



24 August 2021

The Manager
ASX Market Announcements Office
Australian Securities Exchange

Dear Manager

SEEK Limited – FY21 Appendix 4E and Full Year Statutory Accounts

In accordance with the Listing Rules, I enclose SEEK's FY21 Appendix 4E and Full Year Statutory Accounts 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

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SEEK Limited

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APPENDIX 4E AND STATUTORY ACCOUNTS

For the year ended 30 June 2021
Lodged with the ASX under Listing Rule 4.3A
SEEK Limited ABN 46 080 075 314



SEEK LIMITED

ABN 46 080 075 314

Year ended 30 June 2021

(Previous corresponding period: year ended 30 June 2020)

Results for announcement to the market

SEEK has presented information on revenue and reported profit after tax both in aggregate and split for continuing and discontinued operations, to aid in the understanding of results for the period. Discontinued operations comprises results from Zhaopin and the SEEK Growth Fund disposal group, the transactions for which are described in the Financial Report.

	Percentage change		Amount \$m	
Total revenue from continuing operations	Up	17%	To	760.3
Total revenue from discontinued operations	Down	(10%)	To	830.8
Total revenue	Up	1%	To	1,591.1
Profit for the period attributable to the owners of SEEK Limited (excluding significant items)	Up	58%	To	140.8
Significant items	Up	>100%	To	611.4
Reported profit after tax from continuing operations	Up	>100%	To	104.9
Reported profit after tax from discontinued operations	Up	>100%	To	647.3
Total reported profit after tax attributable to the owners of SEEK Limited	Up	>100%	To	752.2

Reported profit is prepared in accordance with the *Corporations Act 2001* and the Australian Accounting Standards, which comply with the International Financial Reporting Standards.

Significant items comprise material non-recurring items that, when excluded for comparison purposes, assist with presenting more meaningful information. FY2021 significant items (post-tax) include the gain on sale of the sell down of SEEK's interest in Zhaopin (\$628.9m) and gains in changes in ownership of investments (\$98.6m), offset by deferred income tax with respect to SEEK's future interest in the SEEK Growth Fund (\$75.2m), impairment charges against the carrying values of Brasil Online and WorkAbroad (\$33.6m) and transactions costs relating to the structural separation between SEEK and SEEK Growth Fund (\$7.3m).

Dividends

Dividends/distributions	Amount per security	Franked amount per security
2020 final dividend	n/a	n/a
2021 interim dividend	n/a	n/a
2021 dividend	20.0 cents	20.0 cents
2021 final dividend (declared after balance date)	20.0 cents	20.0 cents

Record date for determining entitlements to the final dividend

9 September 2021

Payment date for final dividend

5 October 2021

SEEK did not pay a 2020 final dividend or 2021 interim dividend as a result of the macroeconomic challenges across its key markets arising from COVID-19. Instead, the Board paid a dividend in May 2021, as per the details above, following completion of the Zhaopin transaction.

Net tangible assets per share

	2021 cents per share	2020 cents per share
Net tangible assets per share	152.78	(330.60)
Net assets per share	544.15	391.09

The significant change in net tangible assets per share is the result of the Zhaopin disposal, which is explained further in the Financial Report. A large portion of SEEK's assets are intangible in nature, including goodwill and identifiable assets relating to businesses acquired. These assets are excluded from the calculation of net tangible assets per share, resulting in the negative amount in the prior year. Prior year numbers have been restated following a change in accounting policy – refer to the Financial Report for further information.

Financial information

This report is based on the Financial Report for the year ended 30 June 2021 which has been audited by PricewaterhouseCoopers.

Other information required by Listing Rule 4.3A

Other information requiring disclosure to comply with Listing Rule 4.3A is contained in the following pages and other documents lodged with the ASX on 24 August 2021.

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Independent Auditor's Report

This report covers SEEK Limited as a consolidated entity consisting of SEEK Limited (the Company) and its controlled entities. The Financial Report was authorised for issue by the directors on 24 August 2021. The Company has the power to amend and reissue the Financial Report.

SEEK Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered principal place of business is:

60 Cremorne Street
Cremorne VIC 3121

A description of the nature of the consolidated entity's operations and its principal activities is included in the review of operations and activities in the Directors' Report on pages 4 to 21.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete and available globally at minimum cost to the Company. All ASX Announcements, reports, presentations and other information are available at our Investor Centre on our website at www.seek.com.au/about/investors/.



