

M1 Kliniken AG

Germany / Healthcare Facilities & Services
 Frankfurt
 Bloomberg: M12 GR
 ISIN: DE000A0STSQ8

2024 report &
 Q1 KPIs

RATING
PRICE TARGET

Return Potential
 Risk Rating

BUY
€ 28.00

93.1%
 High

GOOD GROWTH ACROSS THE BOARD

Audited 2024 reporting confirmed prelims and showed good results across the board highlighted by a 13% EBIT beat to FBe. The group topline eclipsed €339m for the year (+7% Y/Y) and included €92m in Beauty segment sales (+30%) plus Trade turnover of €247m (+1%). Meanwhile, Q1 KPI's build upon the positive business momentum witnessed last year with group sales up 10% Y/Y to €93m. This was spearheaded by a 4% rise in Beauty segment turnover to €26m spurring a 24% increase in segment EBIT to €7m. The company will again propose a €0.5 dividend to the AGM this summer. M1 brass are calling for more domestic and international expansion in 2025 and confirmed that the business is not exposed to the current geopolitical turmoil. This supports our view that M1's affordable injectables business is built to perform well even when economies struggle, and we remain Buy-rated on M1 with a €28 TP (Upside: 93%).

Good growth across the board Beauty sales rose some 30% on an annualised basis to €92m (FBe: €91m). Segment EBIT of €20.0m came within a whisker of our target (€20.2m) prodding the margin to 22%. M1 no longer breaks out the performances of its German and international clinic networks. But the strong margin performance fits with our assumption that the bigger stable of mature clinics can now better absorb roll-out costs traced to new centres, thereby keeping Beauty margins north of the 20% floor targeted by management. Five new clinics were opened in 2024 bringing the number of beauty centres to 63 across ten countries. Aside from new clinics, M1 is also focused on boosting overall doctor hours—either through new specialists or added shifts—as part of its growth path.

Trade business pulls its earnings weight Segment sales topped €247m and kept pace with the prior year (€246m) KPI. The EBIT result (€6.7m) was encouraging after a weak 2023, when the segment had to absorb unusually high eliminations and barely broke even (€0.3m). M1 management commented in April that they are . . . (p.t.o.)

FINANCIAL HISTORY & PROJECTIONS

	2022	2023	2024	2025E	2026E	2027E
Revenue (€m)	285.3	316.3	339.2	362.4	399.6	437.0
Y/Y growth	-9.3%	10.9%	7.2%	6.8%	10.3%	9.4%
EBIT (€m)	9.3	15.7	26.8	29.2	34.4	39.8
EBIT margin	3.3%	5.0%	7.9%	8.0%	8.6%	9.1%
Net income (€m)	4.3	10.3	16.0	17.8	21.2	24.7
EPS (diluted) (€)	0.22	0.53	0.84	0.94	1.12	1.30
DPS (€)	0.00	0.50	0.50	0.50	0.50	0.50
FCF (€m)	19.7	-1.6	24.9	21.8	26.9	31.2
Net gearing	-20.4%	-11.3%	-8.0%	-12.1%	-18.5%	-25.6%
Liquid assets (€m)	35.1	22.4	21.4	20.5	32.3	48.1

RISKS

Risks include, but are not limited to the ability to retain management and key medical staff, legal and market risks.

COMPANY PROFILE

M1 Kliniken AG is a provider of aesthetic medical procedures at competitive prices. The company is headquartered in Berlin and controls an extensive network of ~60 beauty clinics across Germany, continental Europe, the UK, and Australia. The company also operates a pharmaceutical trade and parallel import business through its Haemato AG subsidiary.

MARKET DATA

As of 18 Jun 2025

Closing Price	€ 14.50
Shares outstanding	19.64m
Market Capitalisation	€ 284.82m
52-week Range	€ 13.25 / 20.20
Avg. Volume (12 Months)	15,798

Multiples	2024	2025E	2026E
P/E	17.2	15.4	13.0
EV/Sales	0.9	0.8	0.8
EV/EBIT	11.3	10.4	8.8
Div. Yield	3.4%	3.4%	3.4%

STOCK OVERVIEW



COMPANY DATA

As of 31 Dec 2024

Liquid Assets	€ 21.40m
Current Assets	€ 83.60m
Intangible Assets	€ 87.50m
Total Assets	€ 187.90m
Current Liabilities	€ 43.80m
Shareholders' Equity	€ 134.20m

