugurates its first office in the US, 'Quick Heal Technologies America' in Boston
- Launches Quick Heal Gadget Security for Mobile security + insurance
- Launches Fonetastic for Mobile security

### 2014

- Launches Quick Heal MDM (Mobile Device Management)
- Launches Quick Heal Terminator (UTM- Unified Threat Management)
- Launches free mobile security for Android
- Quick Heal invests in Wegilant Net Solutions Pvt. Ltd, India



# COMPANY OVERVIEW

## TECHNOLOGY & MARKET LEADERSHIP

Our solutions have earned a variety of awards and certifications from industry groups and publications including AV-Test and OPSWAT

### Awards in India

- 2016: Seqrite Endpoint Security (EPS) and Quick Heal Total Security recognized as a **'Top Product'** by AV-Test Institute in their September-October 2016 test results
- 2016: Seqrite EPS Enterprise Suite Edition awarded the **AVLab BEST+++ Award** in their October 2016 results
- 2016: **'Top Trademark Driven Industry'** award by CII in its Industrial Intellectual Property Awards
- 2016: **Best Antivirus, 9th NCN Most Innovative Product of the Year Award**
- 2016: **Best Make in India Brand, 14th VARINDIA IT Forum**
- 2016: **12th Annual Info Security PG's 2016 Global Excellence Awards, USA**  
 \* Gold Winner for Product Development/Management Executive of the year  
 \* Silver Winner in the category of Security Products and Solutions for Small Businesses and SOHO
- 2016: **ICSA Labs Excellence in "Information Security Testing" Award for the 5<sup>th</sup> consecutive year**
- 2015: IMC Information Technology Award for Excellence in Information Technology Products for small and medium enterprise category, awarded by Indian Merchants Chamber
- 2015: Mumbai Hot 50 Brands in the B2C category, awarded by OneIndia
- 2014 – 2015: **DQ Channels India's Most Popular Vendor**
- 2014 and 2015: **CRN Channel Champions, Client Security** awarded by United Business Media
- 2012, 2013 and 2014: **Quality Brands**, awarded by Quality Brand Times
- 2012: Maharashtra Corporate Excellence Awards, by Maxell Foundation
- 2008, 2009 and 2010: **CRN Channel Champions, Antivirus Segments** awarded by United Business Media
- 2010: Tech Life – The Lifestyle and Gadgets Awards, awarded by NDTV
- 2010: SME Awards for **Best SME Innovation** awarded by Business Today
- 2010: **Deloitte Technology Fast500 Asia Pacific** awarded by Deloitte
- 2010: **Deloitte Technology Fast50 India** awarded by Deloitte
- 2009: **Channels Choice Award**, awarded by DQ Channels

### International Certificates



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# COMPANY OVERVIEW

## BOARD OF DIRECTORS



**KAILASH KATKAR**

CEO & MD

..... ● .....  
Promoter of the Company since incorporation



**SANJAY KATKAR**

CTO & MD

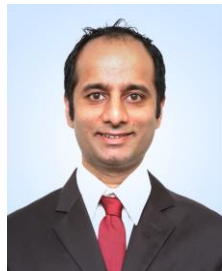
..... ● .....  
Promoter of the Company since incorporation



**ABHIJIT JORVEKAR**

Executive Director & VP

..... ● .....  
Responsible for Sales & Marketing



**SHAILESH LAKHANI**

Non-Executive Director

..... ● .....  
Serves as the MD at Sequoia Capital India



**APURVA JOSHI**

Independent Director

..... ● .....  
Is a certified bank forensic accounting professional and anti-money laundering expert



**SUNIL SETHY**

Independent Director

..... ● .....  
Comes from an experienced background in accountancy, finance, treasury, and legal departments



**PRADEEP BHIDE**

Independent Director

..... ● .....  
Ex-IAS Officer and has served a series of increasingly senior positions at the State Government and Central Government



**MEHUL SAVLA**

Independent Director

..... ● .....  
Serves as the Director of RippleWave Equity Private Limited

# COMPANY OVERVIEW

STRONG BRAND RECOGNITION AND RECALL




**7.6 m**  
Active Licenses across more than 80 countries



**2.0X Growth**  
Active Licenses over last 5 years



**30% +**  
Retail Market Share in India



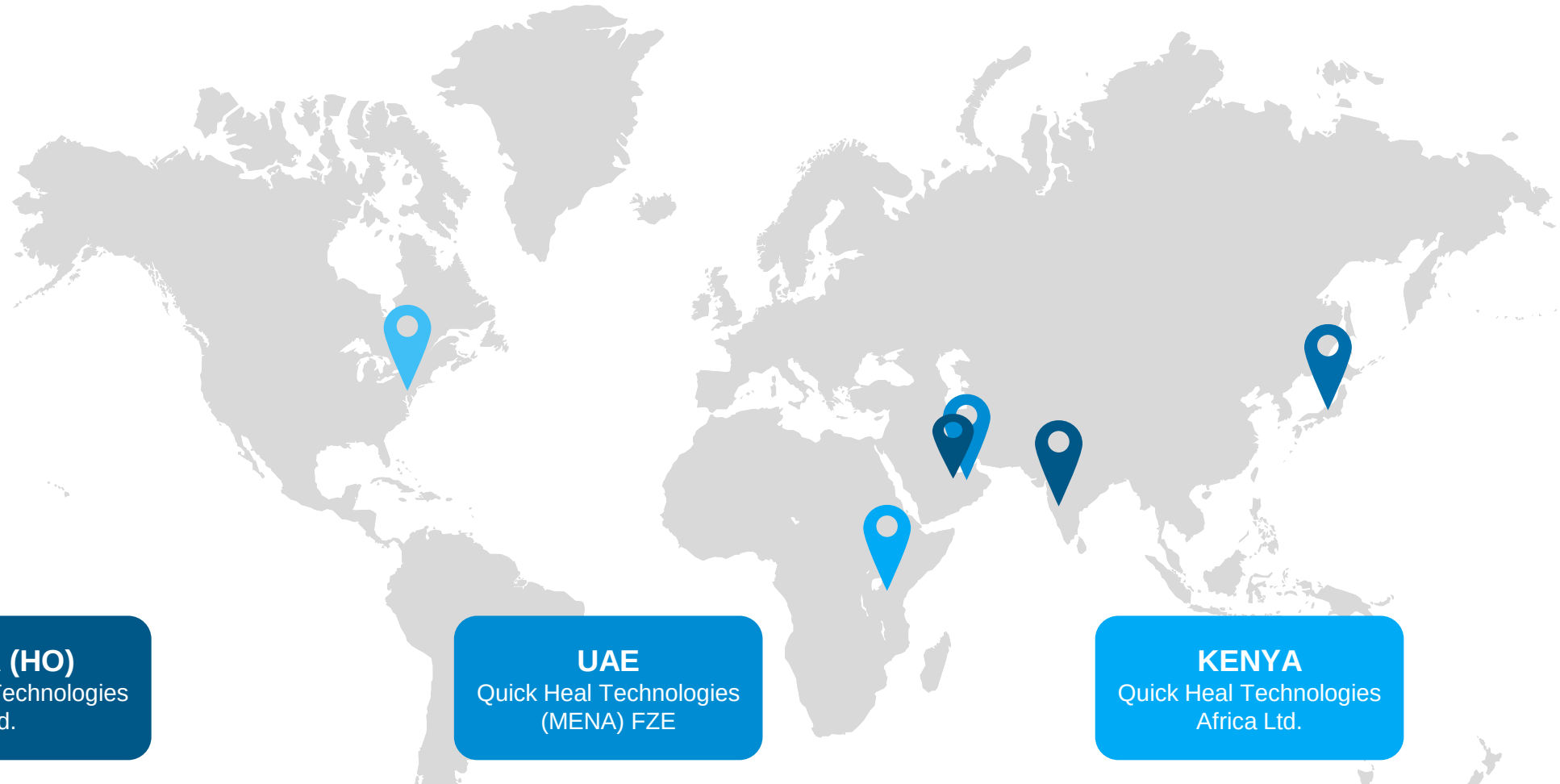
Preferred Choice of IT technicians for PC Virus Cleaning



15,371 Retail, 499 Enterprise, 99 Government and 1,513 Mobile Partners

# COMPANY OVERVIEW

## EXPANDING PRESENCE ACROSS INTERNATIONAL MARKETS



**INDIA (HO)**  
Quick Heal Technologies Ltd.

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

**KENYA**  
Quick Heal Technologies Africa Ltd.

**JAPAN**  
Quick Heal Japan KK.

**DUBAI**  
Seqrite Technologies DMCC

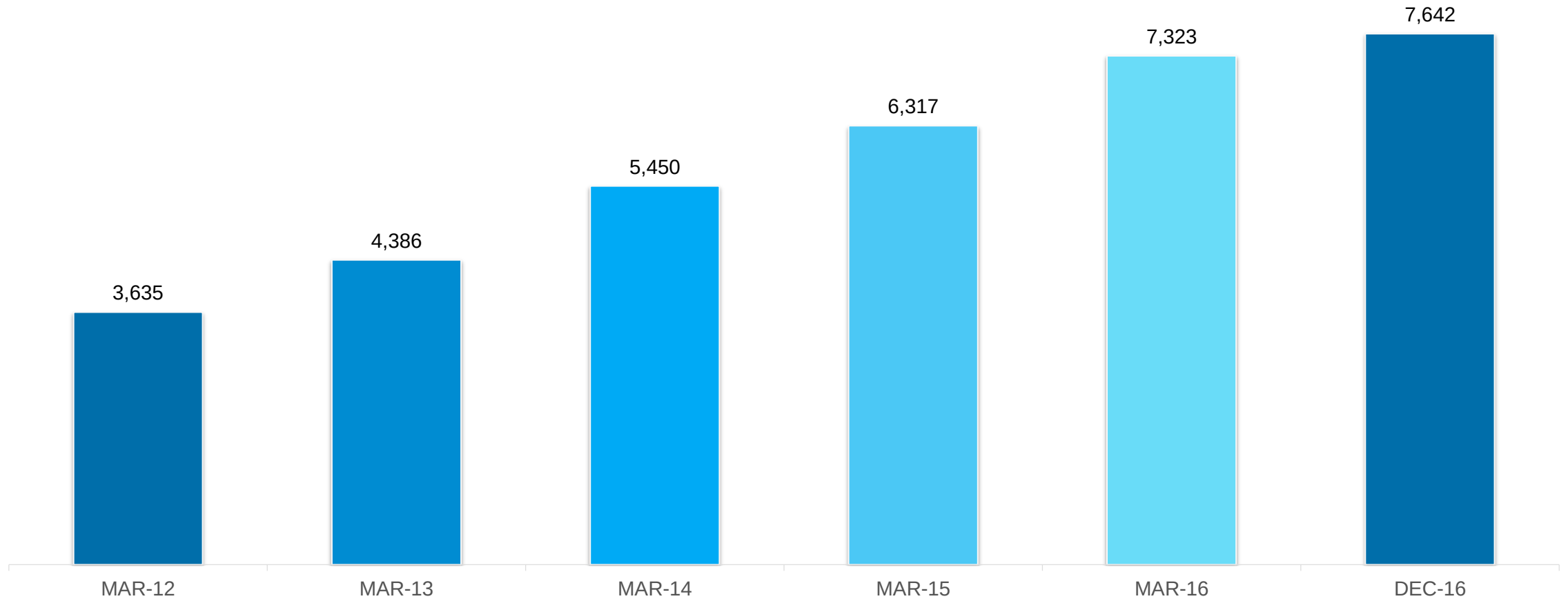
**USA**  
Quick Heal Technologies America Inc



# COMPANY OVERVIEW

## LARGE AND GROWING USER BASE

ACTIVE LICENSES ('000)



# COMPETITIVE ADVANTAGE

## ESTABLISHED AND PROVEN TECHNOLOGY

### PIONEER IN IT SECURITY SOFTWARE IN INDIA

- Technological evolution over past 22 years
- Majority of products have been developed indigenously
- Highly effective against latest emerging threats and zero-day attacks
- Successful in detecting “CryptoLocker” family of viruses which use advanced obfuscation techniques to evade detection

