



24 August 2021

The Manager
ASX Market Announcements Office
Australian Securities Exchange

Dear Manager

SEEK Limited – FY21 Full Year Results Announcement

In accordance with the Listing Rules, I enclose SEEK's FY21 Full Year Results Announcement for immediate release to the market.

Yours faithfully,

A handwritten signature in blue ink, appearing to read "R. Agnew".

Rachel Agnew
Company Secretary

Authorised for release by the Board of Directors of SEEK

For further information please contact:

Investors & Analysts

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ASX Announcement
24 August 2021

SEEK accelerates its long-term strategy as key markets continue to recover

FY21 Financial Results

- **SEEK Group Results**
 - Revenue of A\$1,591.1m, up 1% vs pcp
 - EBITDA of A\$473.6m, up 15% vs pcp¹
 - Reported NPAT of A\$752.2m (pcp: NPAT loss of (A\$113.1m))
 - Reported NPAT excluding significant items of A\$140.8m (pcp: A\$88.9m)^{1,2}
 - Group results are the aggregate of Continuing and Discontinued Operations and are on a comparable basis to SEEK's FY21 guidance³
- **Continuing Operations⁴: Revenue up 17% and EBITDA up 30% vs pcp**
 - SEEK ANZ: Volume and yield growth due to SME led recovery and greater depth product utilisation
 - SEEK Asia: Volume recovery variable, with largest markets performing best (Hong Kong, Singapore and Malaysia), but yield strong across the board
- **Discontinued Operations⁴: Revenue down 10% and EBITDA down 9% vs pcp**
 - Zhaopin: Deconsolidation impacts, with early signs of improving underlying results
 - OES: Benefitted from COVID-19 related demand for online education
 - ESVs: Continued growth in revenue and operating metrics

Commenting on SEEK's FY21 results, SEEK CEO and Managing Director Ian Narev said:

"Market conditions in FY21 were unprecedented for SEEK. The year started in the depths of the first wave of COVID-19, which then gave way to a strong recovery in Australia, New Zealand, and many Asian markets. Whilst we made small adjustments as a result of the volatility, our focus remained firmly on the long-term. Our decision early on in the pandemic to continue to invest in our people and capability at a time of high economic uncertainty paid off earlier than we expected. Not only did we maintain momentum on our core strategic priorities, but we in fact set ourselves bolder goals, particularly in relation to the upgrading of our product and technology infrastructure. Operationally, revenue in our core businesses grew 17% and EBITDA grew 30%. In the latter part of the year, we executed on our plans to reshape our portfolio, first by selling-down our ownership in Zhaopin from 61.1% to 23.5%, and then by completing a review focused on creating a greater degree of independence between SEEK and SEEK Investments. We finished the year with our inspirational co-Founder Andrew Bassat ready to transition to a new full-time role as CEO of SEEK Investments, supported by a seasoned investment team, and an experienced Executive Leadership Team for SEEK, including three new appointments during the year."

CONTINUING OPERATIONS

SEEK ANZ: Revenue up 40% vs pcp, led by SME recovery

- Revenue benefitted from yield growth and greater depth usage as ad volumes recovered
- New flexible contracts and pricing model rolled out to the majority of customers in AU and NZ

¹ SEEK has revised its accounting policy for upfront configuration costs incurred in implementing cloud computing arrangements, in response to recent guidance from the International Accounting Standards Board. These costs were previously capitalised and will now be expensed. Before the impact of this change, FY21 EBITDA was A\$487m and Reported NPAT (excluding significant items) was A\$148m. FY20 comparatives have been restated to account for the impact retrospectively. This change in policy was not factored into SEEK's FY21 Guidance, as provided in its 4 May 2021 ASX announcement which was Revenue in the order of A\$1,590m, EBITDA in the order of A\$480m and Reported NPAT (excluding significant items) in the order of A\$140m.

² Refer page 42 of SEEK's FY21 results presentation for details of the significant items in FY20 and FY21.

³ SEEK's FY21 Guidance, as provided in its 4 May 2021 ASX announcement, was Revenue in the order of A\$1,590m; EBITDA in the order of A\$480m; and Reported NPAT (excluding significant items) in the order of A\$140m.

⁴ Refer Appendix A for a breakdown of SEEK's results from Continuing and Discontinued Operations.

