

FLASH NOTE

Quercus TFI -

Target Price: PLN | Close as of 03/01/2025: PLN 7.80

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4Q24 Results Preview

Quercus TFI is due to publish its 4Q24 results likely in March. We expect net profit of PLN 21.9m (+15% y/y).

AuM and yield: Average AuM amounted to PLN 6.2bn in the quarter, which is 7% higher on a quarterly basis and +52% y/y. We estimate gross management fee yield reached 1.3% in 4Q24 (vs. 1.34% in 3Q24 and 1.43% a year ago). Average assets in Xelion were approx. 6% higher q/q.

Revenues: As a result of the above factors, we estimate management fee revenues to improve by 4% q/q. We also expect other revenues (Xelion) to increase by 3% q/q. We assume a strong performance fee of PLN 24.8m in the quarter, as Q4 brought a further improvement from the PLN 16.3m contingent performance fee reported at the end of Q3.

OPEX: We expect a 2% q/q increase in distribution costs, with a seasonal increase in SG&A as approximately 25% of the performance fee is spent on annual bonuses.

Summary of Financial Data

P&L	4Q23	3Q24	4Q24E	q/q	y/y	2023	2024E	y/y
Revenues	48.6	34.5	59.0	71%	21%	118.5	159.8	35%
Management fee	13.8	19.1	19.8	4%	44%	49.2	71.6	45%
Success fee	21.8	1.4	24.8	1671%	14%	23.8	32.7	37%
Others	13.0	13.9	14.4	3%	11%	45.4	55.4	22%
OPEX	31.1	28.6	34.8	22%	12%	93.7	116.0	24%
Distribution	10.6	14.6	15.0	2%	41%	39.5	55.5	40%
SG&A	20.5	14.0	19.9	42%	-3%	54.2	60.6	12%
EBIT	17.4	5.8	24.2	314%	39%	24.7	43.7	77%
Net financial income	6.4	4.5	3.4			14.6	14.6	0%
Gross profit	23.8	10.3	27.6	167%	16%	39.3	58.3	48%
Tax	4.5	2.1	5.4			7.6	11.4	50%
Minorities	0.3	0.2	0.3			0.8	1.2	61%
Net profit	19.0	7.9	21.9	176%	15%	31.0	45.7	48%
Key figures	4Q23	3Q24	4Q24E	q/q	y/y	2023	2024E	y/y
Average AuM (PLN m)	4 073	5 813	6 202	7%	52%	3 551	5 509	55%
AuM (eop, PLN m)	4 409	6 002	6 343	6%	44%	4 409	6 343	44%
AuM yield (gross)	1.43%	1.34%	1.30%	-3%	-9%	1.47%	1.36%	-7%
Distribution / revenues*	40%	44%	44%			42%	44%	
SG&A / revenues	42%	41%	34%			46%	38%	
Effective tax rate	19.1%	20.8%	19.5%			19.3%	19.5%	

Source: Erste Group Research. *excl. success fee

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