OUR PURPOSE:

We help people
live more fulfilling
and productive
working lives and
help organisations
succeed. ❤️

IMAGE RIGHT

Pictured: Lumi Shrestha and Lydia Wang.

"The part of our purpose in helping people to live more fulfilling and productive lives is reflected in the way that SEEK treats its own staff members - with care for their feelings, future goals and ambitions."

- Lydia Wang, Developer at SEEK





DIRECTORS' REPORT

Your directors present their report on the consolidated entity (referred to hereafter as 'SEEK'), consisting of SEEK Limited and the entities it controlled at the end of, or during, the year ended 30 June 2021.

SEEK is having an impact improving people's lives across employment and education

SEEK Continuing Operations⁽¹⁾



Approximately

50m

Candidate relationships

Approximately

300k

Hirer relationships

Approximately

900m

Population exposure

(1) Continuing Operations includes SEEK's Asia Pacific & Americas businesses and select Early Stage Ventures that will continued to be owned by SEEK under the new structure that is discussed further in this Report.

Principal activities

During the year the principal activities of SEEK consisted of:

- > online matching of hirers and candidates with career opportunities and other related services;
- > investing in early stage businesses and technologies in the human capital management market; and
- > distribution and provision of higher education courses.

Business strategies and prospects

SEEK's evolution

Focus on Australia and New Zealand (ANZ) online marketplace

Founded in Melbourne, Australia in 1997, as a disruptive online employment marketplace, SEEK leveraged the increased access and usage of internet, data and technology to build a low cost and highly effective online employment marketplace. SEEK's ANZ online marketplace has evolved over the years and continues to be a market leader on key metrics such as monthly visits, brand awareness and placement share.

Expansion into international online marketplaces and education

SEEK's international employment marketplace and education expansion commenced in 2005, with the focus being on acquiring and operating international online employment marketplaces, and leveraging SEEK's online employment assets and capabilities into adjacent education businesses.

SEEK has been successful in growing its footprint and creating value mainly via M&A and strategic support as well as incubating new businesses such as Online Education Services (OES) which is now a market leader in online higher education.

