



FY20 Full-Year Results Presentation

27 August 2020

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COVID-19 Response

Regis' focus continues to be the wellbeing of residents, clients and employees

Specific COVID-19 related activities include:

Risk Management

- ▶ Board Clinical Governance and Care Committee chaired by Professor Christine Bennett AO
- ▶ New Clinical Governance Framework approved by Board in February 2020
- ▶ Appointment of EGM Clinical Care and Practice

Infection Prevention and Management

- ▶ Appointment of National Infection Control Manager
- ▶ Proactive introduction of Stringent Access Controls to homes
- ▶ Ongoing review and adjustment according to hotspots and zones
- ▶ Staff health and wellbeing screening at every shift commencement
- ▶ Additional touch point cleaning
- ▶ Updated hand hygiene standards for all staff, contractors and visitors
- ▶ Personal Protective Equipment (PPE) hubs for rapid deployment of critical equipment
- ▶ Zoning of staff within a home for infection control purposes

Effective Communication

- ▶ Regular communications to residents, families, clients, employees and contractors
- ▶ Regular communications with regulatory and health agencies
- ▶ In outbreak homes, each family had a senior manager as a direct communication point

Increased Staff Safety

- ▶ Proactive additional training for all staff
- ▶ Single site worker arrangements
- ▶ Compulsory use of PPE for staff in outbreak homes
- ▶ Accommodation and meal support
- ▶ Employee Assistance Program

COVID-19 Update

Regis has been impacted by the community transmission second wave in Melbourne

Victorian Homes	Confirmed COVID-19 Cases	Deaths with COVID-19	Current Status ¹ (25 August 2020)
Regis - Brighton	24 Residents 42 Staff 1 Visitor	9 Residents	Active - contained
Regis - Fawkner	4 Residents 1 Staff	1 Resident	Active - contained
Regis - Cranbourne	2 Staff	-	Active - contained
Regis - East Malvern	1 Staff	-	Enhanced Surveillance
Regis - Macleod	1 Staff	-	Enhanced Surveillance

- ▶ COVID-19 outbreaks at five of Regis' 18 Victorian homes during the second wave of the virus (July-August)
- ▶ Outbreak Management Plan implemented immediately upon notification of first case each time
- ▶ Outbreak Management Team led by EGM Clinical Care and Practice
- ▶ Disruptions to care, services and support managed quickly
- ▶ Impacted residents, families and employees received at least daily updates by phone and/or email
- ▶ Close coordination and communication with regulatory and health authorities, and other health providers
- ▶ Challenges have included:
 - Availability of workforce including surge capacity
 - Timeliness of testing, notification and contact tracing processes
 - Residential aged care homes not set-up, staffed or funded as acute hospitals
 - Infection control in environment of substantial community transmission
 - Public commentary heightened resident and family concerns
- ▶ Positive support received from healthcare network



¹Outbreak categories: (1) Active; steps down to (2) Enhanced Surveillance; steps down to (3) Closed (typically 28 days after the last confirmed positive case)



Financial Performance

FY20 Financial Overview

- ▶ Reported NPAT of \$3.8 million
 - Includes non-cash goodwill impairment charge of \$20.6 million
- ▶ Underlying NPAT¹ of \$21.5 million down 54.4% on pcp
- ▶ Revenue from services of \$677.9 million, up 4.8% on pcp
- ▶ Underlying EBITDA² (pre-AASB 16) of \$85.1 million, down 23.6% on pcp
- ▶ Average occupancy of 90.3% (FY19: 91.7%) across steady-state (mature) residential aged care homes
- ▶ Net operating cash flow of \$127.2 million including net RAD receipts of \$69.8 million
- ▶ Growth in operational places to 7,218 following acquisition of business and assets of LBHA³
- ▶ Net debt of \$236.7 million - reduction of \$66.5 million (21.9%) from 30 June 2019
- ▶ Deferred FY20 interim dividend of \$12.1 million (franked to 50%) will be paid 30 September 2020⁴
- ▶ No final dividend determined by the Board

Reported NPAT

\$3.8million

Net Operating Cash Flow

\$127.2million

Revenue from Services

\$677.9million

Net RAD Cash Inflow

\$69.8million

Underlying EBITDA

\$85.1million

Net Debt

\$236.7million

Average Occupancy (Steady-state homes)

90.3%

Capital Expenditure

\$44.0million

¹Refer page 26 for reconciliation of reported to underlying results

²Represents underlying EBITDA pre-AASB 16 Leases. Excludes non-cash goodwill impairment charge and other non-recurring items (refer page 8)

³Lower Burdekin Home for the Aged Society (LBHA)