### QUICK HEAL'S PRODUCT COMPETENCE

- Consumer Security - **1,343 million** attacks blocked in FY16
- Enterprise Security - **118 million** attacks blocked in FY16
- Mobile Security - **26 million** malicious apps detected in FY16

### TECHNOLOGY CERTIFICATIONS

- AV Test, AV Comparatives
- VB 100,
- ICSA Lab
- OPSWAT

8

Trademarks in India

3

Pending patent applications in India

7

Trademarks in RoW

2

Copyrights in India

4

Patents in United States

4

Pending copyright applications in India















# COMPETITIVE ADVANTAGE

## COMPREHENSIVE PRODUCT PORTFOLIO

Retail / SMB



### Features

-  Core Protection
-  Web Security
-  Email Security
-  Data Theft Protection
-  Safe Banking Features
-  Parental Controls
-  Stealth Mode
-  Anti-Keylogger
-  Improved Scan Engine
-  Virtual Keyboard
-  Privacy Protection
-  QH Remote Device Management
-  PC2Mobile Scan
-  PCTuner

 Track My Laptop

Quick Heal

# COMPETITIVE ADVANTAGE

## COMPREHENSIVE PRODUCT PORTFOLIO



# Mobile Security / Fontastic /Gadget Securance



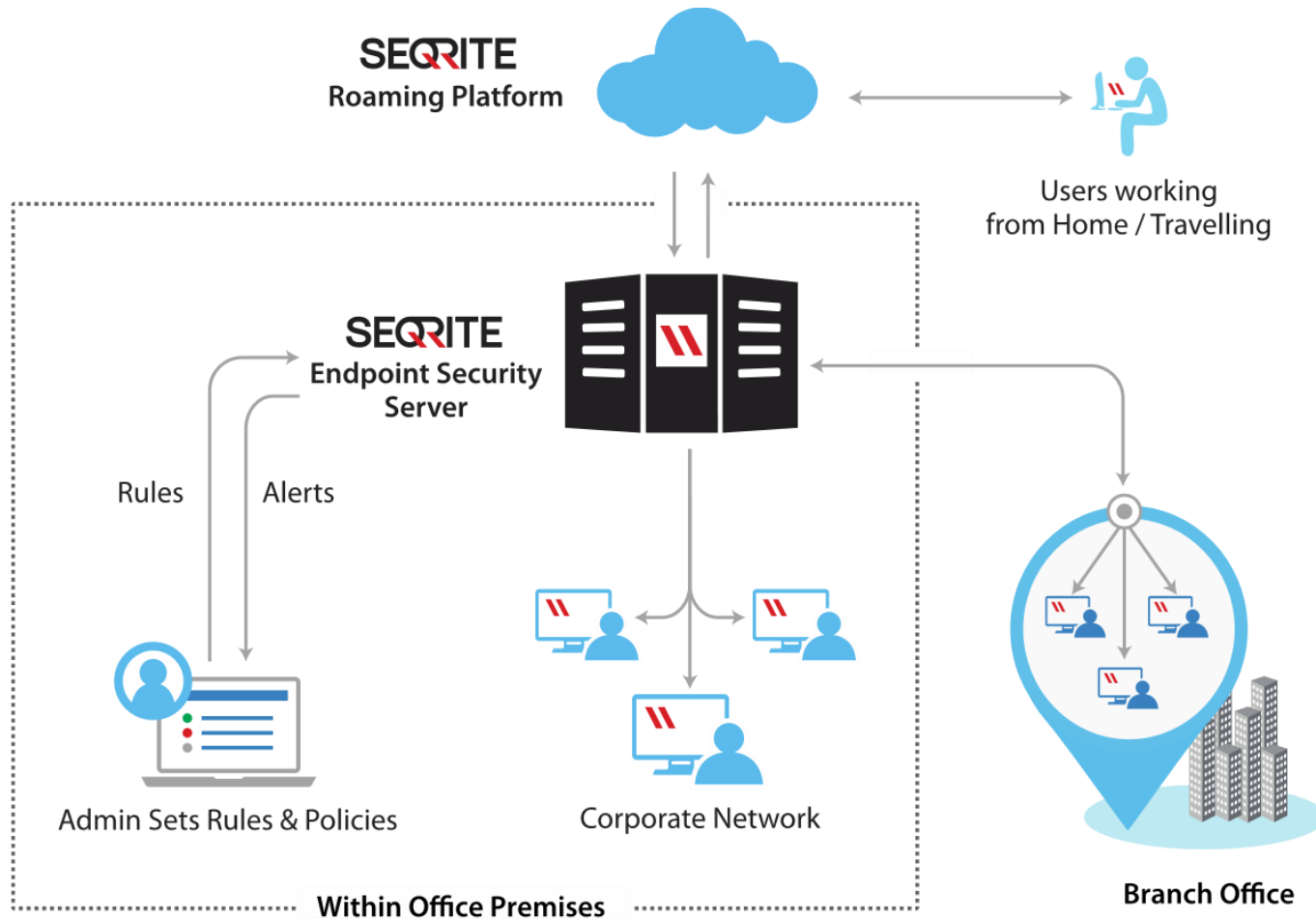
### Features

- 🔍
Background Scan
🛡️
Virus Protection
- 🛡️
Security Advisor
📍
Mobile Tracker
- 🚫
Privacy Advisor
☁️
Cloud Backup
- 📞
Call & Message Filter
☔
Insurance cover - Theft
- 📶
Register with TRAI
🌊
Physical and Liquid Damage
- 🔗
Anti-Theft Technology
🔥
Fire Damage
- 📱
Remote Device Management











# COMPETITIVE ADVANTAGE

## COMPREHENSIVE PRODUCT PORTFOLIO

# SEQRITE ENDPOINT SECURITY



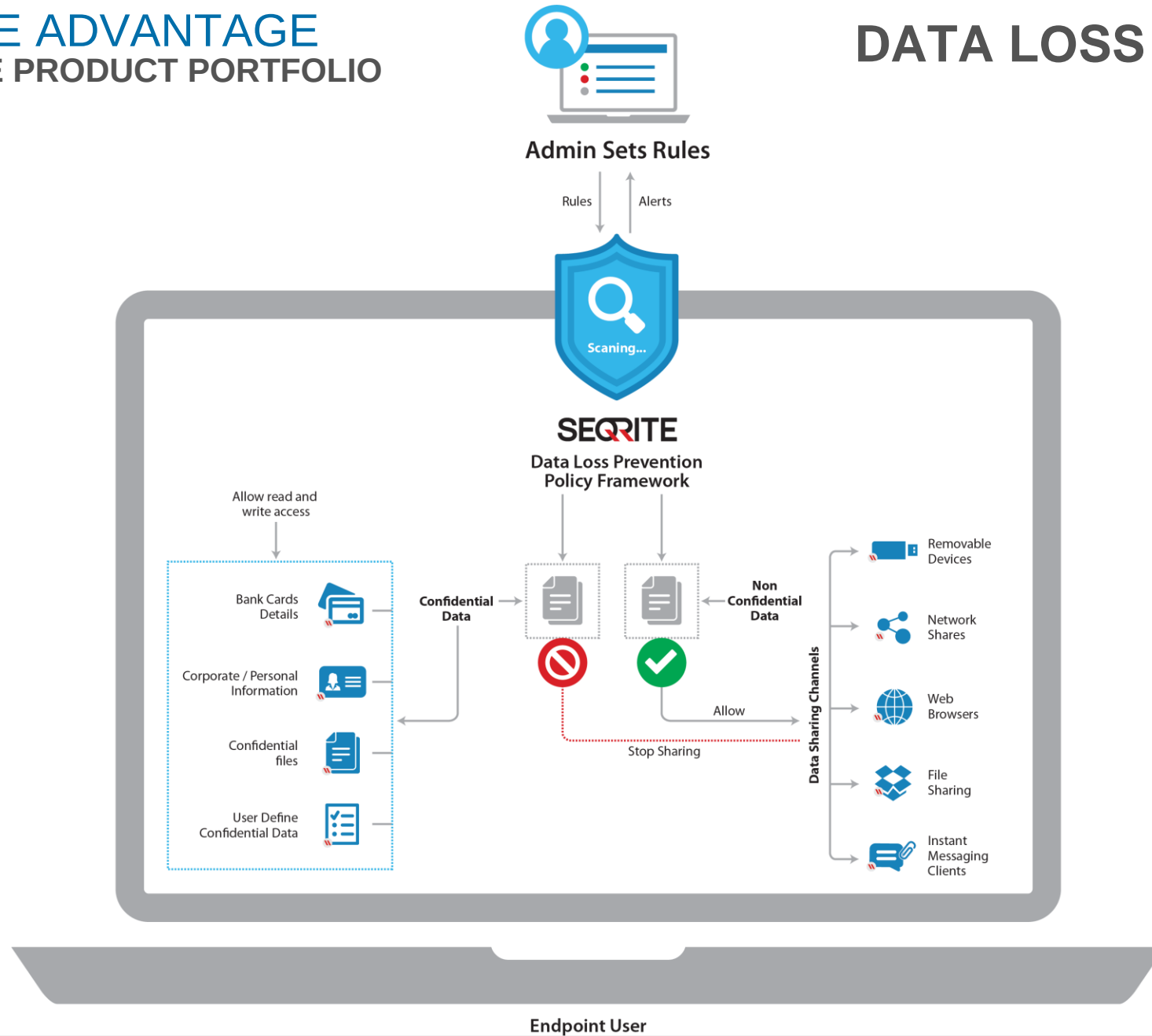
## Features

-  Asset Management
-  File Activity Monitor
-  Advance Device Control
-  Vulnerability Scan
-  Other AV Removal
-  Remote Client management
-  Web Security
-  Core Protection (AV, Firewall, IDS/IPS)
-  Application Control
-  Data Loss Prevention



**COMPETITIVE ADVANTAGE**  
COMPREHENSIVE PRODUCT PORTFOLIO

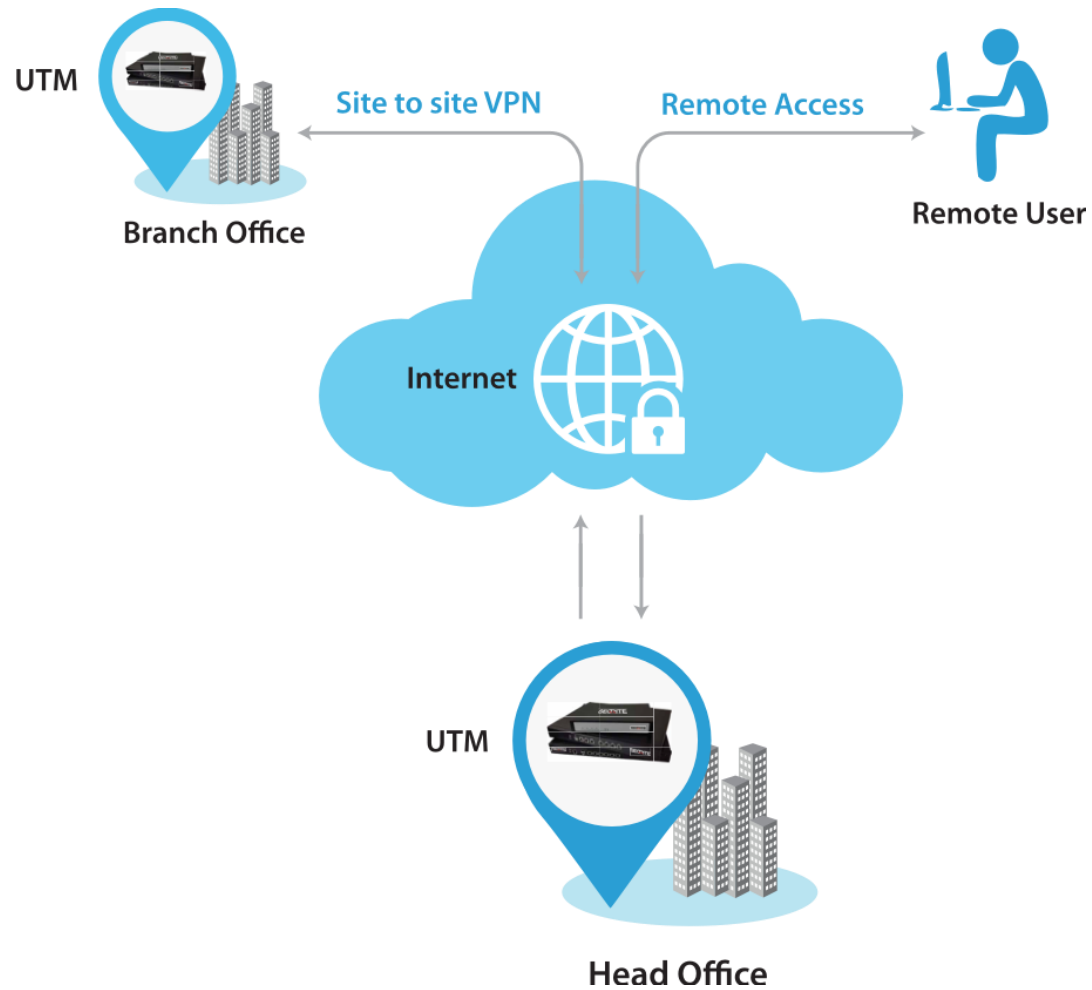
**DATA LOSS PREVENTION**  
**(DLP)**  
WINDOWS & MAC















