FLASH NOTE

Quercus TFI -

Target Price: PLN | Close as of 02/04/2025: PLN 9.82

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1Q25 Results Preview

Quercus TFI is due to publish its 1Q25 results on 17 April. We expect net profit of PLN 8.4m (+31% y/y).

AuM and yield: Average AuM amounted to PLN 6.76bn in the quarter, which is 9% higher on a quarterly basis and +43% y/y. We estimate gross management fee yield reached 1.28% in 1Q25 (vs. 1.3% in 4Q24 and 1.41% a year ago). Average assets in Xelion were approx. 26% higher y/y.

Revenues: As a result of abovementioned factors, we estimate revenues from management fee improved by 39% y/y. We also assume increase in others revenues (Xelion) by 28% y/y. We assume PLN 1.4m of success fee in the quarter.

OPEX: We expect increase in distribution costs by 33% y/y (44% of revenues excl. success fee) and relative stable SG&A costs.

We estimate that as of end of 1Q25 **conditional success fee** was approx. PLN 2.4m.

Summary of Financial Data

P&L	1Q24	2Q24	3Q24	4Q24	1Q25E	q/q	y/y
Revenues	**29.7**	**36.7**	**34.5**	**76.1**	**37.8**	**-50%**	**28%**
Management fee	14.9	17.7	19.1	16.9	20.7	22%	39%
Success fee	2.4	4.1	1.4	23.0	1.4	-94%	-44%
Others	12.3	14.8	13.9	36.2	15.8	-56%	28%
OPEX	**24.7**	**27.9**	**28.6**	**26.0**	**28.0**	**8%**	**13%**
Distribution	12.0	13.9	14.6	14.3	15.9	12%	33%
SG&A	12.8	13.9	14.0	11.7	12.0	3%	-6%
EBIT	**4.9**	**8.8**	**5.8**	**50.1**	**9.8**	**-80%**	**100%**
Net financial income	3.2	3.5	4.5	-25.4	1.2		
Gross profit	**8.1**	**12.3**	**10.3**	**24.7**	**11.0**	**-55%**	**36%**
Tax	1.4	2.5	2.1	4.8	2.1		
Minorities	0.3	0.4	0.2	0.5	0.5		
Net profit	**6.5**	**9.4**	**7.9**	**19.4**	**8.4**	**-57%**	**31%**

Key figures	1Q24	2Q24	3Q24	4Q24	1Q25E	q/q	y/y
Average AuM (PLN m)	4 741	5 308	5 813	6 202	6 764	9%	43%
AuM (eop, PLN m)	5 062	5 570	6 002	6 343	7 085	12%	40%
AuM yield (gross)	1.41%	1.39%	1.34%	1.30%	1.28%	-2%	-10%
Distribution / revenues*	44%	43%	44%	27%	44%		
SG&A/ revenues	43%	38%	41%	15%	32%		
Effective tax rate	16.9%	20.1%	20.8%	19.3%	19.0%		

Source: Erste Group Research. *excl. success fee

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