⁴In accordance with ASX release dated 1 April 2020

Financial Summary

\$A millions	Reported FY20	Underlying FY20	AASB 16 Impact FY20	Underlying Pre-AASB 16 FY20	Underlying FY19 ²	Underlying Pre-AASB 16 FY19 vs FY20 Change
Revenue from services	677.9	677.9	-	677.9	646.9	4.8%
EBITDA	125.4	143.9	58.8	85.1	111.4	(23.6%)
NPAT	3.8	21.5	-	21.5	47.2	(54.4%)
Average occupancy ¹ %	90.3%	90.3%	-	90.3%	91.7%	(1.4pts)
Staff expenses / revenue %	72.6%	72.6%	-	72.6%	69.3%	3.2pts
Capital expenditure	44.0	44.0	-	44.0	68.7	(36.0%)
Net RAD cash inflow	69.8	69.8	-	69.8	143.4	(51.3%)
Net operating cash flow	127.2	127.2	-	127.2	220.1	(42.2%)
Net debt	236.7	236.7	-	236.7	303.2	(21.9%)
Basic EPS (cents per share)	1.25	7.14	-	7.14	15.69	(54.4%)

- ▶ Revenue from services of \$677.9 million increased by 4.8% on pcp and included:
 - \$6.4 million (FY19: \$10.8 million) of additional Government funding received in June 2020
 - Temporary uplift in the Aged Care Funding Instrument (ACFI) of \$1.8 million
 - 4-month contribution from LBHA business and assets acquisition of \$4.9 million
- ▶ Occupancy negatively impacted by COVID-19 pandemic and industry trends, steady-state (mature) portfolio decreased to 90.3% (FY19: 91.7%)
- ▶ Increase in staff expenses and other costs have been partly offset by indexation increase applied by Government
- ▶ In April 2020, the Company undertook a significant restructuring of its back-office functions resulting in a number of roles being made redundant. Redundancy costs of \$1.6 million were incurred as part of this process, with ongoing cost benefit
- ▶ Underlying EBITDA (pre-AASB 16) of \$85.1 million excludes non-cash goodwill impairment charge and other non-recurring items (refer page 8)
- ▶ Capital expenditure spend of \$44.0 million (FY19: \$68.7 million) reflecting the Board's decision to pause a number of planned development initiatives
- ▶ Net debt at 30 June 2020 of \$236.7 million. A 22% reduction on the previous corresponding period

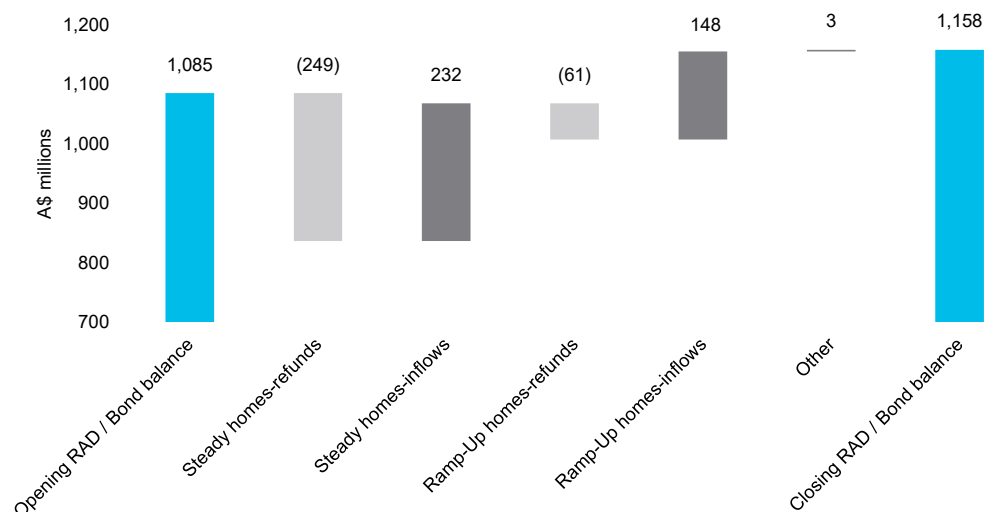
¹Occupancy relates to steady-state (mature) homes

²The Company has adopted the modified retrospective approach when transitioning to AASB 16 Leases. As a result, the comparative period has not been adjusted

Key Operational Statistics

Operational Statistics	FY20	FY19	Change
Total operational places (#)	7,218	7,078	2.0%
Average occupancy - steady-state (mature) (%)	90.3	91.7	(1.4pts)
Average occupancy - ramp-up (%)	79.2	59.2	20.0pts
Aged Care revenue per occupied bed day (\$)	282.3	277.0	1.9%
Aged Care Government revenue per occupied bed day (\$)	197.4	195.0	1.2%
Aged Care resident revenue per occupied bed day (\$)	84.9	82.0	3.5%
Aged Care staff expenses per occupied bed day (\$)	195.9	186.5	5.0%
RADs held (#)	2,744	2,680	2.4%
RADs held (\$m)	1,157.5	1,085.0	6.7%
Average RAD held (\$000's)	421.8	404.8	4.2%
Average incoming RAD (\$000's)	461.7	464.9	(0.7%)

Movement in RADs / Bonds held



- ▶ On 1 March 2020, the Company acquired two aged care homes from Lower Burdekin Home for the Aged Society (LBHA) in Northern Queensland
 - Net assets acquired \$4.6 million
- ▶ Movement in operational places is mainly attributable to the LBHA business and assets acquisition with 173 bed capacity
- ▶ Occupancy rates across the steady-state (mature) residential aged care portfolio reduced to an average of 90.3% (FY19: 91.7%) consistent with industry trend and COVID-19 impact
- ▶ Average occupancy across ramp-up homes increased to 79.2%. Several WA homes will continue to ramp-up and reach mature occupancy levels in FY21
- ▶ Increase in RADs held of circa \$72.5 million includes net RAD cash inflow \$69.8 million
- ▶ Probate liabilities of \$133.7 million (FY19: \$125.6 million) included in RAD balance