# COMPETITIVE ADVANTAGE

## COMPREHENSIVE PRODUCT PORTFOLIO

# SEQRITE TERMINATOR



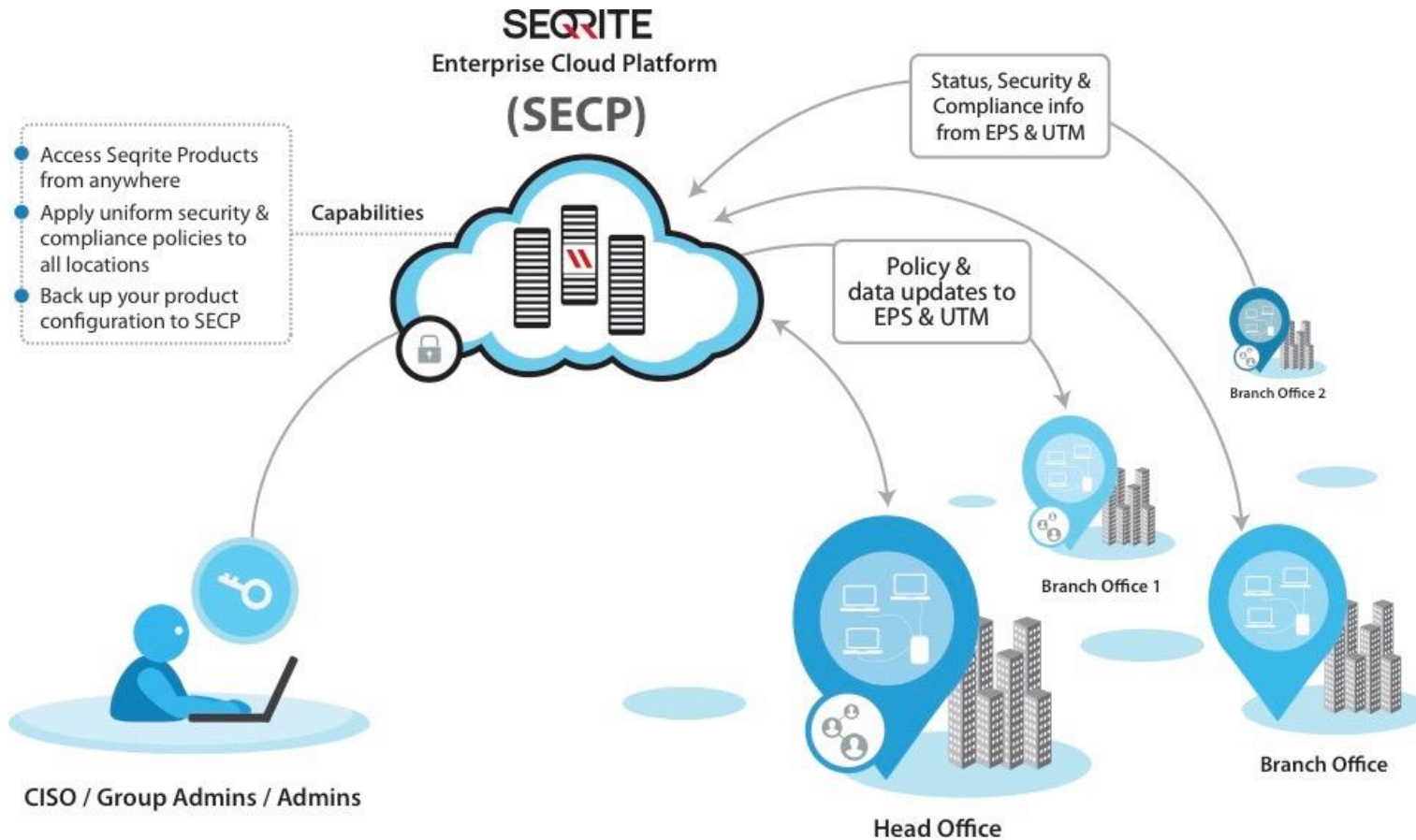
## Features

-  Firewall
-  Antivirus
-  Mail Protection
-  Content Filtering
-  IPS
-  Application Control
-  ISP Load Balance
-  ISP Failover
-  Link Aggregation
-  Bandwidth Management
-  User / Group management
-  Monitoring and Reporting





# COMPETITIVE ADVANTAGE

## COMPREHENSIVE PRODUCT PORTFOLIO

# SEQRITE ENTERPRISE CLOUD PLATFORM



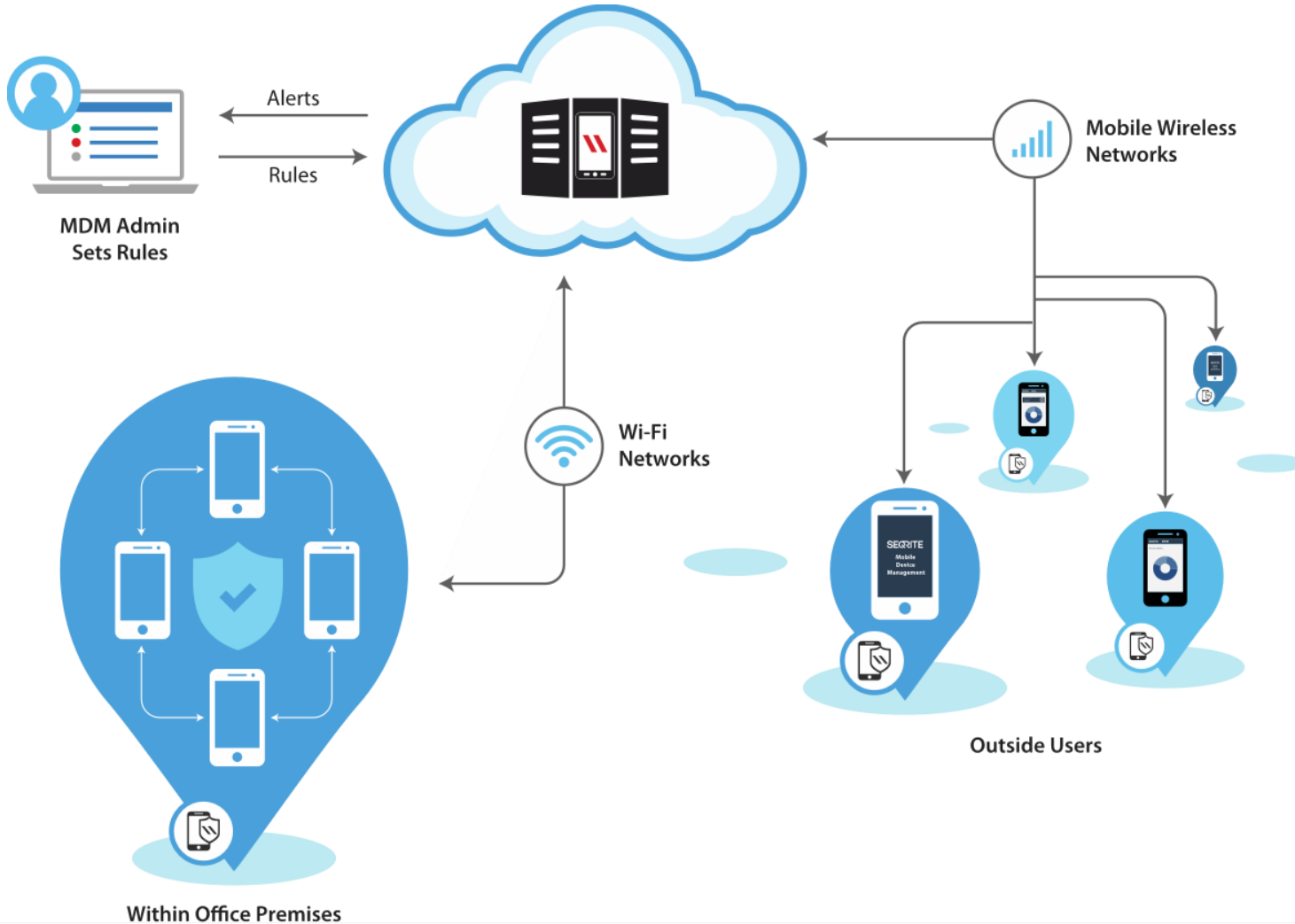
## Features

-  Get status, security and compliance info from EPS, Terminator products
-  Access Seqrite products from anywhere and anytime
-  Apply uniform security policies at all locations
-  Backup important Seqrite product configuration to cloud