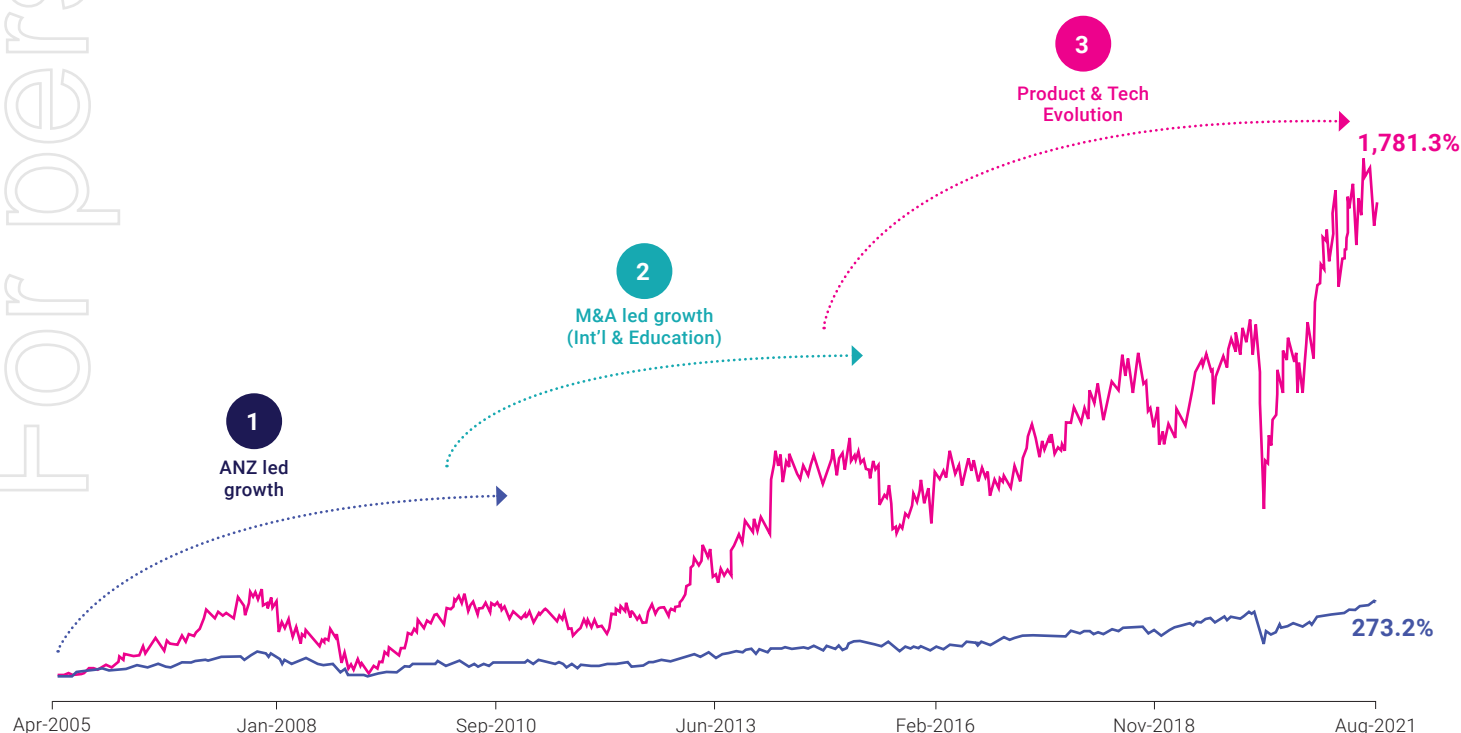
Product and technology focus

SEEK has evolved its online employment marketplaces over time with an increased focus on using data and technology to deliver the most effective search and matching experience and outcomes for candidates and hirers.

Investment in artificial intelligence and technology, coupled with SEEK's strategic assets that include deep relationships, unique data and strong brand, has enabled the creation of innovative products that connect candidates with highly relevant and personalised job opportunities and help hirers find candidates and streamline their recruitment process in a more efficient manner.

SEEK continuously invests and innovates to deliver long-term shareholder value

c7x TSR vs ASX 200 since IPO despite the economic cycle and aggressive competition



Business strategies and prospects continued

Creation of AP&A and SEEK Investments divisions

Since 2018, SEEK has been structured into two main divisions, Asia Pacific and Americas (AP&A) and SEEK Investments. Under this structure, AP&A has focussed on operating and innovating online employment marketplaces and SEEK Investments has focussed on investing and scaling early stage businesses across the themes of Online Education, Contingent Labour and HR Software as a Service (HR SaaS). The divisions comprise of the following:

- **AP&A** - comprises online employment marketplaces in Australia and New Zealand, Hong Kong, South East Asia, Brazil and Mexico
- **SEEK Investments** - comprises Zhaopin, OES and Early Stage Ventures (ESVs) across the key themes of Online Education, Contingent Labour and HR SaaS

Formalisation of the new structure to create greater autonomy

In February 2021, SEEK announced its intention to implement changes to provide a greater degree of independence and autonomy between the AP&A and SEEK Investments businesses. In August 2021 SEEK announced a new structure had been created including the establishment of a new unit trust, referred to as the 'SEEK Growth Fund' (the Fund).

SEEK will transfer its holdings in OES and 14 ESVs to the Fund as seed assets (being the majority of SEEK Investments' existing ESV portfolio) in exchange for units in the Fund.

Overview of the new structure

SEEK

SEEK will comprise the core AP&A businesses, and certain portfolio investments, primarily Zhaopin (23.5% interest) and SEEK's interest in the Fund. SEEK will be led by Ian Narev (as Managing Director (MD) and Chief Executive Officer (CEO) of SEEK) and current members of the AP&A Executive team.

The new structure is intended to achieve the following business outcomes for SEEK:

- Enables sharper focus on the significant growth opportunities within SEEK's core businesses;
- The strong cash flows generated by these businesses will enable ongoing reinvestment in building competitive capability whilst allowing for payment of dividends; and
- SEEK retains the option, but not the obligation to commit further capital to the Fund.

SEEK Investments

The Fund will be managed by SEEK Investments, an independent management company. The management team will comprise SEEK's Co-Founder and former MD and CEO, Andrew Bassat, and the existing team transferring from the legacy SEEK Investments business. The Fund will own SEEK's interests in OES and 14 ESVs.

The new structure is intended to achieve the following business outcomes for SEEK Investments:

- Allows it to focus on being an investor and business builder, partnering with emerging leaders to deliver strong long-term returns;
- Facilitates greater access to capital that can be used to support both existing and new investments; and
- Delivers greater independence to enable aggressive long-term investment decisions.

