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Falck delivered solid Q1 results

Revenue in Falck increased 2.3% and operating profit improved.

President and CEO Jakob Riis said: *“Falck delivered a strong result in Q1. Increased activity levels in combination with lower costs provide a solid foundation for the further development of Falck. COVID-19 testing in Denmark has been a big and demanding task which has been essential for a faster reopening of the Danish society. The test activities contributed approx. one third of the operating profit for the quarter.”*

The *Emergency Response* business, which includes Ambulance and Fire Services, reported a 25% increase in revenue compared to Q1 2020, mainly

due to COVID-19 testing activities. Higher activity levels in Sweden and a new ambulance contract start-up in Germany also contributed positively to revenue, whereas revenue in Spain and the US were negatively impacted by lower activity levels.

In the *Direct Healthcare* business, which includes Employee Healthcare, Assistance and Community Healthcare, there was a rebalancing of the subscription portfolio from roadside assistance towards patient transportation and healthcare services as well as increased interest in online solutions.

In the *Portfolio* business, which includes Falck's non-core businesses, a number of less profitable contracts and entities were discontinued or divested.

Operating profit in Falck's core business (excl. Portfolio) increased significantly compared to Q1 2020.

Financial highlights in Q1 2021 (compared to Q1 2020):

- **Revenue** in Falck's core business (excl. Portfolio) increased by 12.6% to DKK 2,894 million (DKK 2,571 million). For the total Falck Group, revenue was DKK 3,404 million (DKK 3,327 million).
- **Operating profit** before special items (EBITA) in Falck's core business increased to DKK 336 million (DKK 141 million). The EBITA margin increased to 11.6% (5.5%). For the total Falck Group, EBITA increased to DKK 339 million (DKK 109 million) and the EBITA margin to 10.0% (3.3%).
- **Profit for the period** (total Falck Group) improved to DKK 273 million (DKK 29 million).
- **Free cash flow** was DKK 450 million (DKK 527 million), negatively impacted by payment of postponed taxes.
- **Net interest-bearing debt** was reduced by DKK 485 million to DKK 2,120 million.

DKK million (Falck total)	Q1 2021	Q1 2020	2020
Revenue	3,404	3,327	12,348

EBITA	339	109	675
EBITA margin (%)	10.0	3.3	5.5

COVID-19 testing

In Q1, Falck continued offering COVID-19 antigen testing to companies and institutions in Denmark as well as to private individuals as part of the Danish government's test strategy. Falck lost the public tender for testing from 1 February but was re-awarded the contract in three of the five Danish regions. During the period, the setup has been extended, and by the end of Q1 Falck had established 186 test centres, more than 200 mobile test units, hired an additional 2,000 employees and performed over 2 million tests.

Jakob Riis: "Setting up test capacity in three regions, in schools, companies and at the national borders has been a large undertaking. I am proud of what our employees have accomplished. By providing large scale, high quality testing, they have been part of the response to the pandemic and contributed to a faster reopening of the Danish society."

New strategy

Falck has launched a new five-year strategy under the headline *Care for more '25*. The strategy sharpens Falck's profile as an integrated healthcare services company, aiming to meet healthcare needs of people throughout their lifetime. While emergency response serves as a backbone for Falck, given

its strong ties to our heritage and brand, we also see significant opportunities for developing new and innovative healthcare services to complement the public healthcare systems. The global market for private

healthcare services is large and growing. Falck is well positioned to play a role in this market due to our expertise and market positions, and by exporting know-how gained in current markets to new markets.

Financial outlook for 2021

Based on the strong Q1 results, Falck now expects a full-year 2021 revenue of DKK 13.0 – 14.0 billion (previously DKK 11.0 – 12.0 billion) and an

operating profit before special items (EBITA) of DKK 1.0 – 1.1 billion (previously DKK 650 – 750 million).

Falck's annual report 2020 is available at www.falck.com.

About Falck

We care for the well-being of people and excel in saving and improving lives of people in urgent need. This has made Falck an international leader in emergency response and healthcare.

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.

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

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