# COMPETITIVE ADVANTAGE

## COMPREHENSIVE PRODUCT PORTFOLIO

# SEQRITE MOBILE DEVICE MANAGEMENT



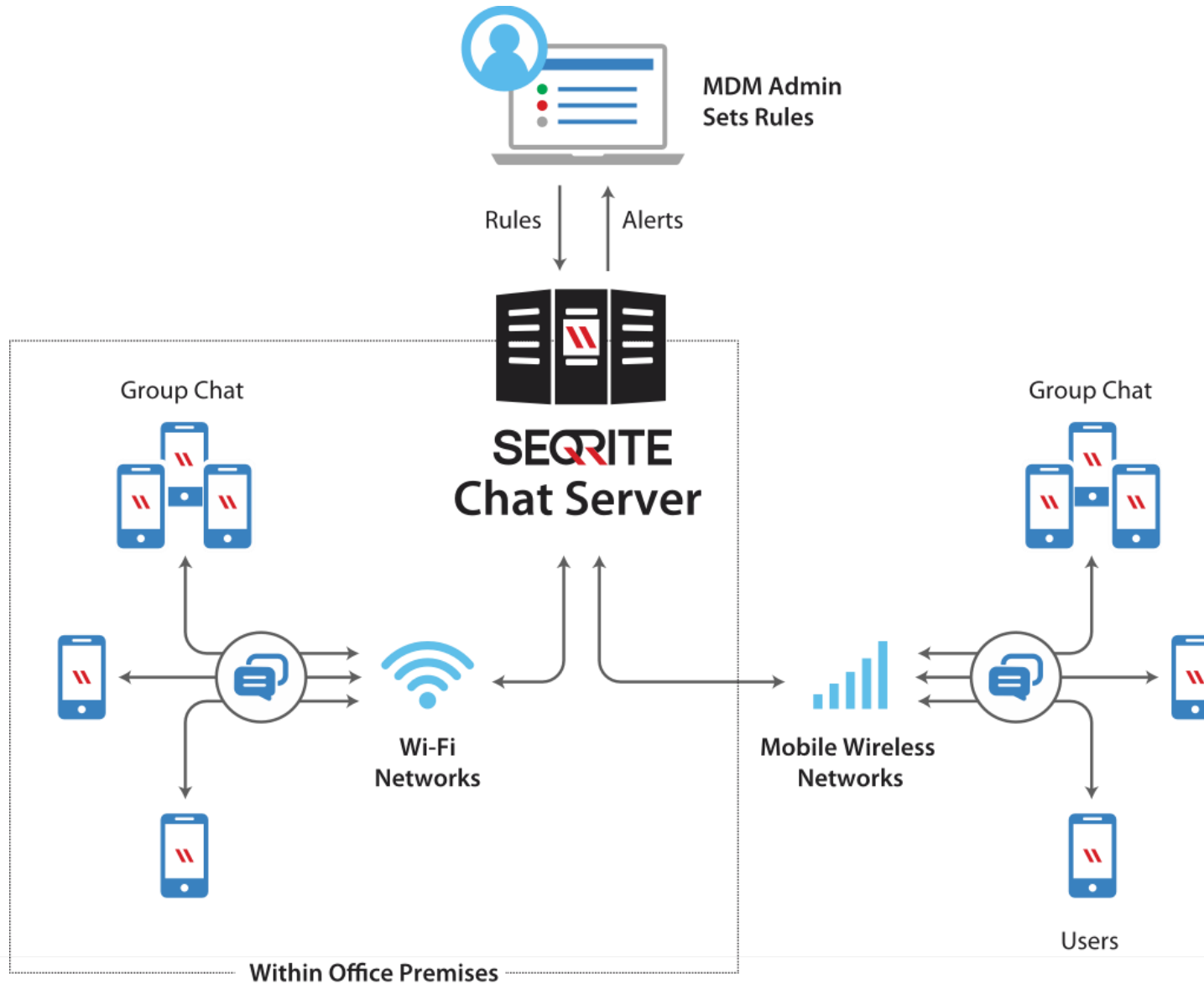
## Features

-  Manage users, devices, groups
-  OTA provisioning of devices
-  Remotely push configuration and policies
-  Application control
-  Anti-theft (ring / lock / locate / trace)
-  Remote wipe






# COMPETITIVE ADVANTAGE

## COMPREHENSIVE PRODUCT PORTFOLIO

# SEQRITE SECURE CHAT



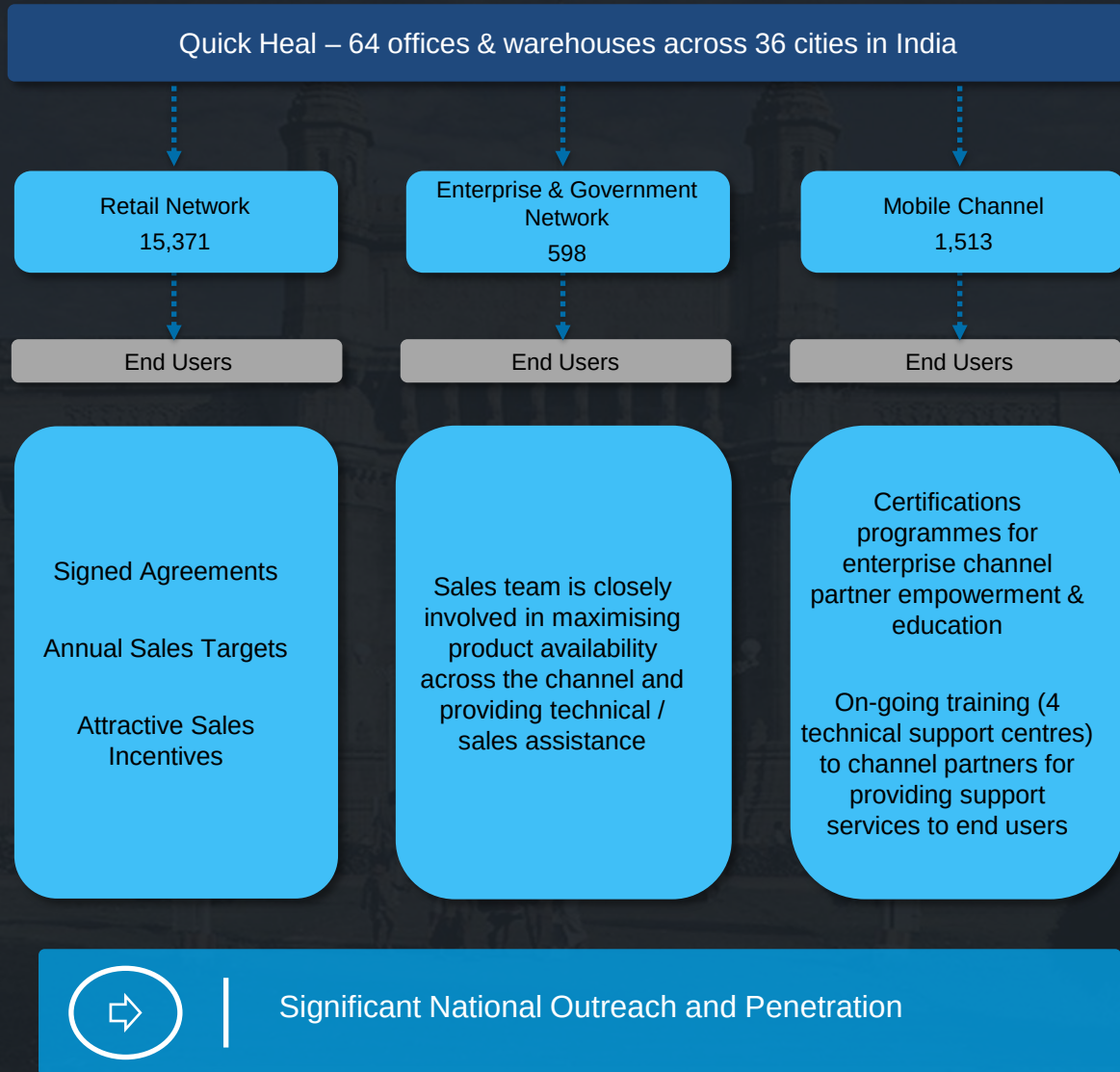
### Features

-  Manage chat groups, policies
-  One-to-One chat
-  Share files (image, audio, video, etc.)
-  Group Chat
-  Evaporated & Private messages



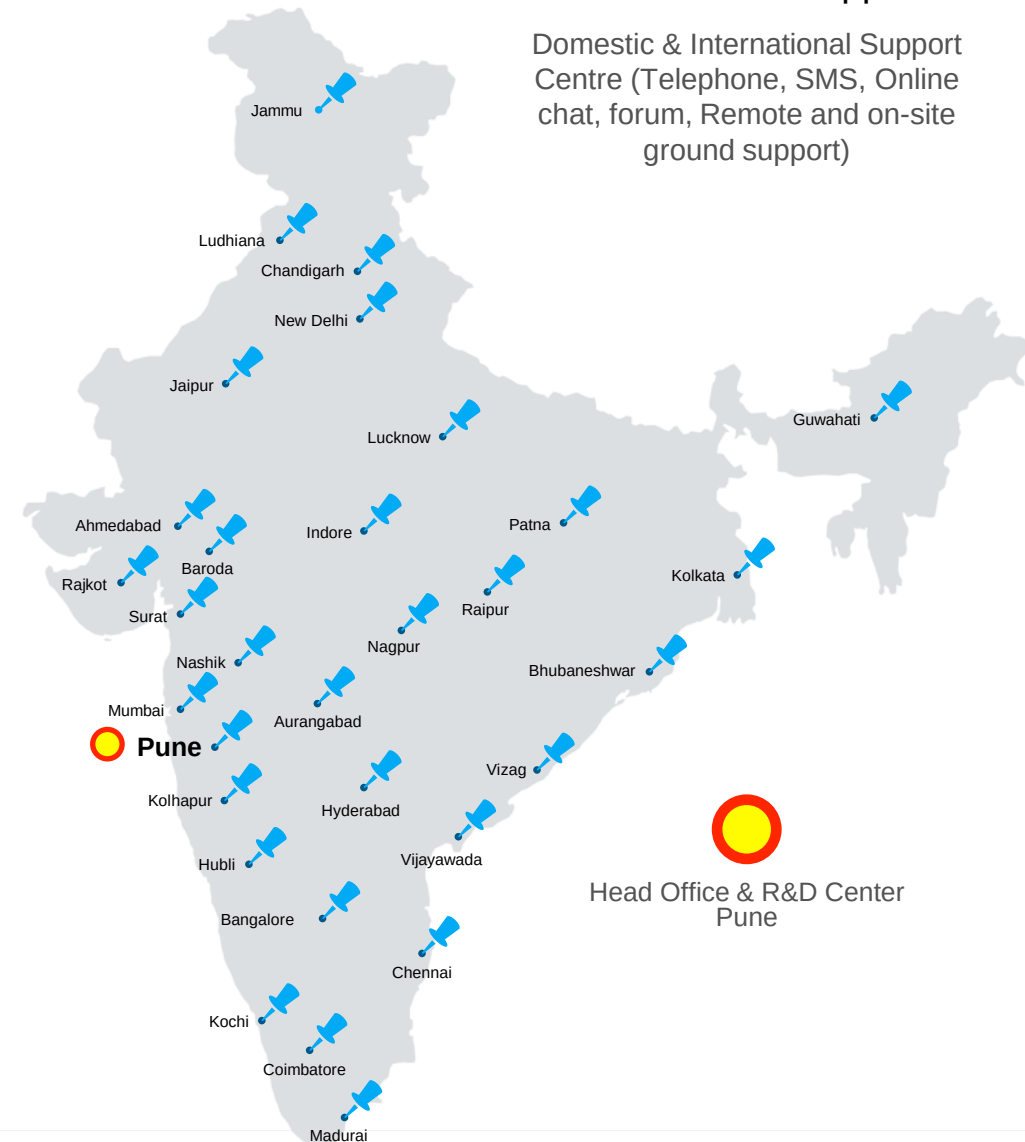
# COMPETITIVE ADVANTAGE

## EXTENSIVE PAN-INDIA DISTRIBUTION NETWORK



### Customer Centric Approach

Domestic & International Support Centre (Telephone, SMS, Online chat, forum, Remote and on-site ground support)



## COMPETITIVE ADVANTAGE SUPERIOR CUSTOMER SUPPORT



**Strong Emphasis on  
Efficient Customer Service**



**Remote Access Support –  
Key Differentiator**



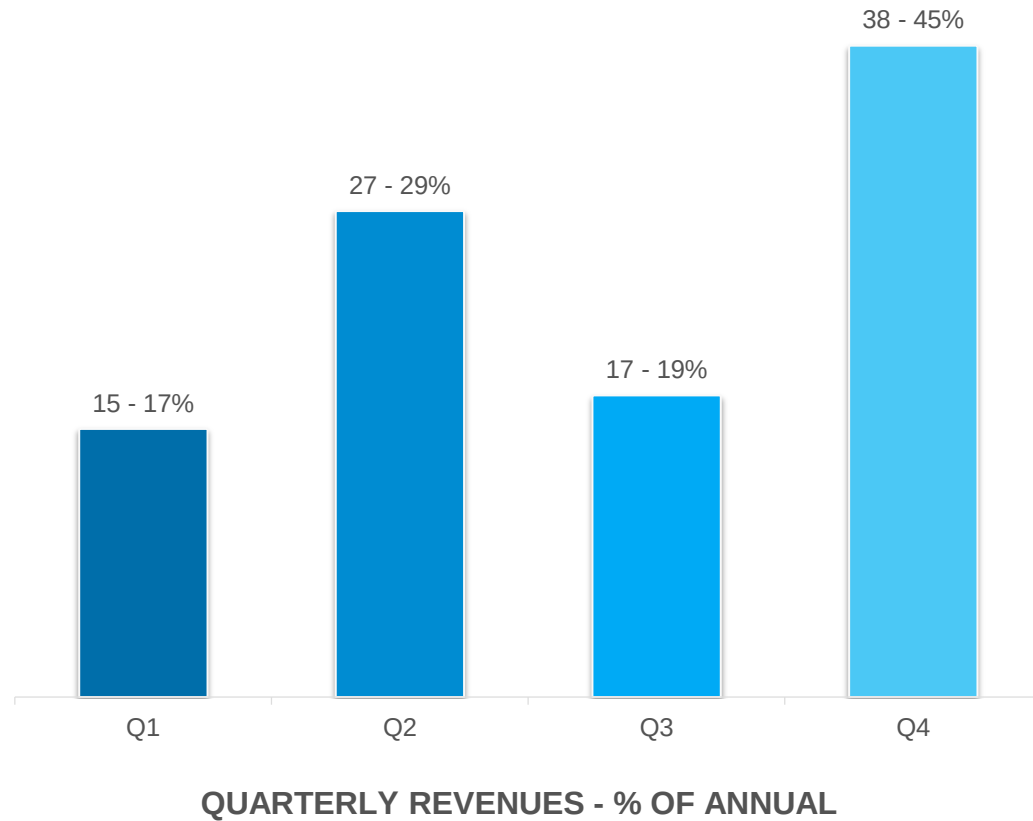
**Maintain High Levels of User  
Satisfaction and Retention**