SHAREHOLDERS

MPH Healthcare AG	69.1%
Free Float	30.9%



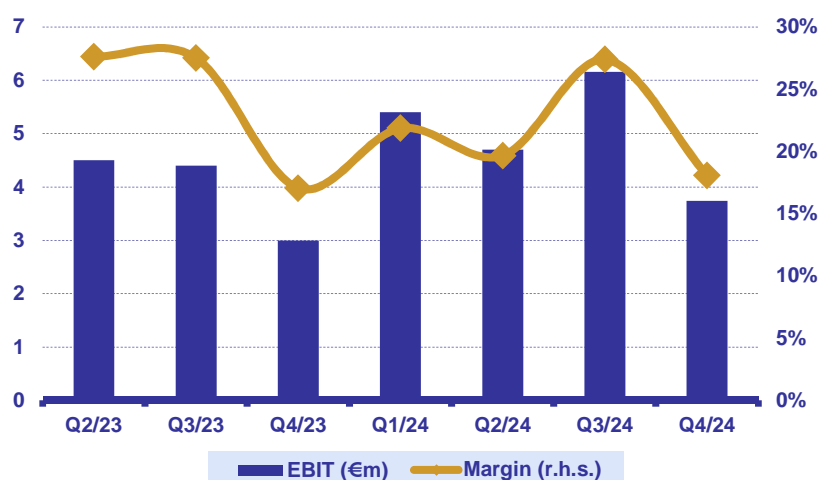
. . . reviewing an offer to purchase the Trade segment, but there has not been a further update. Haemato AG—which is majority-owned by M1 Kliniken—has received a Conditional Binding Offer (CBO) for the acquisition of its trading segment operated by the fully-owned subsidiary, Haemato Pharm GmbH.

Table 1: 2024 results vs FBe and prior year

EURm	Q4/24	Q4/24E	Variance	Q4/23	Variance	2024	2023	Variance
Revenue	82.0	85.5	-4%	79.7	3%	339.2	316.3	7%
Beauty	20.7	19.9	4%	17.6	18%	91.7	70.8	30%
Trade	61.2	65.6	-7%	62.1	-1%	247.4	245.5	1%
EBITDA	n.a.	n.a.	-	4.1	-	32.0	21.0	52%
Margin	-	-	-	5%	-	9%	7%	-
EBIT	4.7	2.8	68%	2.8	68%	26.8	15.7	71%
Beauty	3.7	3.7	1%	3.0	23%	20.0	15.4	30%
Margin	18%	19%	-	17%	-	22%	22%	-
Trade	0.9	-0.9	n.m.	-0.2	n.m.	6.7	0.3	2140%
Margin	2%	-1%	-	0%	-	3%	0%	-

Source: First Berlin Equity Research; M1 Kliniken AG

Figure 1: Beauty segment EBIT developments



Source: First Berlin Equity Research; M1 Kliniken AG

Other 2024 reporting highlights Pre-tax income for the group rose 53% on an annualised basis to €26m. Net income for the year tallied €16m or €0.85 per share topping the prior comps of €10m and €0.53 respectively.

The company will propose a €0.5 dividend to the AGM this summer (16 July 2025), matching the payout restarted last year. The proposed dividend equates to a 59% payout ratio and a 3.4% yield.

Table 1: Financial highlights

in EURm	2024	2023	Variance
Liquid assets	21.4	22.4	-4%
Interest bearing debt	10.7	6.3	70%
Net cash	10.7	16.1	-34%
Intangible assets	87.5	87.4	0%
Total assets	187.9	213.0	-12%
Shareholders' equity	134.2	143.2	-6%
Equity ratio	71%	67%	-

Source: First Berlin Equity Research; M1 Kliniken

Equity ratio climbs 400 basis points The balance sheet total fell 12% to €134m (2023: €213m), due mainly to the share buy-back program. M1 exited the year with a strong net cash position (€11m) that will help finance M1's clinic expansion without having to raise hefty sums of money, which should cheer dilution-sensitive investors.

Table 2: Cash flow development

in EURm	2024	2023	Variance
Operating cash flow	30.5	7.8	291%
Cash flow from investments	-5.7	-9.4	n.a.
Free cash flow	24.8	-1.6	n.a.
Conversion rate ¹	78%	n.a.	-
Cash flow from financing	-30.4	-14.8	n.a.
Consolidation adjustments	4.7	13.0	n.a.
Net cash flow	-0.9	-3.4	n.a.