Growth strategies over the medium- to long-term

The new structure provides SEEK with greater autonomy to focus on capturing the significant growth opportunities in its core online employment businesses and investing in its key capabilities.

SEEK's growth drivers

Significant growth opportunities in our core businesses (ANZ and Asia)

Underlying economic growth and offline to online migration (Asia)

Enrichment and expansion of products including through unique data

Aligning price to the value we create

SEEK has the opportunity to double revenue in its core business over the next 5 years

(if it executes well and markets are stable)

Organic growth the focus, but will consider M&A

M&A to enhance capabilities and/or create options in new revenue pools

SEEK's strategic focus areas

In order to capture the significant growth opportunities, SEEK is focussed on investing in four core capabilities:

1. Scalable, reliable and safe platforms

Building a unified flexible platform across Asia-Pacific to provide scale efficiencies, enable rapid innovation and improve reliability and security.

2. Strong brand presence

Maintaining the strength of the SEEK brand in Australia and New Zealand. Reinvigorating the brands in Asia to increase candidate reach and attention through brand building initiatives and adding sales capability in Indonesia.

3. Data capture, analysis and application

Using structured and unstructured data to continuously add intelligence to the platform. The scale of data combined with local expertise will be used to create a range of products and personalised experiences including tools that add trust and confidence to claims made by hirer and candidates.

4. Pricing to reflect value

Ensuring that pricing models better align with the value we create, and provide hirers with a greater range of tools and insights to maximise their return on investment with SEEK (for example, via the new variable pricing model in Australia and New Zealand).

SEEK will focus on investing in organic capability building, although there is also an appetite for targeted inorganic growth to enhance capabilities and/or access to new revenue pools. SEEK will also continue to benefit from close ongoing ties with SEEK Investments through the Fund. Provided that SEEK executes well, we expect strong revenue growth and increased operating leverage over time.

SEEK Investments strategy

SEEK will continue to have an economic interest in SEEK Investments via the Fund. SEEK Investments is focussed on:

Investing in high growth Human Capital Management (HCM) businesses

The focus is on investing in emerging businesses across the key themes of Online Education, Contingent Labour and HR SaaS. The fund has a wide global reach with its current portfolio and maintains the flexibility to invest in businesses at different stages of their evolution (e.g. seed, scaling up).

Creating value through active partnerships

Working with businesses to provide strategic advice at Founder/CEO level and supporting management teams on their key strategic initiatives and all aspects of business building including strategic planning and operational execution.

Long term and entrepreneurial approach to building big businesses

Prioritising building long-term sustainable competitive advantage over short-term financials with a preference to hold for the long-term and appetite to incur significant upfront losses. Open to value realisation where it aligns with the strategic objectives of the business.

OUR VISION:

To be the best in the world in online employment by:

- matching more people with job opportunities than any other organisation in each market in which we operate; AND
- being the most trusted partner for advice on, and access to, relevant career related education.



Review of results and operations

	Reported currency		Constant currency ⁽²⁾	
	2021 \$m	Restated 2020 ⁽¹⁾ \$m	Growth %	Growth %
Sales revenue from Continuing Operations	760.3	650.6	17%	21%
Sales revenue from Discontinued Operations	830.8	926.8	(10%)	(7%)
Total sales revenue	1,591.1	1,577.4	1%	5%
EBITDA from Continuing Operations	332.0	255.1	30%	33%
EBITDA from Discontinued Operations	141.6	155.5	(9%)	(6%)
Total segment EBITDA⁽³⁾	473.6	410.6	15%	18%
Reported profit/(loss) from Continuing Operations	104.9	(121.2)		
Reported profit from Discontinued Operations	647.3	8.1		
Total reported profit/(loss) attributable to owners of SEEK Limited	752.2	(113.1)	n/m	
(Excluding)/Add back significant items	(611.4)	202.0		
Total profit attributable to owners of SEEK Limited (excluding significant items)	140.8	88.9	58%	

(1) Comparative information has been restated for Discontinued Operations and a change in accounting policy (refer to Note 2 Discontinued operations and Note 29 Changes in accounting policies respectively in the Financial Statements for more information).

(2) Constant currency amounts are calculated by retranslating current year data using prior year exchange rates.

(3) Segment EBITDA is earnings before interest, tax, depreciation and amortisation and excludes impairment charges, share-based payment expense, share of results of equity accounted investments, gains/losses on investing activities, and other non-operating gains/losses.