Non-Cash Goodwill Impairment Charge and Non-Recurring Items

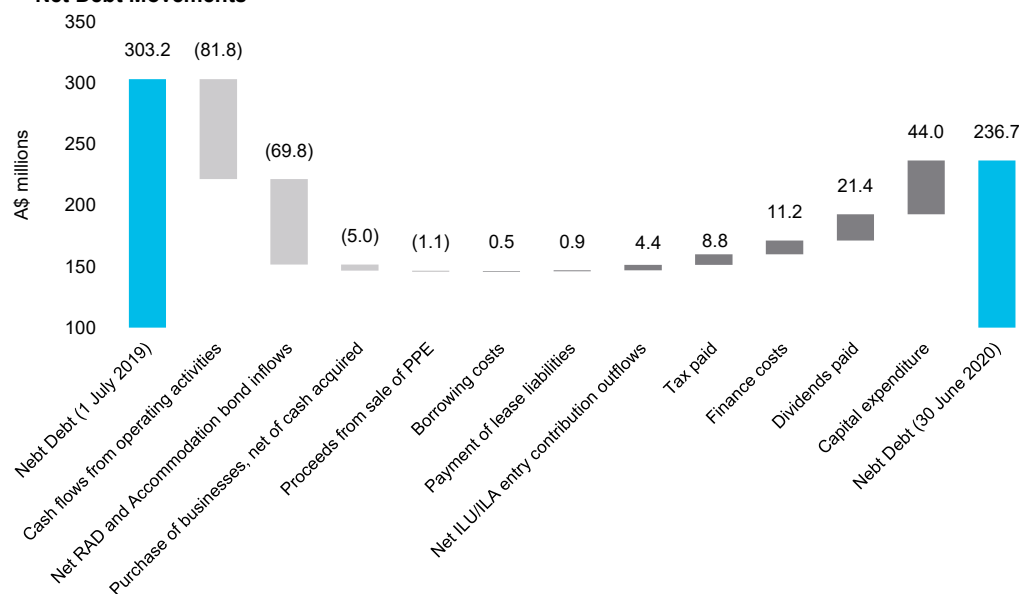
\$A millions	FY20
Reported EBITDA	125.4
Non-cash goodwill impairment charge	20.6
Royal Commission costs	1.3
Acquisition-related costs	1.2
Gain on acquisition of LBHA business and assets	(4.6)
AASB 16 <i>Leases</i> transition impact	(58.8)
Underlying EBITDA (pre-AASB 16)	85.1

- ▶ The Group undertook an assessment of the carrying value of assets as part of its full-year accounts process. This assessment resulted in a non-cash goodwill impairment charge of \$20.6 million in relation to its Western Australian operations
- ▶ Expenses incurred in responding to the Royal Commission into Aged Care Quality and Safety including submissions and enquiries
- ▶ Acquisition and integration costs incurred with the acquisition of LBHA business and assets on 1 March 2020
- ▶ Refer page 28 for details of AASB 16 *Leases* impact

Net Debt and Cash Flow

\$A millions	Maturity	Utilised	Limit ¹	Undrawn
Facility A Tranche 1A	1-Jul-22	137.5	137.5	-
Facility A Tranche 1B	1-Jul-23	79.8	137.5	57.7
Facility A Tranche 2	31-Jan-22	-	150.0	150.0
Facility D Tranche 1	1-Jul-22	16.6	70.0	53.4
Overdraft facility	31-Jul-22	7.9	25.0	17.1
Gross debt		241.8	520.0	278.2²
Establishment costs		(1.3)		
Cash at bank		(3.8)		
Net debt per balance sheet		236.7		

Net Debt Movements



¹Represents total committed facility limit excluding bank guarantee facility (\$20 million)

²Includes liquidity management requirement

Cash Flows

- ▶ Net cash flows from operating activities of \$127.2 million (FY19: \$220.1 million)
- ▶ RAD cash inflow largely attributable to ramp-up homes

Net Debt

- ▶ Repaid \$71.0 million (FY19: \$109.0 million) of bank borrowings assisted by net RAD cash inflow during the year
- ▶ On 5 June 2020, refinanced a \$150.0 million tranche of banking facilities to a maturity date of 31 January 2022 (previously 25 May 2021)

Dividends

- ▶ FY19 final dividend of \$21.4 million paid on 26 September 2019
- ▶ Deferred FY20 interim dividend of \$12.1 million will be paid on 30 September 2020
- ▶ No FY20 final dividend determined by the Board

Capital Expenditure

\$A millions	FY20
Land acquisition - Toowong	9.0
Development - Camberwell (residential aged care)	1.6
Development - Other residential aged care	1.8
Replacement capital expenditure	14.5
Home and retirement village refurbishments	7.2
Sustainability projects	3.7
Other	6.2
Total Capital Expenditure	44.0