¹ percent of EBITDA

Source: First Berlin Equity Research; M1 Kliniken

78% EBITDA conversion into FCF Net operating cash flow tallied ~€31m, thanks to the positive net result and good working capital management. Cash flow from investing (€-9m) reflects further investments in the Haemato stake, while the cash flow from financing result (€-15m) was chiefly impacted by the stock repurchase program resulting in a €-14m outflow and the €-9m dividend payout.

Q1/25 KPIS

M1 also published KPIs for the March quarter building upon the good business momentum witnessed last year. Group sales were up 9.5% Y/Y to €93m, and EBIT climbed 29% on the prior year comp to €9m (Q1/24: €7m). The Beauty segment again led the good performance chipping in turnover of €26m (+4% Y/Y) and EBIT of €7m (+24%) equal to a 26% margin. The latter KPI was up 410 basis points on the Q1/24 comp. Management expect the strong trends to continue.

Meanwhile, the Trade segment notched €67m in sales for the three month period and EBIT of €2.1m. The margin improved from 2.3% in the prior year quarter to 3.1%. M1 brass hinted they are weighing strategic options for the Haemato-driven Trade business but there was no further update in the Q1 commentary.



VALUATION MODEL

Maintaining €28 TP December-quarter group sales were within shooting distance of our forecasts. Beauty EBIT matched FBe, but Trade segment earnings overshot our target. We have taken a more conservative approach to Trade topline growth but nudged earnings targets for the segment upwards. Beauty segment targets are unchanged. These adjustments have an impact on our 2025 and 2026 earnings targets, but the uplift vs our prior forecasts fades in 2027. This effect combined with the lower Y/Y net cash result in 2024 points to an unchanged target price of €28.

Table 2: Changes to FBe and TP

	old	new	revision	upside	dividend yield	total return
Price target (€)	28.0	28.0	0.0%	93.1%	3.4%	96.6%
2025E						
All figures in €m	old	new	revision	old	new	revision
Revenue	372	362	-3%	415	400	-4%
Beauty sales	105	105	0%	132	132	0%
Trade sales	267	257	-3%	283	268	-5%
EBITDA	31	35	11%	36	40	11%
Margin (%)	8%	10%	-	9%	10%	-
EBIT	26	29	13%	30	34	13%
Margin (%)	7%	8%	-	7%	9%	-

Source: First Berlin Equity Research; M1 Kliniken AG

We remain Buy-rated on M1 Kliniken Management confirmed their medium-term guide, calling for €200m to €300m in sales for the Beauty business by 2029 (FBe: €213m) while keeping the operating margin north of 20%. Neither the Beauty treatment business nor the associated supply chains are exposed to the tariff tug-of-war, and we think folks will be hard pressed to strike their beauty treatments from their budgets even in a soft German economy.

Table 3: DCF model

in EUR'000	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E
Sales	362,414	399,618	437,005	475,445	511,435	542,543	568,475	591,362
NOPLAT	21,866	25,770	29,828	34,420	39,148	43,964	49,061	54,292
(+) depreciation & amortisation	5,441	5,557	5,921	6,147	6,416	6,492	6,645	6,731
(=) Net operating cash flow	27,307	31,328	35,750	40,567	45,563	50,457	55,706	61,023
(-) Total investments (CapEx and WC)	-11,070	-10,094	-10,507	-10,886	-10,861	-10,326	-9,828	-9,523
(-) Capital expenditures	-5,385	-5,562	-5,993	-6,283	-6,610	-6,727	-6,913	-7,022
(-) Working capital	-5,685	-4,532	-4,514	-4,603	-4,251	-3,598	-2,915	-2,501
(=) Free cash flows (FCF)	16,237	21,234	25,242	29,681	34,703	40,131	45,878	51,500
PV of FCFs	15,446	18,389	19,901	21,303	22,674	23,870	24,843	25,387