SEEK Asia: Strong yield performance as markets gradually recover

- Continued recovery in key markets of Hong Kong, Singapore and Malaysia
- Yield growth driven by country and customer mix

Ian Narev commented,

“The recovery in ANZ job ad volumes began in the second quarter of FY21, and then increased rapidly. By March of this year, job ad volumes exceeded pre COVID-19 levels and were at all-time highs. The centrality of SMEs in the recovery meant that yield also grew, supported by greater depth usage due to high competition for people, and the greater flexibility of our new contracts and pricing model, including the launch to New Zealand customers in March 2021.”

“The recovery in Asia has been slower and uneven. Hong Kong, Malaysia and Singapore saw the fastest improvements, though their rate of recovery has still been slower than in ANZ. Conditions in Indonesia, the Philippines and Thailand continue to be weaker due to severe COVID-19 impacts. Despite the varying recovery in job ad volume, we experienced an increase in overall yield.”

“Our businesses in Brazil and Mexico continue to be significantly impacted by COVID-19. Improved performance will take time, particularly in Brazil where we are still making changes to our underlying business model.”

DISCONTINUED OPERATIONS**Zhaopin: Steady revenue recovery while realising some operational efficiencies**

- Reported results declined due to deconsolidation (FY21: 10 months of results vs FY20: 12 months)
- Revenue down 1% vs pcp (100% basis, constant currency), but improving signs in billings
- Realised some operating efficiencies whilst strategic investment continued

OES: Online model benefitted from COVID-19 related demand

- Revenue grew across all education partners
- Opportunities exist to unlock growth internationally, but significant investment required

ESVs: Strong growth in operating metrics and revenue

- ‘Look-through’ revenue growth of c50%⁵ across the portfolio

Ian Narev commented,

“Zhaopin is recovering steadily from the pandemic with some positive signs in cash billings. Overall, Zhaopin delivered EBITDA growth on FY20, as it realised some operating efficiencies alongside continued investment in key capabilities. Zhaopin has many levers for future growth but competition is intense and requires ongoing re-investment to evolve the product offerings and grow market share”.

“OES’s results benefitted from COVID-19 related demand for online education. During the year, OES continued to invest to scale its new Monash University partnership, and increased its offshore presence through the acquisition of Construct Education.”

“The portfolio of ESVs performed very well even in tougher market conditions, with look-through revenue growth of approximately 50% and strong operational metrics.”

DIVIDEND | FY21 Final dividend

- FY21 Final dividend of 20 cents per share, fully franked
- Total FY21 dividends of 40 cents per share, fully franked
- The final dividend will be paid on 5 October 2021 with a record date of 9 September 2021.

Further detail on SEEK’s dividend policy is provided in SEEK’s FY21 results presentation.

⁵ “Look-through” share represents net revenue of investments multiplied by SEEK’s ownership interest (based on comparable ownership interest across FY20 & FY21). Excludes Coursera (ownership interest <5%)

OUTLOOK | SEEK's FY22 Guidance

FY22 Guidance (excluding significant items) for SEEK (excluding the SEEK Growth Fund)⁶:

- EBITDA to be in the range of A\$425m to A\$450m
 - Based on assumed revenue in the range of A\$950m to A\$1bn
 - If revenue is weaker than anticipated, SEEK has some flexibility to reduce discretionary opex but will proceed with strategic investment
- NPAT to be in the range of A\$190m to A\$200m

FY22 Guidance (excluding significant items) for the SEEK Growth Fund⁷:

- SEEK's equity accounted share of the NPAT losses to be in the range A\$20m to A\$25m for H1 22

Further detail on SEEK's FY22 guidance is provided in SEEK's FY21 results presentation.

Ian Narev concluded,

"While we have observed an improvement in operating conditions from the COVID-19 lows of early 2020, we continue to experience volatility in hiring demand as our key markets react to localised outbreaks of COVID-19. Despite these challenges we will continue to focus on our key strategic priorities to grow our core businesses over the long term and invest in our capabilities. We have set ourselves an ambitious execution agenda. As economies recover, we expect to unlock significant revenue opportunities across our core markets and realise increased operating leverage over time."

ANNUAL GENERAL MEETING

SEEK's Annual General Meeting will be held in Cremorne, Victoria (or virtually) on 17 November 2021.

Authorised for release by SEEK's Board of Directors.

For further information or to arrange an interview please contact:

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This announcement contains certain "forward-looking statements". Forward looking words such as, "expect", "should", "could", "may", "predict", "plan", "will", "believe", "forecast", "estimate", "target" and other similar expressions are intended to identify forward-looking statements within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Such forward-looking statements, opinions and estimates are not guarantees of future performance.

Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This announcement contains such statements that are subject to risk factors associated with the markets in which SEEK operates. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially. Such forward-looking statements only speak as to the date of this announcement and SEEK assumes no obligation to update such information. No representation or warranty is or will be made by any legal or natural person in relation to the accuracy or completeness of all or part of this document, or the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects or returns contained in, or implied by, the information or any part of it. To the full extent permitted by law, SEEK disclaims any obligation or undertaking to release any updates or revisions to the information contained in this document to reflect any change in expectations or assumptions. Nothing contained in this document constitutes investment, legal, tax or other advice. You should make your own assessment and take independent professional advice in relation to the information and any action taken on the basis of the information.

ASX Release

SEEK's results are reported under International Financial Reporting Standards (IFRS). This document also makes reference to the non-IFRS measure "EBITDA". This measure is used internally by management to assess the performance of our business, our associates and Joint Ventures, make decisions on the allocation of our resources and assess operational management.

EBITDA

"EBITDA" is earnings before interest, tax, depreciation and amortisation and excluding share of net profits of associates and jointly controlled entities accounted for using the equity method, dividend income and amortisation of share-based payments and other long-term incentive schemes.

Review of information

Non-IFRS financial information is calculated based on underlying IFRS financial information extracted from SEEK's financial statements. Non-IFRS measures have not been subject to audit or review.

⁶ Core Operations comprise Asia Pacific & Americas (AP&A), SEEK's 23.5% interest in Zhaopin, JobAdder and other smaller investments, and Corporate Costs

⁷ Guidance assumes SEEK will control the SEEK Growth Fund (the Fund) until 31 Dec 2021, with SEEK recognising its equity accounted share of the Fund's NPAT losses for all of H1 22. On loss of control SEEK will account for the Fund as an "associate" and will recognise "fair value" movements in its income statement to reflect revaluations of the Fund's investments. Given fair value movements are difficult to predict, SEEK's Guidance does not include any estimates of fair value movements in H2 22.

Appendix A: Changes to presentation of SEEK's Financial Results

As a result of the structural changes announced on 11 August 2021 and the reduction in SEEK's ownership interest in Zhaopin in H2 21, SEEK's FY21 financial results (as presented in SEEK's Appendix 4E and Statutory Accounts) have been reported on a 'Continuing Operations' basis. FY20 results have also been restated into Continuing and Discontinued Operations.

Continuing Operations comprise:

- AP&A businesses and ESVs that will continue to be owned by SEEK under the new structure; and
- SEEK's share of Zhaopin NPAT for May and June 2021 (period in which it was equity accounted).

Discontinued Operations comprise:

- Results of OES and a portfolio of ESVs, which will transfer to the new SEEK Growth Fund; and
- Zhaopin's results for the 10 months to 30 April 2021 (12 months in FY20).

SEEK Group Results: Continuing and Discontinued Operations

SEEK's Consolidated Income Statement	FY21	Restated FY20	Growth %
Revenue - Continuing Operations	760.3	650.6	17%
Revenue - Discontinued Operations	830.8	926.8	(10%)
Group Revenue	1,591.1	1,577.4	1%
EBITDA - Continuing Operations	332.0	255.1	30%
EBITDA - Discontinued Operations	141.6	155.5	(9%)
Group EBITDA¹	473.6	410.6	15%
Reported NPAT - Continuing Operations	104.9	(121.2)	n/m
Reported NPAT - Discontinued Operations	647.3	8.1	n/m
Group Reported NPAT	752.2	(113.1)	n/m
Significant items ²	611.4	(202.0)	n/m
Group Reported NPAT (excl. Sign. Items)¹	140.8	88.9	58%

¹ SEEK has revised its accounting policy for upfront configuration costs incurred in implementing cloud computing arrangements, in response to recent guidance from the International Accounting Standards Board. These costs were previously capitalised and will now be expensed. Before the impact of this change, FY21 EBITDA was A\$487m and Reported NPAT (excluding significant items) was A\$148m. FY20 comparatives have been restated to account for the impact retrospectively. This change in policy was not factored into SEEK's FY21 Guidance, as provided in its 4 May 2021 ASX announcement which was Revenue in the order of A\$1,590m, EBITDA in the order of A\$480m and Reported NPAT (excluding significant items) in the order of A\$140m.

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