Land Acquisition - Toowong, QLD

- ▶ Purchased July 2019
- ▶ Council development approval received for 120 bed residential aged care home

Residential Aged Care Developments

- ▶ **Camberwell** - Represents consultant and construction costs
- ▶ **Other residential aged care** - Blackburn South & Toowong planning and documentation costs

Home and Retirement Village Refurbishments

- ▶ Refurbishment capital expenditure at existing homes and retirement villages

Sustainability Projects

- ▶ Relates to solar installations and LED light replacement program

Replacement Capital Expenditure

- ▶ Primarily maintenance capital expenditure

Resident Profile

Number of Residents	FY19	Incoming ¹	Outgoing	FY20
RAD	1,898	502	535	1,865
Combination (RAD/DAP)	793	508	353	948
DAP	238	159	137	260
Total Non-Concessional	2,929	1,169	1,025	3,073
Concessional	2,796	1,227	1,112	2,911
Other	95	4	25	74
Total Permanent Residents	5,820	2,400	2,162	6,058
Respite	329	4,099	4,135	293
Total Residents	6,149	6,499	6,297	6,351

Resident Profile as % of Permanent Residents	FY19	Incoming ¹	Outgoing	FY20
RAD	33%	21%	25%	31%
Combination (RAD/DAP)	14%	21%	16%	16%
DAP	4%	7%	6%	4%
Total Non-Concessional	51%	49%	47%	51%
Concessional	48%	51%	52%	48%
Other	1%	0%	1%	1%
Total Permanent Residents	100%	100%	100%	100%

- ▶ Incoming includes 141 residents as part of acquisition of LBHA business and assets
- ▶ Increase in RAD/DAP combinations from 14% to 16%
- ▶ Decrease in RAD payment choice from 33% to 31%
 - In line with industry trend
- ▶ Concessional residents steady at circa 48% of total permanent residents

¹Including acquired homes

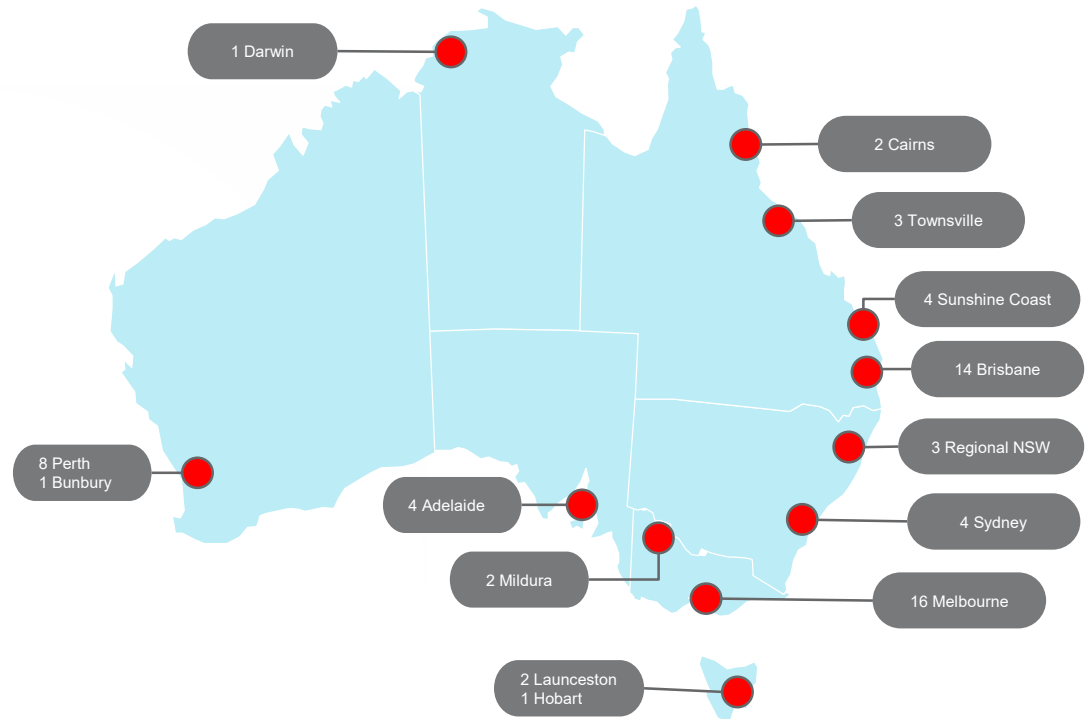


Strategy & Growth

Portfolio Overview

Regis is one of the largest providers of Residential Aged Care in Australia

Key Portfolio Statistics (as at 30 June 2020)	
Number of homes: Metro	50
Number of homes: Regional	15
Total number of homes	65
Freehold sites	65
Total operational places - 30 June 2020	7,218
Number of single rooms	6,101
Single rooms as a percentage of total rooms	92%
Average number of places per home	111



Strategy Reset for Current Environment

Current environment impacted by COVID-19, Royal Commission outcomes and Government response

Organic growth strategy largely on hold pending greater certainty of investment returns