All figures in EUR '000		Terminal EBIT margin						
		11.5%	12.0%	12.5%	13.0%	13.5%	14.0%	14.5%
PV of FCFs in explicit period	197,410	6.8%	42.50	44.42	46.34	48.27	50.19	52.11
PV of FCFs in terminal period	332,715	7.8%	34.91	36.38	37.85	39.32	40.79	42.27
Enterprise value (EV)	530,125	8.8%	29.54	30.71	31.87	33.03	34.19	35.36
+ Net cash / - net debt	10,736	9.8%	25.56	26.50	27.44	28.38	29.31	30.25
+ Investments / minority interests	-1,657	10.8%	22.49	23.26	24.03	24.80	25.57	26.34
Shareholder value	539,204	11.8%	20.05	20.69	21.33	21.97	22.61	23.25
Fair value per share in EUR	28.00	12.8%	18.07	18.60	19.14	19.68	20.22	20.76
		Terminal growth rate						
		0.5%	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%
Cost of equity	10.4%	6.8%	39.39	41.84	44.75	48.27	52.58	58.03
Pre-tax cost of debt	7.0%	7.8%	33.40	35.08	37.04	39.32	42.04	45.31
Tax rate	25.0%	8.8%	28.88	30.08	31.46	33.03	34.85	36.99
After-tax cost of debt	5.3%	9.8%	25.35	26.25	27.25	28.38	29.66	31.13
Share of equity capital	90.0%	10.8%	22.54	23.21	23.96	24.80	25.73	26.79
Share of debt capital	10.0%	11.8%	20.24	20.76	21.34	21.97	22.67	23.45
WACC	9.8%	12.8%	18.33	18.74	19.19	19.68	20.22	20.81

*Please note our model runs through 2033 and we have only shown the abbreviated version for formatting purposes



INCOME STATEMENT

in EUR'000	2022	2023	2024	2025E	2026E	2027E
Revenues	285,291	316,319	339,184	362,414	399,618	437,005
Cost of goods sold	-235,211	-266,075	-275,581	-293,556	-321,033	-348,060
Gross profit	50,080	50,244	63,603	68,859	78,585	88,945
Personnel expenses	-20,946	-17,375	-19,895	-21,745	-24,457	-27,280
Other operating expenses	-15,207	-13,533	-12,973	-13,772	-15,489	-17,277
Other operating income	1,483	1,675	1,229	1,254	1,279	1,304
EBITDA	15,410	21,011	31,964	34,596	39,918	45,692
Depreciation & amortisation	-6,062	-5,311	-5,210	-5,441	-5,557	-5,921
Operating income (EBIT)	9,348	15,701	26,754	29,155	34,361	39,771
Net financial result	31	-565	-585	-1,465	-1,514	-1,564
Other financial results	854	1,311	128	133	138	144
Pre-tax income (EBT)	10,233	16,447	26,297	27,823	32,985	38,351
Tax result	-3,162	-4,779	-8,507	-7,990	-9,436	-10,938
Minority interests	-2,753	-1,392	-1,773	-1,983	-2,355	-2,741
Net income / loss	4,318	10,275	16,017	17,849	21,194	24,671
Diluted EPS (in €)	0.22	0.53	0.84	0.94	1.12	1.30
Ratios						
Gross margin	17.6%	15.9%	18.8%	19.0%	19.7%	20.4%
EBITDA margin	5.4%	6.6%	9.4%	9.5%	10.0%	10.5%
EBIT margin	3.3%	5.0%	7.9%	8.0%	8.6%	9.1%
Net margin	1.5%	3.2%	4.7%	4.9%	5.3%	5.6%
Tax rate	23.3%	36.6%	29.2%	28.0%	28.0%	28.0%
Expenses as % of revenues						
Personnel costs	7.3%	5.5%	5.9%	6.0%	6.1%	6.2%
Other operating expenses	5.3%	4.3%	3.8%	3.8%	3.9%	4.0%
Depreciation & amortisation	2.1%	1.7%	1.5%	1.5%	1.4%	1.4%
Y-Y Growth						
Revenues	-9.3%	10.9%	7.2%	6.8%	10.3%	9.4%
Operating income	-23.0%	68.0%	70.4%	9.0%	17.9%	15.7%
Net income/ loss	-51.5%	138.0%	55.9%	11.4%	18.7%	16.4%