Changes to presentation of Results

As discussed in the 'Business Strategies and Prospects' section, SEEK has announced the creation of the SEEK Growth Fund following the completion of a strategic review, which will operate autonomously, with a focus on being an investor and business builder with greater access to third party capital. Additionally, during FY2021 SEEK sold 37.6% of the equity of Zhaopin, the results of which have been deconsolidated from 30 April 2021. For statutory reporting purposes, these two events require that SEEK's results are presented on a Continuing Operations basis.

Continuing and Discontinued Operations

To aid in the understanding of SEEK's overall financial performance, the table above presents the results for Continuing Operations, Discontinued Operations and in aggregate for both FY2021 and the restated FY2020.

Continuing Operations comprises the results of:

- SEEK's AP&A businesses and select portfolio investments that will continue to be owned by SEEK under the new structure; and
- SEEK's share of net profit after tax from the 23.5% retained interest in the equity accounted investment now held in Zhaopin for May and June 2021, for which there is no comparative information.

Discontinued Operations, as detailed in Note 2 Discontinued operations in the Financial Statements, comprises the results of:

- Zhaopin for the ten months to 30 April 2021, including the gain on disposal, and for the 12 months in FY2020; and
- Assets which will transfer to the Fund, including OES and a suite of ESVs.

The commentary that follows has been prepared on an aggregated basis. Commentary for Continuing and Discontinued Operations separately can be found on pages 10-11 and 12-13, respectively.

SEEK aggregated Result

In the year ended 30 June 2021 SEEK achieved growth in sales revenue of 1% (5% constant currency) and EBITDA growth of 15% (18% constant currency) compared to the year ended 30 June 2020.

Profit attributable to the owners of SEEK Limited was \$752.2m (30 June 2020 restated: loss of \$113.1m).

Significant items

FY2021 significant items of \$611.4m include the following:

- Gain on sale of the sell down of SEEK's controlling interest in Zhaopin of \$628.9m post-tax; and
- Gains on changes in ownership of certain investments of \$98.6m post-tax; offset by:
 - Deferred income tax with respect to SEEK's future interest in the SEEK Growth Fund of \$75.2m;
 - Impairment charges against the carrying values of Brasil Online and Workabroad of \$33.6m post-tax; and
 - Transaction costs relating to the structural separation between SEEK and SEEK Growth Fund of \$7.3m post-tax.

Amounts recognised as significant items in FY2020 comprised of impairment charges relating to Brasil Online, OCC and minority investments of \$198.4m post-tax and refinancing related costs of \$3.6m post-tax.

Key drivers

- Revenue growth of 1% was driven by Continuing Operations, up 17% compared to FY2020, led by a strong recovery from ANZ, with SEEK Asia also recovering but at a slower rate. The growth was partly offset by Discontinued Operations, down 10% compared to FY2020, driven by lower Zhaopin revenue due to deconsolidation.
- EBITDA increased 15%, or 17% before impacts of the cloud computing accounting policy change. Continuing Operations EBITDA grew 30%, driven by the recovery in revenue and operating efficiencies whilst Discontinued Operations EBITDA decreased 9% mainly due to the deconsolidation of Zhaopin. Significant investment continued in strategic areas across all businesses.
- Attributable profit (excluding significant items) for FY2021 improved by 58% to \$140.8m, benefitting from higher EBITDA and lower net interest, offset partly by higher depreciation and amortisation due to product and technology investment and leasing costs.

Continuing Operations⁽¹⁾

Continuing Operations comprise:

	Reported currency		Constant currency ⁽²⁾	
	2021 \$m	2020 \$m	Growth %	Growth %
The Australia and New Zealand (ANZ) business				
SEEK Asia				
The Latin America businesses of Brasil Online and OCC				
Other entities including Jora and ESVs (including JobAdder)				
Sales revenue - Continuing Operations	760.3	650.6	17%	21%
Asia Pacific and Americas				
ANZ	541.0	387.2	40%	40%
SEEK Asia	145.6	162.9	(11%)	(2%)
Brasil Online	30.5	52.4	(42%)	(21%)
OCC	19.2	25.1	(24%)	(13%)
AP&A Other	1.2	2.0	(40%)	(40%)
Portfolio Investments				
ESVs ⁽³⁾	22.8	21.0	9%	10%
EBITDA⁽⁴⁾ - Continuing Operations	332.0	255.1	30%	33%
Asia Pacific and Americas				
ANZ	322.9	220.5	46%	47%
SEEK Asia	47.4	72.8	(35%)	(27%)
Brasil Online	(1.1)	5.8	n/m	n/m
OCC	2.4	7.2	(67%)	(60%)
AP&A Other	(9.5)	(14.3)	34%	34%
Corporate costs	(26.0)	(33.1)	21%	21%
Portfolio Investments				
ESVs ⁽³⁾	(4.1)	(3.8)	(8%)	(9%)
EBITDA margin (%) - Continuing Operations	44%	39%		
Asia Pacific and Americas				
ANZ	60%	57%		
SEEK Asia	33%	45%		
Brasil Online	(4%)	11%		
OCC	13%	29%		
Portfolio Investments				
ESVs ⁽³⁾	(18%)	(18%)		