Key focus remains on delivery of highest quality Care and Clinical outcomes which are the backbone of Regis' strong business reputation

Generation and preservation of cash flow important in current period of sector instability

Focus on:

- ▶ Strengthening key business drivers including occupancy, income generation and cost disciplines
- ▶ Return on income producing assets
- ▶ Optimisation of business portfolio mix and identification of growth areas to focus investment and resources
- ▶ Selling non-core assets to strengthen balance sheet

Be 'business-ready' for likely sector consolidation and fallout

Aged Care Developments

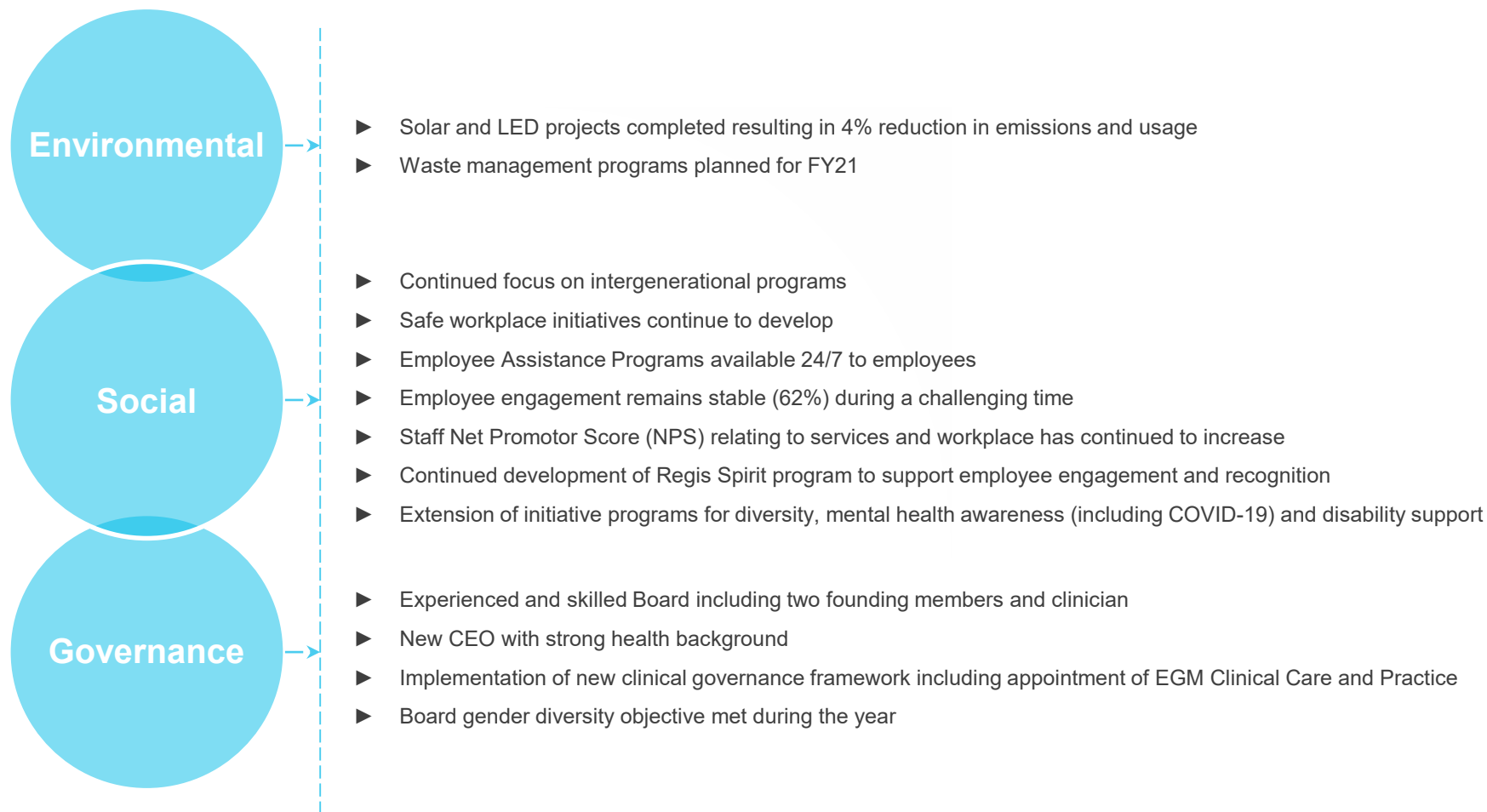
Regis' Greenfield developments and extensions program