BALANCE SHEET

in EUR'000	2022	2023	2024	2025E	2026E	2027E
Assets						
Current assets, total	107,309	110,590	83,556	95,737	114,222	136,697
Cash and cash equivalents	35,149	22,383	21,436	20,525	32,321	48,146
Short-term investments	17,102	4,103	3,106	3,199	3,295	3,394
Receivables	21,773	28,021	16,413	25,816	28,466	31,129
Inventories	27,586	45,526	36,792	40,213	43,977	47,679
Other current assets	5,699	10,557	5,809	5,984	6,163	6,348
Non-current assets, total	89,716	102,364	104,318	104,262	104,267	104,339
Property, plant & equipment	17,178	13,794	12,912	13,030	13,148	13,276
Goodwill & other intangibles	60,270	87,362	87,466	87,292	87,177	87,122
Financial assets	12,003	939	3,626	3,626	3,626	3,626
Other assets	265	270	315	315	315	315
Total assets	197,025	212,955	187,875	199,999	218,489	241,036
Shareholders' equity & debt						
Current liabilities, total	37,466	58,249	43,755	45,202	49,294	53,576
Short-term debt	2,842	4,375	10,701	3,000	3,000	3,000
Accounts payable	19,222	33,256	12,968	20,107	21,989	23,840
Accruals	3,977	7,269	8,470	9,316	10,248	11,273
Other current liabilities	11,425	13,349	11,617	12,779	14,057	15,463
Long-term liabilities, total	16,508	11,481	9,900	10,247	10,597	10,949
Long-term debt	3,125	1,875	0	0	0	0
Other liabilities	3,059	1,782	2,616	2,817	3,018	3,220
Shareholders' equity	95,520	113,250	106,101	114,449	126,142	141,312
Minority interests	47,531	29,975	28,119	30,102	32,457	35,198
Total equity	143,052	143,224	134,220	144,551	158,599	176,510
Total consolidated equity and debt	197,025	212,955	187,875	199,999	218,489	241,036
Ratios						
Current ratio (x)	2.1	2.5	2.9	1.9	1.9	2.1
Quick ratio (x)	1.4	1.7	2.1	1.1	1.1	1.2
Net debt/(net cash)	8,603	-15,061	-29,182	-16,133	-10,736	-17,525
Net debt / EBITDA	-1.9	-0.8	-0.3	-0.5	-0.7	-1.0
Net gearing	9.0%	-13.3%	-27.5%	-14.1%	-8.5%	-12.4%
Equity ratio	72.6%	67.3%	71.4%	72.3%	72.6%	73.2%
Book value per share (in €)	4.9	5.8	5.4	5.8	6.4	7.2
Return on equity (ROE)	4.5%	9.1%	15.1%	15.6%	16.8%	17.5%



CASH FLOW STATEMENT

in EUR'000	2022	2023	2024	2025E	2026E	2027E
Net income	7,071	11,668	17,790	19,832	23,549	27,413
Depreciation and amortisation	5,862	5,311	5,158	5,441	5,557	5,921
Tax expense	3,163	4,779	8,507	7,990	9,436	10,938
Other adjustments	-729	-1,347	-117	-133	-138	-144
Net interest result	199	629	3,250	1,465	1,514	1,564
Operating cash flow	15,566	21,039	34,588	34,596	39,918	45,692
Changes in working capital	7,585	-8,851	2,343	-3,797	-2,448	-2,214
Tax paid	-2,164	-4,381	-5,905	-7,790	-9,236	-10,738
Net operating cash flow	20,769	7,809	30,546	23,008	28,234	32,740
CapEx	-1,773	-1,009	-996	-1,812	-1,998	-2,185
Other investments and disposals	28	-9,048	-5,534	133	138	144
Interest income	630	694	861	500	490	480
Cash flow from investing	-1,115	-9,363	-5,668	-1,179	-1,370	-1,561
Free cash flow	19,654	-1,554	24,878	21,829	26,865	31,179
Debt financing, net	-13,405	-28,372	-1,875	-7,701	0	0
Equity financing, net	0	0	0	0	0	0
Paid dividend	-1,823	-1,981	-9,310	-9,501	-9,501	-9,501
Interest expense	-399	-888	-1,529	-1,965	-2,004	-2,045
Share buy-back	-2,146	7,577	-13,587	0	0	0
Rights of use	-4,594	-4,157	-4,142	-3,573	-3,564	-3,808
Cash flow from financing	-22,367	-27,821	-30,443	-22,740	-15,069	-15,354
Consolidation adjustments	0	16,536	4,716	0	0	0
Net cash flow	-2,719	-12,766	-947	-911	11,795	15,825
Cash, start of the year	37,868	35,149	22,383	21,436	20,525	32,321
Cash, end of the year	35,149	22,383	21,436	20,525	32,321	48,146
EBITDA/share (in €)	0.78	1.09	1.68	1.82	2.10	2.40
Y-Y Growth						
Operating cash flow	-19.6%	35.2%	64.4%	0.0%	15.4%	14.5%
Free cash flow	23.6%	n.m.	n.m.	-12.3%	23.1%	16.1%
EBITDA/share	-13.5%	38.3%	55.0%	8.2%	15.4%	14.5%

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INFORMATION PURSUANT TO SECTION 64 OF THE GERMAN SECURITIES TRADING ACT [WPHG], DIRECTIVE 2014/65/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 15 MAY 2014 ON MARKETS IN FINANCIAL INSTRUMENTS AND AMENDING DIRECTIVE 2002/92/EC AND DIRECTIVE 2011/61/EU, ACCOMPANIED BY THE MARKETS IN FINANCIAL INSTRUMENTS REGULATION (MIFIR, REG. EU NO. 600/2014).