### **STRONG CUSTOMER SUPPORT – SINGLE LARGEST DIFFERENTIATOR**

- Multi-lingual end user support in English, Hindi and several other major regional Indian languages
- Multi-modal support to users through phone, email, SMS, online chat, support forum and remote access
- Ground support and onsite support for non-home users pan India
- Availability of data sheets, product videos and manuals on website for providing information on technical specifications, installation guide, upgrade mechanisms
- Release of various articles, technical papers, quarterly threat reports and conducting webinars in the area of security software

# BUSINESS MODEL

## SEASONALITY IMPACT ON REVENUES & MARGINS



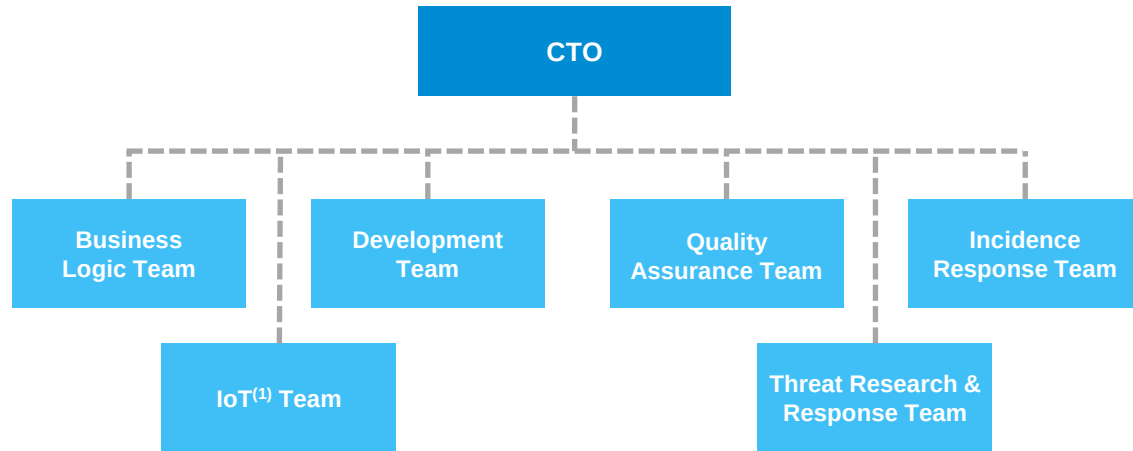
### SEASONALITY IMPACT ON REVENUES & MARGINS:

- Revenues are higher in Q2 and Q4.
- R&D, G&A expenses are spread across all four quarters
- Hence, there is variation in EBITDA margin on quarterly basis

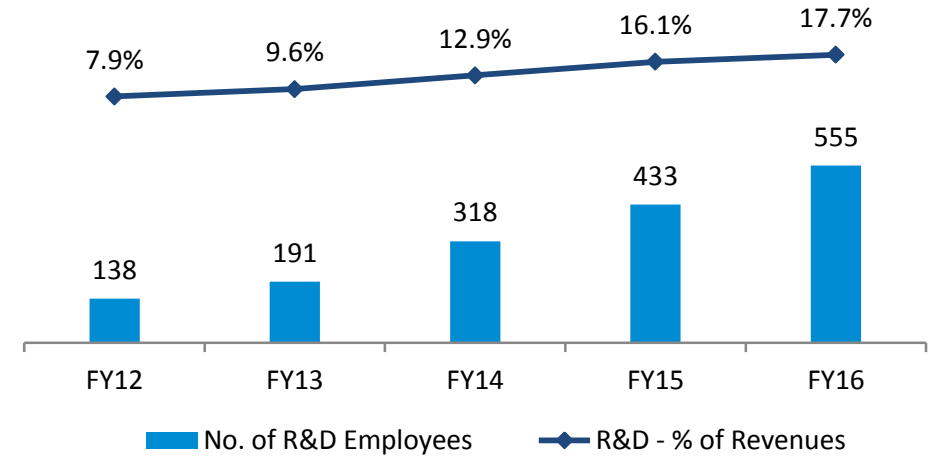
# BUSINESS MODEL

## THRUST ON RESEARCH & DEVELOPMENT

### R&D DEPARTMENT STRUCTURE



### CONTINUOUS FOCUS AND INVESTMENTS IN R&D



### ROBUST R&D FRAMEWORK TO ACTIVELY TRACK AND QUARANTINE NEW VIRUSES

- **Business Logic Team** - helps in building product roadmaps and devising appropriate strategies.
- **Product Development Team** - responsible for the design and development of various products and solutions.
- **Incidence Response Team** – responsible for any emergency situation/incident at any enterprise security infrastructure.
- **Threat Research and Response Team** -takes part in detection of and removal of reported viruses and malwares
- **Internet of Things Security Team** - create products and solutions for home automation security
- **Quality Assurance Team** - provides systematic measurement, standard evaluation and monitoring of processes.

Earmarked Rs 418.8 mn from IPO proceeds to be spent on R&D investments over next 3 years

Indian GAAP Financial Reporting with full expensing of R&D expenses

# STRONG DRIVERS FOR LONG-TERM GROWTH

- Special focus on Tier II and Tier III towns
- Tailored offerings for SMB and enterprise users
- Develop and promote software-as-a-service model

**Retain and Expand User Base**

- Plans to focus on manufacturing, BFSI, healthcare, hospitality industries
- Reach out to SMBs, identify new SMB opportunities, increase engagement with channel partners

**Grow SMB and Enterprise Business**

- Focus on international expansion through consistent brand building and marketing effort including media events and exhibitions
- Exploring opportunities in Africa, Middle East & South East Asia

**International Expansion**

- Develop product for upcoming platforms like Androids, Windows, Linux, iOS to address opportunities in consumer enterprise.
- Monetize opportunities of our free solutions for mobile devices

**Expand Mobile Capabilities**

- Work ongoing on several new technologies such as IoT and home security automation
- Has 4 US patents to its credit. Awaiting 3 Indian patents