Development	State	New Places	Net Additional Places	Club Services	Land Held	Development Approval	Provisional Allocation & Licences in Hand	Update
Regis Camberwell	VIC	99	99	✓	✓	✓	Partial	<ul style="list-style-type: none"> ▶ On hold ▶ Recommencement subject to market conditions
Regis Gatton (Extension)	QLD	30	30		✓	✓	✓	<ul style="list-style-type: none"> ▶ Received council development approval ▶ On hold
Regis Playford (Extension)	SA	33	33		✓	✓	✓	<ul style="list-style-type: none"> ▶ Received council development approval ▶ On hold
Regis Palm Beach	QLD	150	150	✓	✓	✓	✓	<ul style="list-style-type: none"> ▶ Sale contract signed post 30 June 2020 (refer below) ▶ Explore alternative site to develop
Regis Inala (Stage 1)	VIC	202	126	✓	✓	✓	Partial	<ul style="list-style-type: none"> ▶ On hold
Regis Greenmount (Stage 2)	WA	150	111	✓	✓	✓	Partial	<ul style="list-style-type: none"> ▶ Timing to be confirmed following mobilisation of other WA developments
Regis Toowong	QLD	120	120	✓	✓	✓	Partial	<ul style="list-style-type: none"> ▶ Land purchased July 2019 ▶ Received council development approval
Total		784	669					

- ▶ In August 2020, a contract of sale was executed with a third party to sell the parcel of land situated at Palm Beach, Queensland for \$21 million with settlement to occur by 31 December 2020

Environmental, Social and Governance (ESG)

Regis maintains a key focus on its ESG impact





Industry Update & Outlook

Aged Care Industry Update

Key Industry Issues

Royal Commission into Quality and Safety

- ▶ Interim Report handed down on 31 October 2019
- ▶ Final report due on 26 February 2021

New Quality Standards Introduced to More Actively Involve Consumers

- ▶ New Aged Quality Care Framework took effect from 1 July 2019
- ▶ From 1 January 2020, key regulatory functions transferred to the Aged Care Quality and Safety Commissioner

Key Funding Packages

- ▶ \$320 million allocated to residential aged care as part of a \$662 million additional funding boost to support older Australians
- ▶ \$235 million package relating to COVID-19 retention bonus to ensure the continuity of workforce for aged care workers
- ▶ \$205 million package as a one-off payment to support the aged care sector respond to costs associated to COVID-19

Impact for Regis

- ▶ Regis supports the Royal Commission and the Government in relation to any measures that mean senior Australians are able to consistently receive quality aged care and which ensure that the aged care industry is sustainable into the future
- ▶ Topics of interest likely to shape the industry include: Funding and Financing, Clinical Care, Program Redesign and Workforce. Regis has made a contribution to each of these areas
- ▶ Regis has made 7 submissions to the Royal Commission over the last 12 months

- ▶ The framework actively involves consumers in decision-making about their care with a key focus on dignity and choice
- ▶ Regis invested significant resources in educating and communicating the new framework to staff, residents and clients
- ▶ All 8 homes subject to accreditation were successfully re-accredited

- ▶ \$6.4 million of additional Government funding received in June 2020
- ▶ \$1.8 million of temporary uplift in the Aged Care Funding Instrument (ACFI)
- ▶ To date, provided \$3.2 million in retention bonuses for staff (first instalment)

Events Subsequent to Balance Date



COVID-19 Outbreaks

- Regis has experienced COVID-19 outbreaks at several of its Victorian homes during the second wave of the virus (refer page 3 for details). The Company immediately implemented its Outbreak Management Plan across the impacted homes. Residents have continued to be provided with care, services and support, and the Company has provided, at a minimum, daily updates to the homes' residents, families and employees. Compliance has been maintained during a challenging time for residents, families and staff. The Company continues to work closely with regulatory and health authorities

Cyber Security Attack

- On 3 August 2020, the Company advised the ASX that it had been the target of a cyber security attack. The Company promptly implemented its back-up and business continuity systems and the incident did not affect the delivery of resident care or services. The incident has not materially impacted the Company's day-to-day operations

Sale of Surplus Land

- Subsequent to 30 June 2020, the Board of Directors resolved to sell a parcel of land situated at Palm Beach, Queensland, which was originally acquired for development as a residential aged care home. In August 2020, a contract of sale was executed with a third party to sell the land for \$21 million with settlement to occur by 31 December 2020

Outlook

Performance

- ▶ Regis will continue to maintain excellent resident care standards and optimise business performance despite the difficult challenges faced by the industry
- ▶ Planned business performance improvements are focussed on occupancy and earnings uplift strategies while maintaining disciplined cost management

Development Program

- ▶ Investment in new homes has slowed due to the lack of certainty surrounding future Federal Government funding and policy outcomes following the Royal Commission. The Company has paused several projects in its development program although the commencement of a greenfield development in Camberwell, Victoria is planned for late FY21
- ▶ Regis will continue to review its portfolio mix, acquisition and development opportunities, while conservatively managing its balance sheet and debt position

Earnings Guidance

- ▶ Given the current macro-economic environment, including the ongoing impact of the COVID-19 pandemic and the Royal Commission into Aged Care Quality and Safety, the Board does not believe it to be prudent to put forward any earnings guidance at this stage. A business update will be provided at the Annual General Meeting to be held on 27 October 2020