(1) Refer to Note 1 Segment information in the Financial Report for further details on the distinction between Continuing and Discontinued Operations.

(2) Constant currency amounts are calculated by retranslating current year data using prior year exchange rates.

(3) Includes ESVs that will be retained by SEEK under the new structure and managed by SEEK Investments (e.g. JobAdder), and that have been reported under Portfolio Investments in Note 1 Segment information in the Financial Report.

(4) Comparative information has been restated for a change in accounting policy (refer to Note 29 Changes in accounting policies in the Financial Report for more information).

Continuing Operations revenue growth of 17% and EBITDA growth of 30% compared to FY2020 were driven by the following:

- ANZ: revenue growth of 40% driven by strong recovery from COVID-19 in H2 FY2021, peaking in March 2021 at record ad volumes;
- SEEK Asia: strong recovery in Singapore, Hong Kong and Malaysia, however other markets remained weaker; and
- Latin America: weak results with COVID-19 continuing to have a significant economic impact. There were signs of recovery in OCC in H2 FY2021.
- Reported results were negatively impacted by the appreciation of the Australian dollar against key currencies, including the Hong Kong Dollar and the Malaysian Ringgit. On a constant currency basis, revenue from Continuing Operations increased 21% and EBITDA increased 33% compared to FY2020.

Australia and New Zealand (ANZ)

- ANZ recovered well from the COVID-19 lows of FY2020 with revenue growth of 40% and EBITDA growth of 46%.
- The recovery accelerated in early H2 FY2021, with ad volumes exceeding pre COVID-19 levels in March 2021. Hiring activity from Small to Medium Enterprises (SMEs) was strong, with improving trends also observed across Corporates and Recruiters during H2 FY2021. Depth revenue grew 58% on FY2020 and now comprises 32% of total revenue.
- EBITDA margins expanded to 60% (62% before impacts of the cloud computing accounting policy change) benefitting from higher revenue, whilst targeted investment continued in product and technology, analytics, architecture, security and user experience.

SEEK continues to be a market leader on key metrics despite strong competition.

Key strategic priorities progressed well including:

- The roll-out of SEEK's new pricing model and contract structure to all remaining Australian customers during early FY2021 and the launch in New Zealand in March 2021;
- Expansion and enhancement of our product suite to optimise value for our candidates and hirers.

SEEK Asia

- On a constant currency basis, SEEK Asia revenue declined 2% and EBITDA declined 27% compared to FY2020.
- Revenue recovery varied by market, with stronger trends in Singapore, Hong Kong and Malaysia, whilst other markets were weaker reflecting a slower recovery from the impacts of COVID-19. Uptake of depth products continued to improve and now comprises 19% of total revenue.
- EBITDA was impacted by lower revenue and an increase in investment across product and technology, and also in marketing as part of a brand refresh to drive improved awareness.

Latin America

- Financial results in Brasil Online and OCC remained weak with COVID-19 severely impacting the Brazilian and Mexican economies.
- Despite the economic impacts, OCC saw recovering volumes in H2 FY2021 (relative to H1 FY2021) that were complemented by a new rate card and higher depth revenue.
- Given the severe economic headwinds in Brazil and execution risk associated with the roll-out of a new business model in this market, an aggregate non-cash impairment charge of \$19.5m post-tax has been recognised to bring the carrying value of Brasil Online indefinite life intangibles down to \$nil, and to write down the carrying value of certain software and website intangibles.
- Both businesses are leveraged to the eventual improvement in macro conditions, but this will take time and require successful execution of their strategies.

