

Quercus TFI

Close as of 06/04/2022: PLN 3.70

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1Q22E Results Preview

We expect 1Q22 net profit of PLN 3.8m (+22% y/y). We note that due to consolidation of Xelion reported figures may not be fully comparable to previous quarters.

AuM and yield: Average AuM reached PLN 4,234m in the quarter, which is 3% higher on a quarterly basis and +33% y/y. We estimate reported management fee yield will reach 1.39% in 1Q22 (or 1.47% based on gross management fee, which is ca. 24bps lower vs. 4Q21 due to cut in max. management fee in Poland to 2% from 2022).

Revenues: As a result of abovementioned we estimate revenues from management fee amounted to PLN 14.7m. On comparable basis it would be -8% q/q and +28% y/y.

OPEX: We assume distribution costs to reach 11.9m, while other OPEX is expected to reach PLN 12.4m, what includes above-mentioned full consolidation of Xelion.

Xelion should add approx. PLN 0.4m to the bottom line. Given negative performance of most of funds we expect virtually no conditional success fee to be presented in the 1Q22 report.

P&L	1Q21	2Q21	3Q21	4Q21	1Q22E	q/q	y/y
Revenues	13.7	16.0	15.3	38.0	28.9	-24%	111%
Management fee	13.7	15.8	15.0	11.8	14.7	24%	7%
Success fee	0.0	0.2	0.0	18.0	0.0		
Others	0.0	0.0	0.3	8.1	14.2		
OPEX	11.3	12.4	10.1	18.9	24.3	29%	115%
Distribution	6.4	7.7	5.4	4.6	11.9	161%	85%
SG&A	4.9	4.7	4.7	14.3	12.4	-14%	153%
EBIT	1.6	2.8	5.3	19.1	4.6	-76%	188%
Net financial income	2.1	1.5	-0.2	1.6	0.1		
Gross profit	3.7	4.2	5.1	17.5	4.7		
Tax	0.5	0.7	1.0	3.1	0.9		
Net profit	3.1	3.5	4.1	14.4	3.8	-74%	22%
Key figures	1Q21	2Q21	3Q21	4Q21	1Q22E	q/q	y/y
Average AuM (PLN m)	3 190	3 561	3 888	4 108	4 234	3%	33%
AuM (eop, PLN m)	3 448	3 806	3 943	4 438	3 874	-13%	12%
Management fee yield	1.72%	1.78%	1.55%	1.15%	1.39%	21%	-19%
Distribution / revenues	47%	48%	35%	12%	41%		
SG&A / revenues	36%	29%	31%	38%	43%		
Effective tax rate	15.0%	17.0%	19.9%	17.8%	19.0%		

Source: Erste Group Research

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