Questions



Appendices

Appendix A: Income Statement

\$A millions	Reported FY20	Reported FY19 ⁶
Revenue from Services		
Government revenue	471.1	452.3
Resident revenue	195.0	183.2
Other revenue	11.8	11.4
Revenue from Services	677.9	646.9
Other income ¹	62.8	9.4
Less interest revenue	-	-
Total Income (excl. interest revenue)	740.7	656.3
Operating Expenses		
Staff expenses	(492.3)	(448.1)
Resident care expenses	(42.5)	(37.7)
Administration and fixed facility expenses	(38.3)	(32.8)
Occupancy expenses ²	(21.6)	(20.8)
Impairment expense ³	(20.6)	-
Total Operating Expenses	(615.3)	(539.4)
EBITDA	125.4	116.9
Depreciation and amortisation ⁴	(44.0)	(33.9)
EBIT	81.4	83.0
Net interest expense ⁵	(69.3)	(13.4)
PBT	12.1	69.6
Income tax expense	(8.3)	(18.7)
NPAT	3.8	50.9

¹Other income includes imputed income on RADs and Bonds of \$57.5 million in accordance with AASB 16 *Leases*

²Occupancy expenses no longer includes the cost of operating leases as a result of the adoption of AASB 16 *Leases*

³Represents non-cash goodwill impairment charge

⁴Depreciation and amortisation includes \$0.9 million relating to right-of-use assets in accordance with AASB 16 *Leases*

⁵Net interest expense includes \$57.5 million of imputed interest charge on RAD and Bonds and \$0.4 million interest expense on leases payable in accordance with AASB 16 *Leases*

⁶The Company has adopted the modified retrospective approach when transitioning to AASB 16 *Leases*. As a result, the comparative period has not been adjusted

Appendix B: Statement of Financial Position

\$A millions	Reported Jun 20	Reported Jun 19¹
Cash and cash equivalents	3.8	1.8
Trade and other receivables	9.7	10.7
Other current assets	6.2	5.3
Income tax receivables	8.3	6.4
Total current assets	28.0	24.2
Property, plant and equipment	1,147.4	1,147.7
Investment property	148.1	143.4
Right-of-use assets	6.0	-
Intangible assets	463.7	479.6
Total non-current assets	1,765.2	1,770.7
Total assets	1,793.2	1,794.9
Bank overdraft	7.9	2.0
Trade payables and other liabilities	51.5	55.8
Lease liabilities	1.0	-
Provisions	68.8	60.2
Other liabilities	1,208.1	1,126.9
Total current liabilities	1,337.3	1,244.9
Interest bearing loans and borrowings	232.6	303.1
Provisions	4.3	6.0
Deferred tax liabilities	64.7	62.3
Lease liabilities	7.0	-
Total non-current liabilities	308.6	371.4
Total liabilities	1,645.9	1,616.3
Net Assets	147.3	178.6
Issued capital	273.5	273.2
Retained earnings/(accumulated losses)	(28.7)	2.5
Reserves	(97.5)	(97.1)
Total equity	147.3	178.6

¹The Company has adopted the modified retrospective approach when transitioning to AASB 16 Leases. As a result, the comparative period has not been adjusted

Appendix C: Cash Flow Statement

\$A millions	Reported FY20	Reported FY19 ¹
Cash flows from operating activities		
Receipts from customers and Government subsidies	666.3	640.6
Payments to suppliers and employees	(584.5)	(527.5)
Operational cash flows before interest, income tax, and RADs	81.8	113.1
Interest received	-	0.2
Finance costs paid	(11.2)	(16.5)
Income tax paid	(8.8)	(19.6)
Net cash flows from operating activities before RADs	61.8	77.2
RAD and accommodation bond cash inflows	377.9	410.4
RAD and accommodation bond cash outflows	(308.1)	(267.0)
Entry contribution inflows	3.9	1.8
Entry contribution outflows	(8.3)	(2.3)
Net cash flows from operating activities	127.2	220.1
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	1.1	-
Purchase of property, plant and equipment	(39.3)	(64.9)
Capital expenditure in relation to investment properties	(4.7)	(3.8)
Purchase of businesses, net of cash acquired	5.0	-
Net cash flows used in investing activities	(37.9)	(68.7)
Cash flows from financing activities		
Proceeds from / (repayments of) bank borrowings	(71.0)	(109.0)
Dividends paid	(21.4)	(50.4)
Payment of lease liabilities	(0.9)	-
Net cash flows from/(used in) financing activities	(93.3)	(159.4)
Net increase/(decrease) in cash and cash equivalents	(3.9)	(8.0)
Cash and cash equivalents at the beginning of the period	(0.2)	7.8
Cash and cash equivalents at the end of the period	(4.1)	(0.2)

¹The Company has adopted the modified retrospective approach when transitioning to AASB 16 Leases. As a result, the comparative period has not been adjusted

Appendix D: Reported To Underlying Results Reconciliation

Full-year ended 30 June 2020

\$A millions	Revenue from Services	EBITDA	NPBT	NPAT
FY20 Reported results	677.9	125.4	12.1	3.8
Non-cash goodwill impairment charge	-	20.6	20.6	20.6
Royal Commission Costs	-	1.3	1.3	0.9
LBHA - acquisition costs	-	1.2	1.2	0.8
LBHA - gain on acquisition	-	(4.6)	(4.6)	(4.6)
FY20 Underlying results	677.9	143.9	30.6	21.5
AASB 16 transition impact	-	(58.8)	-	-
FY20 Underlying results (pre-AASB 16)	677.9	85.1	30.6	21.5

