Quercus TFI

(Buy, TP PLN 13.2)

As of September 2nd, 2025

4Q25 net profit 10% above our estimates.

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Quercus TFI released 4Q25 figures with the following highlights:

- **4Q25 net profit** of Quercus TFI came in at PLN 24.1m (24% y/y, 69% q/q) and was 10% above our estimates (PLN 22.0m). Earnings beat was driven by lower than expected costs (-5% vs. our estimates) and slightly better revenues (+1% vs. our expectations), mainly due to better revenues from purchase/redemption orders. Net financial income was slightly below our expectations.
- Total **revenues** in 4Q25 amounted to PLN 69.8m (-8% y/y, 45% q/q) and were 1% above our expectations. Management fee (incl. success fee) increased 22% y/y (64% q/q) and revenues from purchase/redemption orders went up 50% y/y (15% q/q). Share of low margin debt funds in total AUM declined to 72% on average (vs. 73% in 3Q25 and 65% in 4Q24).
- In FY 2025 total **success fee** came in at PLN 39.7m (incl. PLN 1.4m from portfolio instruments), of which PLN 24m was reported in 4Q25 (in line with our expectations and vs. total success fee in FY 2025 at PLN 31m).
- **Total costs** in 4Q25 came in at PLN 41m (56% y/y, 29% q/q) and were 5% below our estimates. Distribution costs went up 44% y/y, staff costs increased 17% y/y and external services costs grew also 17% y/y.
- At the end of 4Q25 **AUM** of Quercus TFI came in at PLN 9,021m (42% y/y, 5% q/q). Y/y growth was driven by rising assets of QRS Obligacji Skarbowych (197% y/y), QRS Dłużny Krótkoterminowy (77% y/y) and QRS Akumulacji Kapitału (23% y/y). Quarterly growth of total assets was driven by rising AUM of QRS Obligacji Skarbowych (12% q/q), QRS Dłużny Krótkoterminowy (5% q/q), QRS Agresywny (19% q/q) and QRS Global Balanecd (19% q/q), while assets of QRS Akumulacji Kapitału declined -4% q/q.
- In 4Q25 **net flows** to Quercus TFI amounted to PLN +106m (and PLN +1,663m in FY 2025) vs. PLN 1,504m in FY 2024 and PLN 693m in FY 2023.

Our view: POSITIVE

4Q25 was a strong finish of the very strong year for Quercus TFI. Net profit came in at PLN 24.1m (24% y/y) and was 10% above our expectations. Earnings beat was driven by lower costs coupled with slightly better revenues mainly due to higher income from purchase/redemption orders. Management fee (including success fee) went up 22% y/y supported by growing AUM (42% y/y) and solid rates of return of QRS's funds. Success fee in FY 2025 came in at PLN 40m vs. PLN 31m in FY 2024 and was largely driven by QRS Global Balanced (PLN 14.4m), QRS Akumulacji Kapitału (PLN 9.3m) and QRS Dłużny Krótkoterminowy (PLN 7.6m). We see the 4Q25 results of Quercus as slightly positive.

Beginning of 2026 is good for Quercus as well with AUM in Feb'26 up 36% y/y and YTD flows at PLN 228m (vs. PLN 366m in Jan-Feb'25). On the other hand, we point at rising bonds yields (on the back of Middle East conflict), that may affect flows, AUM and rates of return of debt-based funds.

Quercus TFI – P&L, PLN mn

	4Q24	1Q25	2Q25	3Q25	4Q25	y/y	q/q	Pekao	vs. Pekao
Revenues	76.1	36.0	50.7	48.2	69.8	-8%	45%	69.0	1%
Total costs	-26.0	-26.0	-35.9	-31.5	-40.6	56%	29%	-42.7	-5%
EBIT	50.1	10.0	14.9	16.7	29.2	-42%	75%	26.3	11%
EBITDA	51.2	11.0	15.9	17.7	30.2	-41%	71%	27.7	9%
Net financial income	-25.4	1.8	1.6	1.7	1.4	-105%	-19%	1.6	-12%
Pre-tax profit	24.7	11.8	16.4	18.4	30.6	24%	66%	27.9	10%
Net profit	**19.4**	**9.1**	**12.8**	**14.2**	**24.1**	24%	69%	**22.0**	10%
AUM eop	6 343	7 085	7 592	8 606	9 021	42%	5%		
AUM average	6 202	6 764	7 315	8 083	8 866	43%	10%		

Source: Company, Pekao Equity Research

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Michał Fidelus	Expert, Analyst	Quercus TFI	0			

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Asset-based models can be used even if a company has a brief record of earnings or its future existence is uncertain. However, it may be challenging to determine market value of some assets, particularly intangibles. Additionally, asset-based models do not take into account future changes in financial results, nor do they include non-balance sheet items, such as know-how.

Valuation models are dependent on macroeconomic factors, such as interest rates, exchange rates, raw materials, and on assumptions about the economy. Furthermore, market sentiment affects the valuation of companies. The valuation is also based on expectations that might change rapidly and without notice, depending on developments specific to individual industries. Our recommendations and target prices derived from the models might therefore change accordingly.

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P/E – „Price/Earnings” is the ratio of the financial instrument price to the net financial result for the issuer of the financial instrument.
P/B – „Price/Book Value” is the ratio of the price of the financial instrument to the issuer’s equity capital.
EPS – „Earnings per Share”, i.e. net profit per share.
BVPS – „Book Value per Share”.
FWD – „Forward” - stands for the ratio (eg. P/E) calculated on the basis of the expected results.
DPS – „Dividend per Share”.
DY – “Dividend Yield”, a ratio calculated as dividends per share divided by the current share price.
EBIT – „Earnings Before Interest and Taxes”.
EBITDA - „Enterprise Value / Earnings Before Interest, Taxes, Depreciation and Amortization”.
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AGM – Annual General Meeting