**Strengthen R&D Investments and Broaden Product Portfolio**

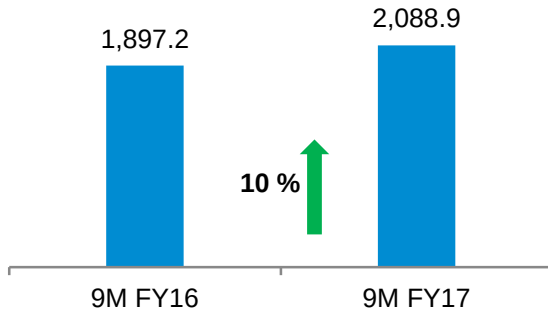


# Q3 & 9M FY17 RESULTS HIGHLIGHTS

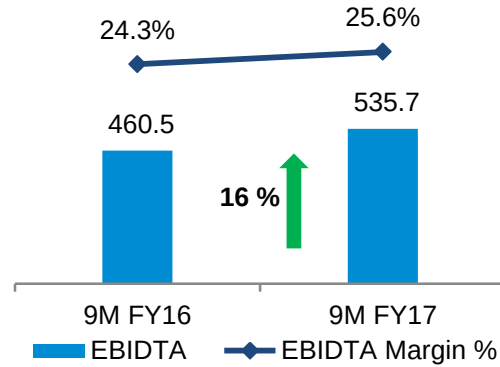
## 9M FY17 YoY ANALYSIS

In Rs. Million

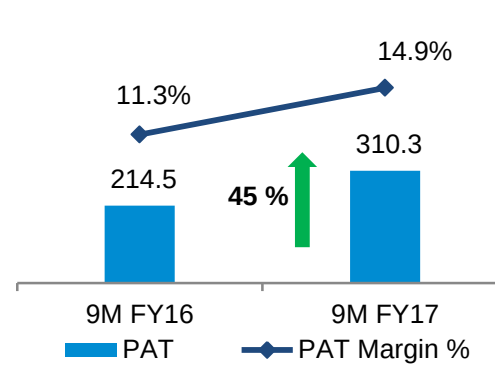
### REVENUES



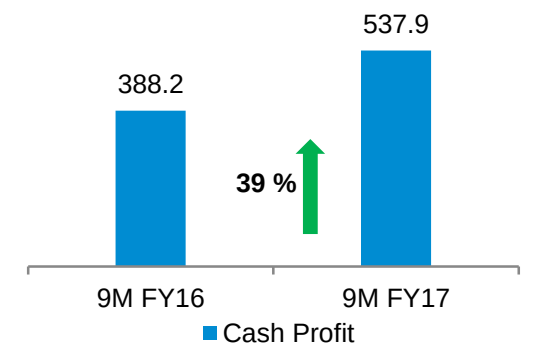
### EBITDA and EBITDA MARGIN



### PAT and PAT MARGIN

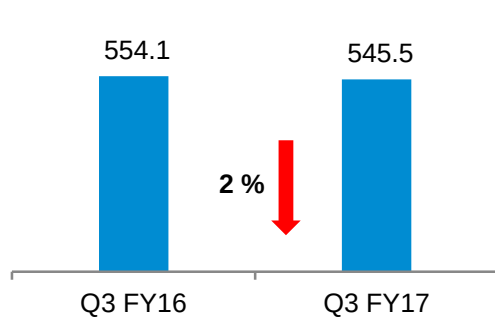


### CASH PROFIT

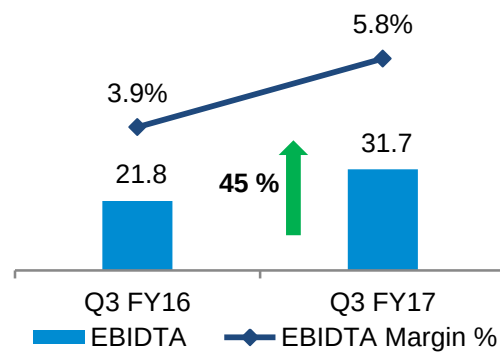


## Q3 FY17 YoY ANALYSIS

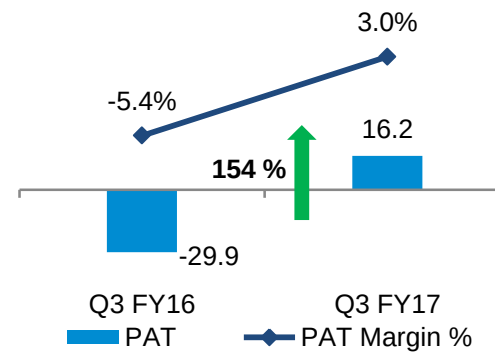
### REVENUES



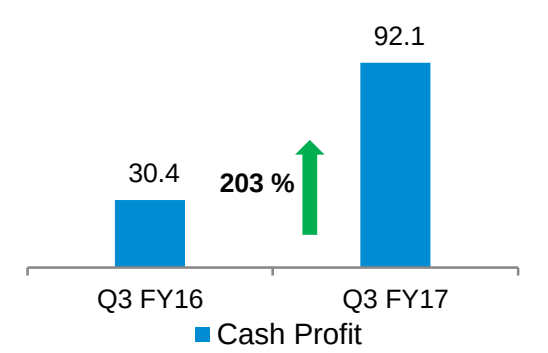
### EBITDA and EBITDA MARGIN



### PAT and PAT MARGIN



### CASH PROFIT



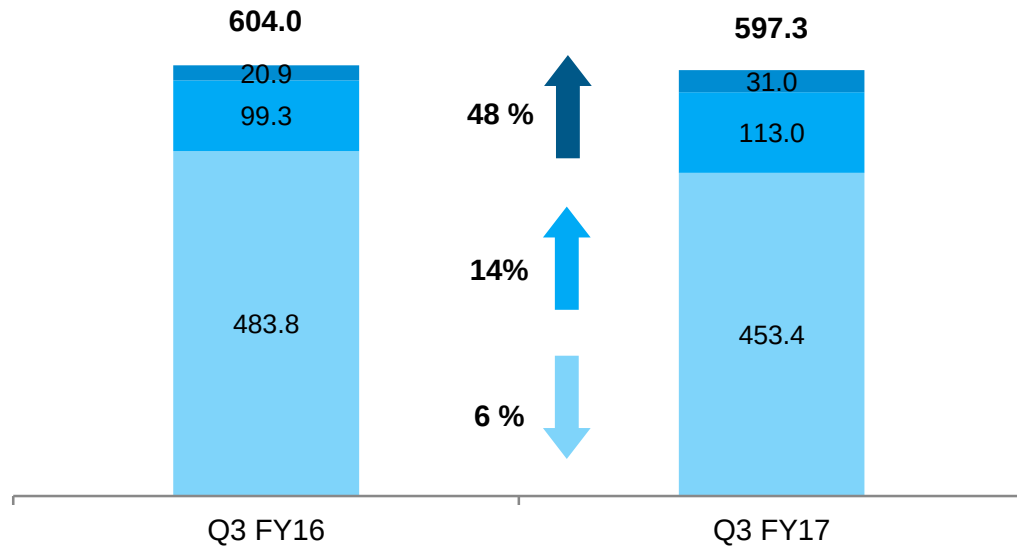
\* Based on IND-AS Accounting Standards

# Q3 & 9M FY17 – REVENUE ANALYSIS

In Rs. Million

## Q3 FY17 YoY ANALYSIS

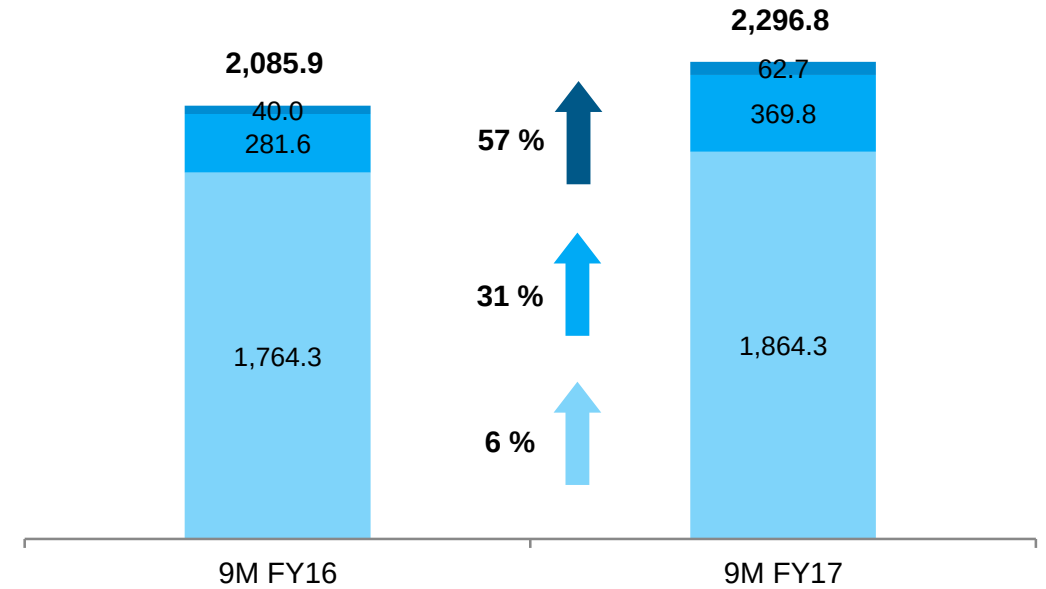
### SEGMENT BREAKUP \*



% Share	Q3 FY16	Q3 FY17
■ Retail	80.1%	75.9%
■ Enterprises & Government	16.4%	18.9%
■ Mobile	3.5%	5.2%

## 9M FY17 YoY ANALYSIS

### SEGMENT BREAKUP \*



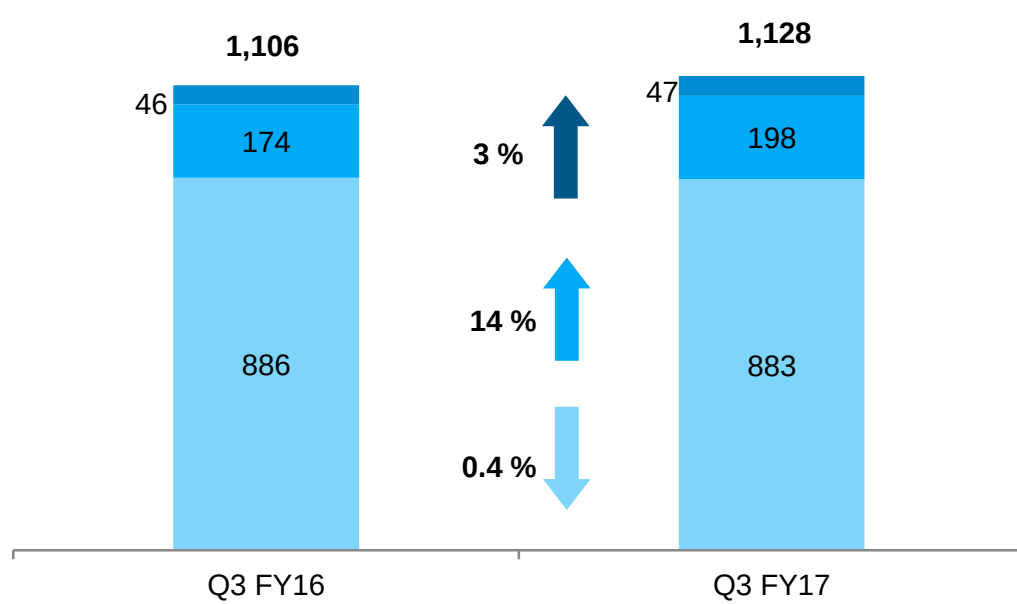
% Share	9M FY16	9M FY17
■ Retail	84.6%	81.2%
■ Enterprises & Government	13.5%	16.1%
■ Mobile	1.9%	2.7%

\* Based on net revenues before adjusting for sales incentives

# Q3 & 9M FY17 – REVENUE ANALYSIS

## Q3 FY17 YoY ANALYSIS

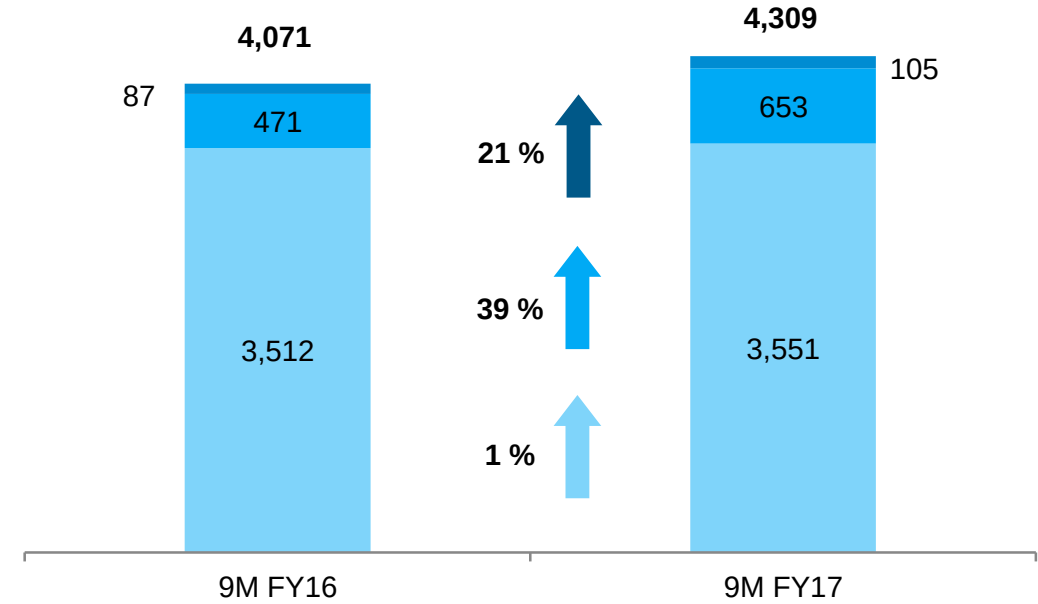
NUMBER OF LICENSES SOLD ('000)



% Share	Q3 FY16	Q3 FY17
Retail	80.1%	78.3%
Enterprises & Government	15.7%	17.6%
Mobile	4.1%	4.2%

## 9M FY17 YoY ANALYSIS

NUMBER OF LICENSES SOLD ('000)

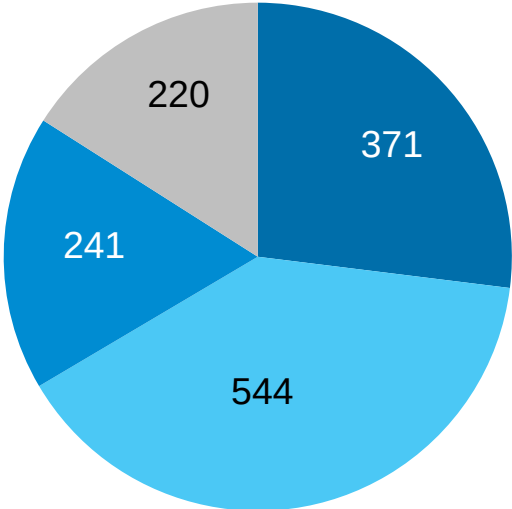


% Share	9M FY16	9M FY17
Retail	86.3%	82.4%
Enterprises & Government	11.6%	15.1%
Mobile	2.1%	2.4%