Appendix E: RAD and Bond Pool

\$A millions - Summary of Movements	FY20	FY19
Opening RAD / Bond balance	1,085.0	946.4
Steady homes-refunds	(248.8)	(228.0)
Steady homes-inflows	231.5	241.5
Ramp-Up homes-refunds	(60.6)	(35.8)
Ramp-Up homes-inflows	147.8	165.8
Total net RAD / Bond cash flow	69.8	143.4
Deductions	(8.1)	(4.9)
New Homes	10.9	-
Closing RAD / Bond balance	1,157.5	1,085.0
Probate balance at end of period	133.7	125.6

Appendix F: AASB 16 Leases

AASB 16 Leases became effective on 1 July 2019 requiring operating lease agreements to be recognised on balance sheet

► On adoption of AASB 16 Leases, the Group has recognised:

- depreciation and interest expense of \$0.9 million and \$0.4 million respectively, previously recorded as \$1.3 million of operating lease expense
- for residential aged care accommodation arrangements where the resident has elected to pay a RAD or Bond, \$57.5 million of other income (to reflect the interest free loan financing benefit received from RADs and Bonds) and, correspondingly, \$57.5 million of interest expense (imputed interest charge on RADs and Bonds) with no impact on profit before tax

The impact on the profit or loss for year ended 30 June 2020 is set out below:

\$A millions	Reported FY20	Underlying FY20	AASB 16 Impact FY20	Underlying Pre-AASB 16 FY20	
Revenue from services	677.9	677.9	-	677.9	
Other income	62.8	58.2	(57.5)	0.7	Imputed RADs and Bond income recognised in profit or loss
Total Income (excl. interest revenue)	740.7	736.1	(57.5)	678.6	
Staff, resident care, administration and impairment expense	(593.7)	(570.6)	-	(570.6)	
Occupancy expenses	(21.6)	(21.6)	(1.3)	(22.9)	Operating lease expense no longer recognised in profit or loss
EBITDA	125.4	143.9	(58.8)	85.1	
Depreciation and amortisation	(44.0)	(44.0)	0.9	(43.1)	Recognition of depreciation of right-of-use asset
EBIT	81.4	99.9	(57.9)	42.0	
Net interest expense	(69.3)	(69.3)	57.9	(11.4)	Includes imputed interest charge on RADs and Bonds and interest on lease liabilities
PBT	12.1	30.6	-	30.6	

Appendix G: Definitions of Non-IFRS Financial Measures

FY19 means full-year ended 30 June 2019

FY20 means full-year ended 30 June 2020

FY21 means full-year ended 30 June 2021

Capital expenditure represents payments for property, plant and equipment

EBIT refers to profit before finance costs and interest income, income taxes and one-off, non-recurring items

EBITDA refers to EBIT before depreciation and amortisation

Net debt is calculated as interest-bearing liabilities, less cash and cash equivalents

NPAT refers to profit before one-off, non-recurring items after income tax

ROI refers to return on investment

PPE refers to 'Personal Protective Equipment'

ACFI means Aged Care Funding Instrument

COPE means Commonwealth Own-Purpose Expense

Operational Places means a residential aged care place that is allocated to an approved provider under the Aged Care Act 1997, is available for a person to receive care and attracts Government funding

RAD means a 'Refundable Accommodation Deposit' (RAD), being an amount of money that does not accrue daily and is paid or payable to an Approved Provider by a resident for the resident's accommodation in an aged care facility. A RAD is repayable when the care recipient dies; the care recipient ceases to be provided with care by the Approved Provider, or the service ceases to be certified

DAP means a 'Daily Accommodation Payment' (DAP), being a rental-style, non-refundable daily payment to pay for accommodation. The DAP is calculated based on the refundable deposit multiplied by the maximum permissible interest rate and divided by 365 days

Reported means derived from the results contained in Regis' annual statutory financial reports

Underlying means underlying results are categorised as non-IFRS financial information prepared in accordance with ASIC Regulatory Guide 230 – Disclosing non-IFRS financial information. Adjustments have been made to the reported information to assist readers to better understand the financial performance of the underlying business and these underlying results have been used as the basis for comparison – refer to page 26 for reconciliation of reported to underlying results

Important Information

This Presentation contains the summary information about the current activities of Regis Healthcare Limited and its controlled entities (Regis Healthcare or the Group). It should be read in conjunction with the Group's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (ASX), including the full-year Consolidated Financial Report and associated Media Release released today, which are available at www.asx.com.au.

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Past performance information given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

All dollar values are in Australian dollars (A\$) unless otherwise stated.

Non-IFRS Financial Information

This presentation uses Non-IFRS financial information including capital expenditure, EBIT, EBITDA, net debt and operating cash flow. This information is Non-IFRS measures used by the Group, the investment community and Regis Healthcare's Australian peers with similar business portfolios. Regis Healthcare uses these measures for its internal management reporting as it better reflects what Regis Healthcare considers to be the underlying performance of the Group.

Non-IFRS financial information has not been subject to review by the Group's external auditor. Refer to page 26 for a reconciliation of reported to underlying results. Refer to page 29 for definitions of non-IFRS financial information.