

Interim Report

**Q3**  
**2021**



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## Falck improved Q3 results

**Falck reported an increase in revenue and EBITA in Q3 2021.**

President and CEO Jakob Riis said: *“Once again our quarterly results were boosted by testing activities in Denmark, but with considerably less impact than seen in the second quarter. In the underlying business, we see activity levels coming back. With increased activity levels, start of new contracts and the launch of new services, Falck is well positioned for future growth.”*

Widespread antigen testing has been a cornerstone of the Danish government’s COVID-19 strategy and instrumental in the fast reopening of society. Testing activities added DKK 630 million to revenue and DKK 173

million to EBITA in Q3.

In the underlying business, i.e. excluding testing activities, revenue was flat and EBITA declined by 28% compared to Q3 2020, driven by higher costs following the increased activity levels and contract start-ups.

In the *Emergency Response* business, which includes Ambulance and Fire Services, results were positively impacted by an increase in the number of ambulance trips, but were still lower than last year due to staff shortages, start-up costs in relation to new contracts and the partial exit from the Central Region in Denmark. Falck won significant ambulance contracts in Denmark and Sweden as well as a large fire services contract with Airbus in France, Germany and the UK.

In the *Direct Healthcare* business, which includes Employee Healthcare, Assistance and Community Healthcare, revenue increased as societies reopened, supported by strong commercial efforts. However, this also led to an increase in the cost of services compared to Q3 2020, when clinics were in lockdown and activity levels were low. The number of subscribers increased, following the launch of new healthcare service offerings.

In the *Portfolio* business, which includes Falck's non-core businesses, ActivCare in Denmark was divested and the discontinuation of businesses had a favourable effect on EBITA.

### **Financial highlights of Q3 2021 (compared to Q3 2020):**

- **Revenue** in the Falck Group increased to DKK 3,403 million (DKK 2,923 million), mainly driven by antigen testing activities. Excluding these, revenue was DKK 2,773 million.
- **Operating profit** before special items, etc., (EBITA) increased to DKK 312 million (DKK 193 million). The EBITA margin increased to 9.2% (6.6%). Excluding antigen testing activities, EBITA was DKK 139 million and the EBITA margin was 5.0%.
- **Profit for the period** amounted to DKK 103 million (DKK 106 million).
- **Free cash flow** after tax was DKK 338 million (DKK 91 million).

DKK million (Falck total)	<b>Q3 2021</b>	Q3 2020	<b>Q1-Q3 2021</b>	Q1-Q3 2020	2020
Revenue	<b>3,403</b>	2,923	<b>11,493</b>	9,198	12,348
EBITA	<b>312</b>	193	<b>1,559</b>	424	675
EBITA margin (%)	<b>9.2</b>	6.6	<b>13.6</b>	4.6	5.5

In the third quarter, Falck completed the refinancing of its long-term funding facilities with a syndicate of five banks. The facilities give Falck the flexibility to pursue its strategic objectives and reflect the financial partners' continued trust in the business. The terms of the facilities are linked to Falck's sustainability KPIs, thus underlining the company's long-term sustainability commitment.

Jakob Riis: *"With a solid financial foundation in place, we are confidently entering a period when COVID-19-related activities have come to an end and Falck's core business is the key driver of growth and earnings across our markets."*

## Financial outlook for 2021

Full-year financial outlook was revised in connection with the Q2 interim report announced on 13 July 2021. Since then, the number of antigen tests per day has gradually declined, and the expected EBITA from testing activities for the rest of the year is immaterial. Based on this, Falck now expects a full-year revenue in the range of DKK 14.3-14.5 billion (previously DKK 14.0-14.5 billion), and an EBITA for the full year of DKK 1.6-1.7 billion (previously DKK 1.5-1.6 billion).

*Falck's Q3 2021 report is available at [www.falck.com](http://www.falck.com).*

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## About Falck

For more than a century, Falck has worked with local and national governments to prevent accidents, diseases and emergency situations, to rescue and assist people in emergencies quickly and competently and to rehabilitate people after illness or injury. This has made Falck an

international leader in emergency response and healthcare services.

Falck operates in 30 countries and has approximately 27,000 employees.

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## Contacts



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