AP&A Other and ESVs

AP&A Other and ESVs comprises early stage investments that complement and/or have synergies with the AP&A operating businesses, including:

- Jora, which is playing a key role in growing ad scale and supporting new product development, and now has a presence in 36 countries; and
- JobAdder, a talent acquisition suite that simplifies the hiring process for recruiter and corporate talent acquisition teams.

Discontinued Operations⁽¹⁾

Discontinued Operations comprise:

Zhaopin

Consolidated operations
to 30 April 2021
(61.1% controlling interest)

OES

80% controlling interest

ESVs

Controlled entities and equity accounted
investments

	Reported currency			Constant currency ⁽²⁾
	2021 \$m	2020 \$m	Growth %	Growth %
Sales revenue - Discontinued Operations	830.8	926.8	(10%)	(7%)
Zhaopin ⁽³⁾	577.1	749.6	(23%)	(19%)
OES	190.7	136.6	40%	40%
ESVs ⁽⁴⁾	63.0	40.6	55%	55%
EBITDA - Discontinued Operations	141.6	155.5	(9%)	(6%)
Zhaopin ⁽³⁾	98.7	123.7	(20%)	(17%)
OES	45.5	34.8	31%	31%
ESVs ⁽⁴⁾	(2.6)	(3.0)	13%	13%
EBITDA margin (%) - Discontinued Operations	17%	17%		
Zhaopin ⁽³⁾	17%	17%		
OES	24%	25%		
ESVs ⁽⁴⁾	(4%)	(7%)		

(1) Refer to Note 1 Segment information in the Financial Report for further details on the distinction between Continuing and Discontinued Operations.

(2) Constant currency amounts are calculated by retranslating current year data using prior year exchange rates.

(3) SEEK disposed of 37.6% of the equity of Zhaopin on 30 April 2021. The above revenue and EBITDA represent the results for the ten months in FY2021 and the 12 months in FY2020 that Zhaopin was consolidated as a subsidiary. From 1 May 2021, the remaining 23.5% stake in Zhaopin is accounted for in Continuing Operations as an equity accounted investment.

(4) Relates to controlled ESVs that will be transferred to the SEEK Growth Fund. The results from equity accounted ESVs that will be transferred to the SEEK Growth Fund will be accounted for within SEEK's share of results from equity accounted investments.

Discontinued Operations revenue decline of 10% and EBITDA decline of 9% compared to FY2020 were driven by:

- Zhaopin: reported results declined due to the deconsolidation which occurred on 30 April 2021 (FY2021 includes ten months of consolidated results compared with a full 12 months in FY2020). The business was significantly impacted by the outbreak of COVID-19 in early 2020, and has experienced a slow but steady recovery on an underlying basis;
- OES: benefitted from a significant uplift in COVID-19-related demand for online education; and
- ESVs: strong revenue growth and operating results from Sidekicker as this business continues to scale.
- Reported results were negatively impacted by the appreciation of the Australian dollar against the Chinese Renminbi (RMB). On a constant currency basis, Discontinued Operations delivered revenue decline of 7% and EBITDA decline of 6%.

Zhaopin

- On a constant currency basis, for the full 12 months of FY2021, Zhaopin delivered a revenue result marginally below FY2020 (decline of 1%) and EBITDA growth of 11% compared to FY2020.
- Online revenue declined 2% as the business recovered from COVID-19. Adjacent services revenue benefitted from online migration.
- Steady EBITDA margin reflects operating efficiencies, offset by increased investment in data and artificial intelligence to improve search and match outcomes.
- Zhaopin has many levers for future growth but competition is intense and requires ongoing reinvestment to evolve the product offerings and grow market share.

OES

- OES delivered revenue growth of 40% with COVID-19 accelerating the demand for online education.
- EBITDA growth of 31% benefitted from the increase in revenue. EBITDA margin declined by 1% due to investment in scaling new partnerships and unbundled service offerings.
- OES is positioned well for growth and has planned significant investment to scale opportunities across online program management and customised education solutions. Opportunities exist to unlock international growth but significant investment is required.

ESVs

The portfolio of ESVs comprises investments exposed to high growth structural trends across three key themes comprising Online Education, Contingent Labour and HR SaaS.