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PRICE TARGET DATES

Unless otherwise indicated, current prices refer to the closing prices of the previous trading day.

AGREEMENT WITH THE ANALYSED COMPANY AND MAINTENANCE OF OBJECTIVITY

The present financial analysis is based on the author's own knowledge and research. The author prepared this study without any direct or indirect influence exerted on the part of the analysed company. Parts of the financial analysis were possibly provided to the analysed company prior to publication in order to avoid inaccuracies in the representation of facts. However, no substantial changes were made at the request of the analysed company following any such provision.

ASSET VALUATION SYSTEM

First Berlin's system for asset valuation is divided into an asset recommendation and a risk assessment.

ASSET RECOMMENDATION

The recommendations determined in accordance with the share price trend anticipated by First Berlin in the respectively indicated investment period are as follows:

Category		1	2
Current market capitalisation (in €)		0 - 2 billion	> 2 billion
Strong Buy ¹	An expected favourable price trend of:	> 50%	> 30%
Buy	An expected favourable price trend of:	> 25%	> 15%
Add	An expected favourable price trend of:	0% to 25%	0% to 15%
Reduce	An expected negative price trend of:	0% to -15%	0% to -10%
Sell	An expected negative price trend of:	< -15%	< -10%

¹ The expected price trend is in combination with sizable confidence in the quality and forecast security of management.

Our recommendation system places each company into one of two market capitalisation categories. Category 1 companies have a market capitalisation of €0 – €2 billion, and Category 2 companies have a market capitalisation of > €2 billion. The expected return thresholds underlying our recommendation system are lower for Category 2 companies than for Category 1 companies. This reflects the generally lower level of risk associated with higher market capitalisation companies.

RISK ASSESSMENT

The First Berlin categories for risk assessment are low, average, high and speculative. They are determined by ten factors: Corporate governance, quality of earnings, management strength, balance sheet and financial risk, competitive position, standard of financial disclosure, regulatory and political uncertainty, strength of brandname, market capitalisation and free float. These risk factors are incorporated into the First Berlin valuation models and are thus included in the target prices. First Berlin customers may request the models.

RECOMMENDATION & PRICE TARGET HISTORY

Report No.:	Date of publication	Previous day closing price	Recommendation	Price target
Initial Report	2 December 2021	€6.98	Buy	€14.00
2...8	↓	↓	↓	↓
9	26 June 2023	€7.28	Buy	€10.50
10	28 September 2023	€9.16	Buy	€11.90
11	20 December 2023	€10.10	Buy	€13.20
12	26 March 2024	€12.70	Buy	€18.00
13	4 June 2024	€21.40	Buy	€18.00
14	6 June 2024	€21.80	Buy	€28.00
15	6 September 2024	€16.45	Buy	€28.00
16	17 December 2024	€16.35	Buy	€28.00
17	Today	€14.50	Buy	€28.00

INVESTMENT HORIZON

Unless otherwise stated in the financial analysis, the ratings refer to an investment period of twelve months.

UPDATES

At the time of publication of this financial analysis it is not certain whether, when and on what occasion an update will be provided. In general First Berlin strives to review the financial analysis for its topicality and, if required, to update it in a very timely manner in connection with the reporting obligations of the analysed company or on the occasion of ad hoc notifications.

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Legally required information regarding

- key sources of information in the preparation of this research report
- valuation methods and principles
- sensitivity of valuation parameters

can be accessed through the following internet link: <https://firstberlin.com/disclaimer-english-link/>

SUPERVISORY AUTHORITY: Bundesanstalt für Finanzdienstleistungsaufsicht (German Federal Financial Supervisory Authority) [BaFin], Graurheindorferstraße 108, 53117 Bonn and Marie-Curie-Straße 24-28, 60439 Frankfurt am Main

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