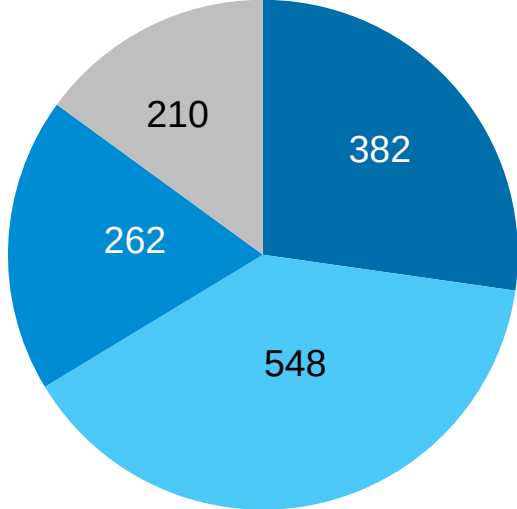
# Q3 & 9M FY17 – EMPLOYEE BREAKUP

- Sales & Marketing
- R&D
- Technical Support
- Others

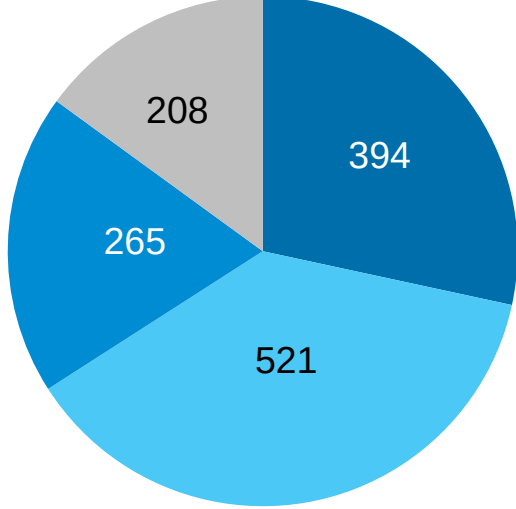
December 2015 – 1,376



September 2016 – 1,402



December 2016 – 1,388



## Q3 & 9M FY17 CONSOLIDATED RESULTS – PROFIT & LOSS

Rs Million

Head	Consolidated							
	Q3 FY17,a	Q3 FY16,a	Growth	% Change	9M FY17,a	9M FY16,a	Growth	% Change
<b>Revenue</b>	<b>545.5</b>	<b>554.1</b>	<b>-8.6</b>	<b>-1.5%</b>	<b>2,088.9</b>	<b>1,897.2</b>	<b>191.7</b>	<b>10.1%</b>
Direct Cost	48.4	66.3	17.8	26.9%	181.3	194.5	13.3	6.8%
<b>Gross profit</b>	<b>497.1</b>	<b>487.9</b>	<b>9.3</b>	<b>1.9%</b>	<b>1,907.7</b>	<b>1,702.7</b>	<b>204.9</b>	<b>12.0%</b>
<b>Gross Margin, %</b>	<b>91.1%</b>	<b>88.0%</b>			<b>91.3%</b>	<b>89.7%</b>		
<b>Operating Costs</b>								
R&D Cost	157.3	147.3	-10.0	-6.8%	479.9	436.0	-43.8	-10.0%
Sales and Marketing (S&M)	165.3	200.1	34.8	17.4%	458.8	477.6	18.8	3.9%
General Administration (G&A)	142.8	118.6	-24.2	-20.4%	433.4	328.6	-104.8	-31.9%
<b>Total</b>	<b>465.4</b>	<b>466.0</b>	<b>0.7</b>	<b>0.1%</b>	<b>1,372.0</b>	<b>1,242.2</b>	<b>-129.8</b>	<b>-10.4%</b>
<b>EBIDTA</b>	<b>31.7</b>	<b>21.8</b>	<b>9.9</b>	<b>45.4%</b>	<b>535.7</b>	<b>460.5</b>	<b>75.1</b>	<b>16.3%</b>
Depreciation / Amortization	75.8	60.3	-15.6	-25.9%	227.6	173.8	-53.8	-30.9%
<b>EBIT</b>	<b>-44.1</b>	<b>-38.4</b>	<b>-5.7</b>	<b>-14.7%</b>	<b>308.1</b>	<b>286.7</b>	<b>21.4</b>	<b>7.4%</b>
Other Income	76.8	12.3	64.5	522.2%	222.3	57.0	165.3	289.9%
Profit Before Tax & Exceptional Item	<b>32.7</b>	<b>-26.1</b>	58.8	225.4%	<b>530.4</b>	<b>343.7</b>	186.6	54.3%
Exceptional Item	0.0	0.0	-	-	37.8	0.0	-37.8	-100.0%
Tax	16.5	3.8	-12.7	-333.5%	182.3	129.3	-53.0	-41.0%
<b>Profit After Tax</b>	<b>16.2</b>	<b>-29.9</b>	<b>46.1</b>	<b>154.3%</b>	<b>310.3</b>	<b>214.5</b>	<b>95.8</b>	<b>44.7%</b>

### Reconciliation between I GAAP and IND-AS

<b>Revenue (Gross)</b>	<b>647.7</b>	<b>653.1</b>	<b>-5.5</b>	<b>-0.8%</b>	<b>2,485.8</b>	<b>2,244.6</b>	<b>241.2</b>	<b>10.7%</b>
Taxes	50.4	49.1	-1.3	-2.6%	189.0	158.7	-30.3	19.1%
<b>Net revenue</b>	<b>597.3</b>	<b>604.0</b>	<b>-6.7</b>	<b>-1.1%</b>	<b>2,296.8</b>	<b>2,085.8</b>	<b>210.9</b>	<b>10.1%</b>
Less Dealer Incentive	51.7	49.9	-1.9	3.7%	207.8	188.6	-19.2	10.2%
<b>Net revenue after Dealer Incentive</b>	<b>545.5</b>	<b>554.1</b>	<b>-8.6</b>	<b>-1.5%</b>	<b>2,088.9</b>	<b>1,897.2</b>	<b>191.7</b>	<b>10.1%</b>

## Q3 & 9M FY17 CONSOLIDATED RESULTS – COST BREAKUP

Rs Million

Head	Consolidated		
	Q3 FY17,a	Q3 FY16,a	Q2 FY17,a
<b>Operating Cost</b>			
Salaries	118.7	109.7	122.4
Fees for technical services	24.9	24.3	25.2
Technology subscription charges	13.6	13.4	16.2
<b>R&amp;D Expenses (A)</b>	<b>157.3</b>	<b>147.3</b>	<b>163.8</b>
Salaries	80.5	55.9	78.8
Advertising Expenses	44.2	92.4	21.5
Sales Promotion	12.6	19.5	7.7
Traveling and conveyance	13.5	12.6	12.5
Technical Support Cost	14.5	19.7	22.7
<b>Selling &amp; Marketing Expenses (B)</b>	<b>165.3</b>	<b>200.1</b>	<b>143.3</b>
Salaries	45.7	31.6	40.2
Other Expenses	97.1	87.0	95.5
<b>G&amp;A (C)</b>	<b>142.8</b>	<b>118.6</b>	<b>135.7</b>
<b>Total Expenditure (A+B+C)</b>	<b>465.4</b>	<b>466.0</b>	<b>442.8</b>



## Q3 & 9M FY17 CONSOLIDATED RESULTS – RATIO ANALYSIS

### Ratio Analysis

Head	Consolidated			
	Q3 FY17,a	Q3 FY16,a	9M FY17,a	9M FY16,a
<b>Expenses</b>				
Direct Cost / Revenue	8.9%	12.0%	8.7%	10.3%
R&D / Revenue	28.8%	26.6%	23.0%	23.0%
S&M / Revenue	30.3%	36.1%	22.0%	25.2%
G&A / Revenue	26.2%	21.4%	20.7%	17.3%
Total Cost / Revenue	85.3%	84.1%	65.7%	65.5%
<b>Margin</b>				
Gross Margin	91.1%	88.0%	91.3%	89.7%
EBIDTA	5.8%	3.9%	25.6%	24.3%
EBIT	-8.1%	-6.9%	14.7%	15.1%
PBT	6.0%	-4.7%	23.6%	18.1%
PAT	3.0%	-5.4%	14.9%	11.3%

# Q3 & 9M FY17 STANDALONE RESULTS – PROFIT & LOSS

Rs Million

Head	Standalone							
	Q3 FY17, a	Q3 FY16, a	Growth	% Change	9M FY17, a	9M FY16, a	Growth	% Change
<b>Revenue</b>	<b>542.8</b>	<b>539.6</b>	<b>3.2</b>	<b>0.6%</b>	<b>2,082.2</b>	<b>1,868.2</b>	<b>214.0</b>	<b>11.5%</b>
Direct Cost	46.0	54.5	8.4	15.5%	171.0	171.2	0.2	0.1%
<b>Gross profit</b>	<b>496.8</b>	<b>485.2</b>	<b>11.6</b>	<b>2.4%</b>	<b>1,911.2</b>	<b>1,697.1</b>	<b>214.2</b>	<b>12.6%</b>
<b>Gross Margin, %</b>	<b>91.5%</b>	<b>89.9%</b>			<b>91.8%</b>	<b>90.8%</b>		
<b>Operating Costs</b>								
R&D Cost	157.3	147.3	-10.0	-6.8%	479.9	436.0	-43.8	-10.0%
Sales and Marketing (S&M)	152.2	188.7	36.5	19.4%	421.5	447.7	26.1	5.8%
General Administration (G&A)	138.4	113.4	-25.0	-22.0%	420.1	316.7	-103.4	-32.6%
<b>Total</b>	<b>447.9</b>	<b>449.4</b>	<b>1.5</b>	<b>0.3%</b>	<b>1,321.5</b>	<b>1,200.5</b>	<b>-121.0</b>	<b>-10.1%</b>
<b>EBIDTA</b>	<b>48.8</b>	<b>35.8</b>	<b>13.1</b>	<b>36.6%</b>	<b>589.7</b>	<b>496.6</b>	<b>93.1</b>	<b>18.8%</b>
Depreciation / Amortization	75.6	60.2	-15.4	25.6%	227.1	173.6	-53.5	-30.8%
<b>EBIT</b>	<b>-26.8</b>	<b>-24.5</b>	<b>-2.3</b>	<b>-9.5%</b>	<b>362.7</b>	<b>323.0</b>	<b>39.7</b>	<b>12.3%</b>
Other Income	75.7	12.8	62.9	492.3%	218.9	56.4	162.5	288.4%
Profit Before Tax & Exceptional Item	<b>48.9</b>	<b>-11.7</b>	60.6	518.8%	<b>581.6</b>	<b>379.3</b>	202.2	53.3%
Exceptional Item	6.3	0.0	-6.3	-100.0%	44.1	0.0	-44.1	-100.0%
Tax	16.4	3.7	-12.7	-339.2%	182.1	129.2	-52.9	-40.9%
<b>Profit After Tax</b>	<b>26.2</b>	<b>-15.4</b>	<b>41.6</b>	<b>269.7%</b>	<b>355.4</b>	<b>250.2</b>	<b>105.2</b>	<b>42.1%</b>

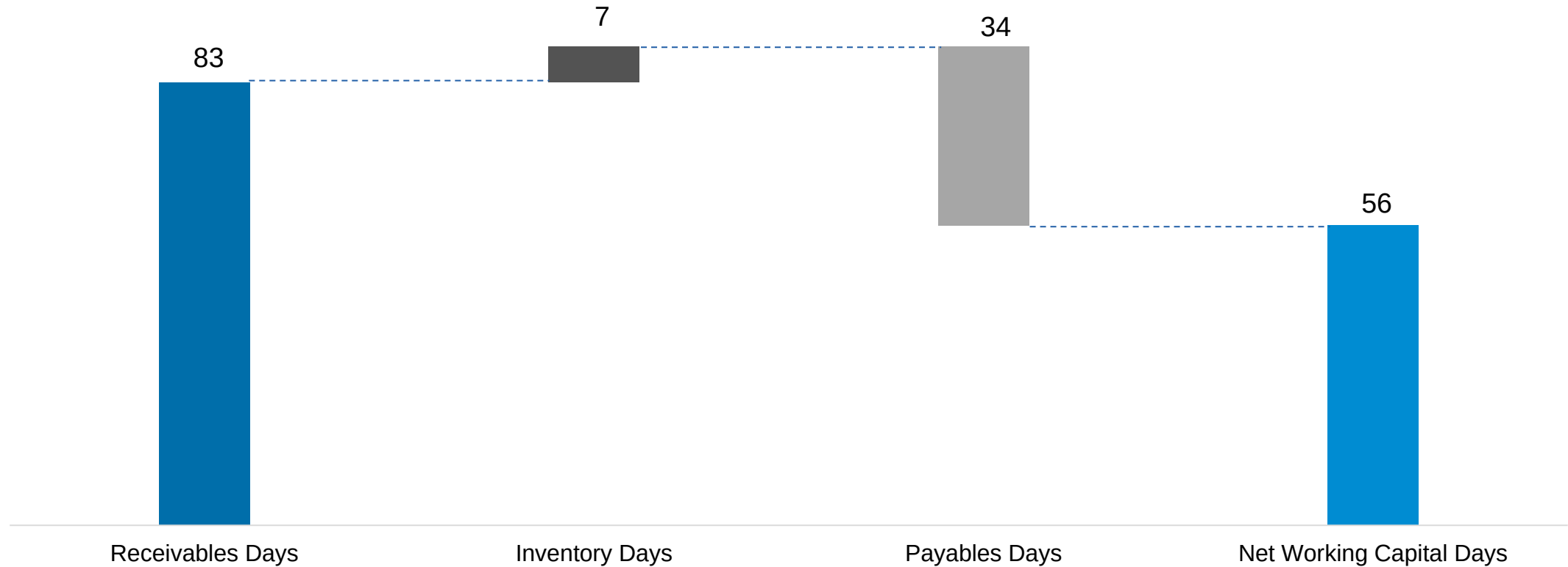
## Q3 & 9M FY17 STANDALONE – RATIO ANALYSIS

### Ratio Analysis

Head	Standalone			
	Q3 FY17, a	Q3 FY16, a	9M FY17, a	9M FY16, a
<b>Expenses</b>				
Direct Cost / Revenue	8.5%	10.1%	8.2%	9.2%
R&D / Revenue	29.0%	27.3%	23.0%	23.3%
S&M / Revenue	28.0%	35.0%	20.2%	24.0%
G&A / Revenue	25.5%	21.0%	20.2%	17.0%
Total Cost / Revenue	82.5%	83.3%	63.5%	64.3%
<b>Margin</b>				
Gross Margin	91.5%	89.9%	91.8%	90.8%
EBIDTA	9.0%	6.6%	28.3%	26.6%
EBIT	-4.9%	-4.5%	17.4%	17.3%
PBT	7.8%	-2.2%	25.8%	20.3%
PAT	4.8%	-2.9%	17.1%	13.4%

# Q3 & 9M FY17 – WORKING CAPITAL ANALYSIS

WORKING CAPITAL ANALYSIS – DECEMBER 2016



Note: Net Working Capital Days = (Net Working Capital / (Second Quarter Sales + Third Quarter Sales))\* 182 days

Calculation is based on net revenues before adjusting for sales incentives

## Q3 & 9M FY17 CONSOLIDATED RESULTS – BALANCE SHEET

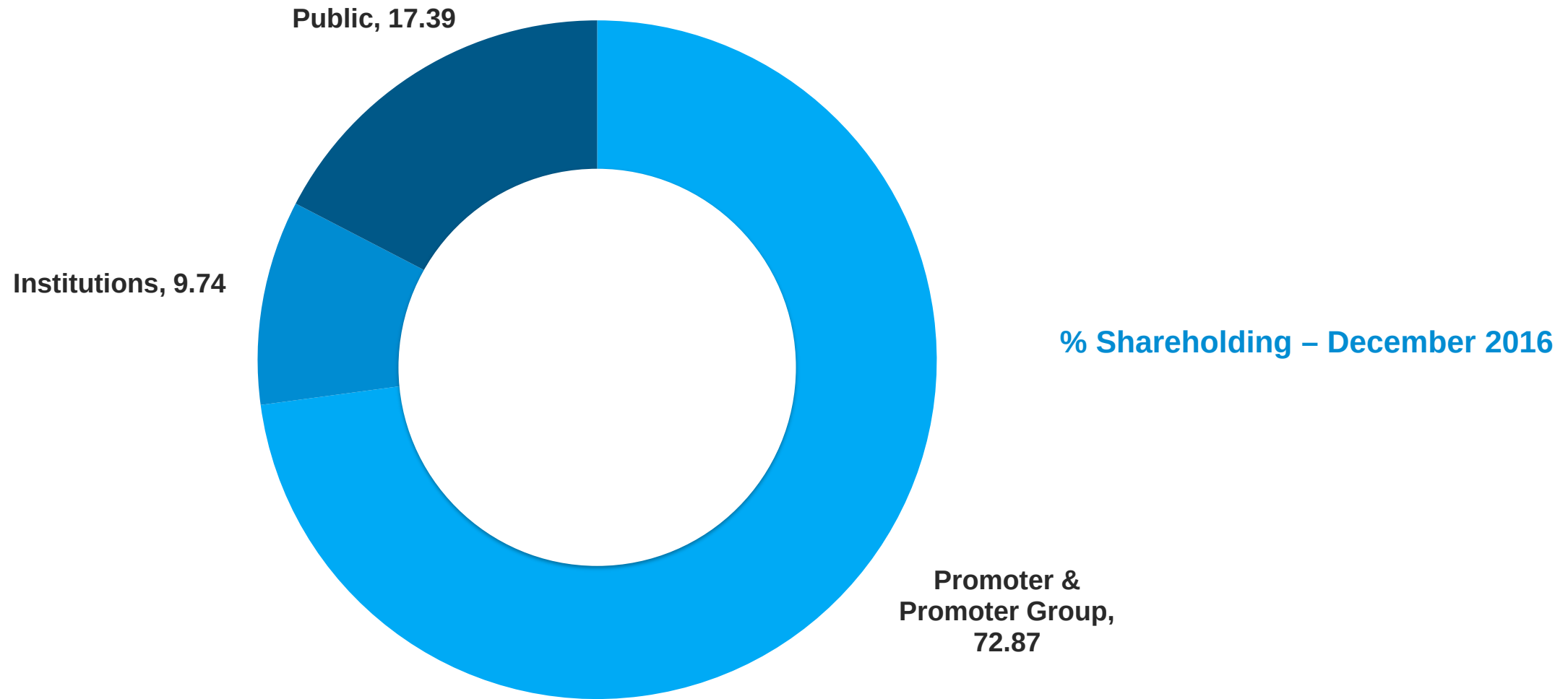
Particulars (In Rs Mn)	Dec-16	Dec-15	Particulars (In Rs Mn)	Dec-16	Dec-15
<b>Share Holders' Funds:</b>			<b>Non-Current Assets:</b>		
Equity Share Capital	700.9	622.4	Property, plant and equipment	1,850.8	1,352.6
Reserves And Surplus	5,693.2	2,973.7	Capital work-in-progress	126.3	528.7
<b>Total Of Shareholder Funds</b>	<b>6,394.1</b>	<b>3,596.1</b>	Other Intangible assets	74.6	98.3
<b>Non-Current Liabilities:</b>			Investments	36.5	33.9
<b>Current Liabilities:</b>			Loans	0.2	0.9
Borrowings	0.0	0.0	Other financial assets	1.3	1.4
Trade and Other Payables	329.9	328.7	Deferred tax assets (net)	83.8	51.2
Other Financial Liabilities	8.1	15.6	Other non-current assets	147.2	181.6
Other Current Liabilities	129.2	104.6	<b>Total Non-Current Assets</b>	<b>2,320.8</b>	<b>2248.7</b>
Provisions	37.1	37.6	<b>Current assets:</b>		
<b>Total Of Current Liabilities</b>	<b>504.3</b>	<b>486.5</b>	Inventories	66.3	65.7
<b>Total Equity &amp; Liabilities</b>	<b>6,898.4</b>	<b>4,082.6</b>	Investments	1,306.1	990.8
			Trade and other receivables	815.8	438.3
			Cash and short-term deposits	2,225.9	167.2
			Loans	9.6	44.8
			Others financial assets	102.4	79.0
			Other current assets	51.5	48.2
			<b>Total Current Assets</b>	<b>4577.6</b>	<b>1,833.9</b>
			<b>Total Assets</b>	<b>6,898.4</b>	<b>4,082.6</b>

## Q3 & 9M FY17 STANDALONE RESULTS – BALANCE SHEET

Particulars (In Rs Mn)	Dec-16	Dec-15
<b>Share Holders' Funds:</b>		
Equity Share Capital	700.9	622.4
Reserves And Surplus	5,847.9	3,067.0
<b>Total Of Shareholder Funds</b>	<b>6,548.8</b>	<b>3,689.5</b>
<b>Non-Current Liabilities:</b>		
<b>Current Liabilities:</b>		
Borrowings	0.0	0.0
Trade and Other Payables	350.2	324.2
Other Financial Liabilities	17.8	15.6
Other Current Liabilities	115.7	103.9
Provisions	37.1	37.6
<b>Total Of Current Liabilities</b>	<b>520.8</b>	<b>481.3</b>
<b>Total Equity &amp; Liabilities</b>	<b>7,069.6</b>	<b>4,170.7</b>

Particulars (In Rs Mn)	Dec-16	Dec-15
<b>Non-Current Assets:</b>		
Property, plant and equipment	1,848.7	1,351.7
Capital work-in-progress	126.2	528.3
Other Intangible assets	74.6	98.3
Non-current financial assets	0.0	0.0
Investments	325.8	155.5
Loans	0.1	4.6
Other financial assets	4.0	1.4
Deferred tax assets (net)	83.8	51.2
Other non-current assets	144.2	177.9
<b>Total Non-Current Assets</b>	<b>2,607.4</b>	<b>2,369.0</b>
<b>Current assets:</b>		
Inventories	59.5	58.4
Investments	1,306.1	990.8
Trade and other receivables	822.1	477.1
Cash and short-term deposits	2,114.5	107.4
Loans	8.6	42.4
Others financial assets	90.8	36.9
Other current assets	60.5	88.8
<b>Total Current Assets</b>	<b>4,462.1</b>	<b>1,801.8</b>
<b>Total Assets</b>	<b>7,069.6</b>	<b>4,170.7</b>

# SHAREHOLDING STRUCTURE



Source – BSE



FOR FURTHER QUERIES



*Security Simplified*

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# ANNEXURE – CASE STUDIES

## AIMIL LIMITED

Nature of Business – Civil Engineering

### CLIENT CHALLENGES

- Ensure uniformity and consistency across multiple company locations / endpoints
- Manage IT systems and policies across multiple company locations / endpoints
- Continuous ongoing support from the IT security provider for real-time problem resolution

### QUICK HEAL SOLUTION

- Seqrite Cloud solution - Seqrite Endpoint Security's roaming platform allows monitoring of all endpoints even when they are out of the local network.
- Dedicated quick Heal manager allocated to address on-demand local and remote support issues

## SARDAR PATEL UNIVERSITY

Nature of Business – Education

### CLIENT CHALLENGES

- Prevent loss of sensitive data
- Provide adequate and efficient support for IT resource management
- Allow multiple policies / rules to be implemented for different student groups

### QUICK HEAL SOLUTION

- Seqrite Endpoint Security - advanced browsing and spam protection solution that blocks viruses before they enter the network
- Provides group policy management feature that allows the university to customise user groups and define individual policies
- Dedicated technical account manager allocated to reduce dependency on external resources and support expenses

# ANNEXURE – CASE STUDIES

## BOMBAY HOSPITAL, INDORE

Nature of Business – Healthcare & Hospitals

### CLIENT CHALLENGES

- Prevent loss of bandwidth due to employees accessing social media sites
- Allow the hospital to implement uniform policies across all systems
- Prevent slowing down and frequent freezing of systems within the hospital network

### QUICK HEAL SOLUTION

- Secrite Endpoint Security - allows the hospital to implement website filtering to block individual sites or category-based sites
- Provides group policy management feature that allows the hospital to define user groups and assign policies
- Allows cleaning up of junk files and deletes invalid registry entries to optimize system speed and avoid unwanted disruptions

## PUBLIC WORKS DEPARTMENT – DEHRADUN

Nature of Business – Government Authority for State Road Network

### CLIENT CHALLENGES

- Prevent loss of bandwidth due to employees accessing unwanted websites
- Allow installation of crucial software without slowing down the network
- Provide adequate technical support and services for addressing issues

### QUICK HEAL SOLUTION

- Secrite Endpoint Security - allows website filtering to restrict access to unwanted websites to preserve network bandwidth
- Includes an application control feature that blocks categories of applications from functioning within the network
- Dedicated technical account manager to resolve technical issues from time to time