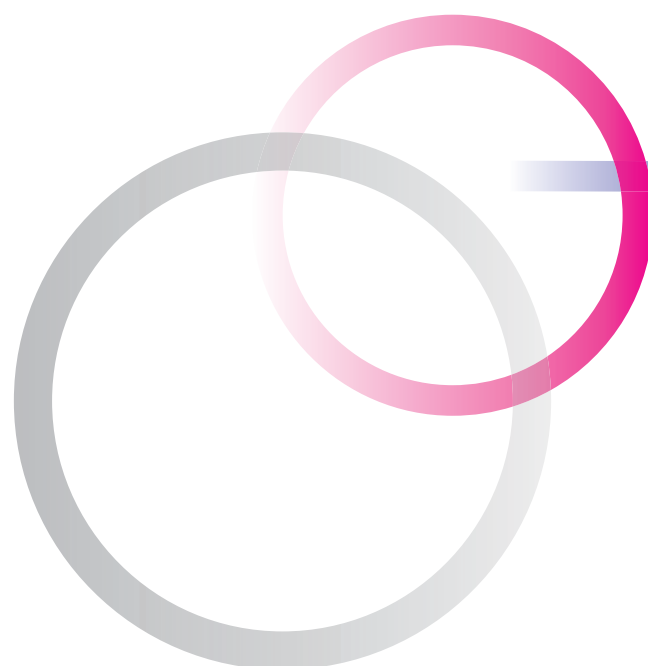
SEEK Investments has invested in emerging leaders in the three key themes, and actively partners with its investments to leverage its deep online human capital market expertise to accelerate their growth. Some key investments in the portfolio are:

Online Education: FutureLearn and Coursera are global leaders in the delivery of Massive Open Online Course content;

Contingent Labour: Sidekicker, Jobandtalent and Florence are leading on-demand staffing platforms which in combination provide exposure to a large and growing contingent labour markets across Australia, New Zealand, and eight countries across Europe and Latin America;

HR SaaS: GO1 is a leading digital learning platform enabling organisations to source, deliver and track employee training; Employment Hero is a cloud-based HR Information System that helps SMEs to easily manage HR, payroll and employee benefits; HiBob is a HR Information System tailored to mid-large sized businesses, with a focus on employee experience.

To date, the portfolio has recovered well from COVID-19 and benefitted from the structural migration to online platforms. Overall ESVs delivered look-through revenue growth of approximately 50%⁽⁵⁾.



(5) Look-through share represents net revenue of investments multiplied by SEEK's ownership interest (based on comparable ownership interest across FY2020 and FY2021). Excludes OES and Coursera.

Financial position

	2021 \$m	Restated 2020 ⁽¹⁾ \$m
Cash and cash equivalents	491.8	604.8
Other current assets	781.7	212.4
Intangible assets	1,380.0	2,538.8
Equity accounted investments	562.4	268.3
Other non-current assets	320.2	704.5
Total assets excluding assets held for sale	3,536.1	4,328.8
Assets held for sale	1,064.5	-
Total assets	4,600.6	4,328.8
Current borrowings	77.3	143.4
Non-current borrowings	1,029.9	1,797.6
Unearned income	129.9	350.9
Lease liabilities	205.2	64.0
Current creditors and provisions	990.7	439.0
Non-current creditors and provisions	179.8	158.1
Shareholders equity	1,918.7	1,375.8
Total liabilities and equity excluding liabilities directly associated with the assets held for sale	4,531.5	4,328.8
Liabilities directly associated with the assets held for sale	69.1	-
Total liabilities and equity	4,600.6	4,328.8

(1) Comparative information has been restated for a change in accounting policy (refer to Note 29 Changes in accounting policies in the Financial Report for more information).

At 30 June 2021, SEEK had:

- Total assets of \$4,600.6m of which 30% related to long-life intangible assets (goodwill, brands and licences) arising from business combinations, with the remainder primarily comprised of equity accounted investments, trade and other receivables and cash and cash equivalents; and
- Total liabilities of \$2,681.9m of which 41% related to borrowings, with the remainder primarily comprised of trade and other payables, unearned income, and lease liabilities.

At 30 June 2021, SEEK is in a net asset position of \$1,918.7m. Excluding net assets held for sale of \$995.4m, SEEK is in a net asset position of \$923.3m. Excluding net assets held for sale, SEEK's current assets exceed its current liabilities by \$58.5m.

The differences in SEEK's financial position comparing FY2021 to FY2020 are primarily the result of:

- The sell-down of SEEK's controlling interest in Zhaopin, which resulted in the deconsolidation of assets totalling \$1,246.5m and liabilities totalling \$573.5m, coupled with the recognition of an equity accounted investment of \$521.1m for SEEK's retained 23.5% interest. Refer to Note 2 Discontinued operations, specifically section (b), in the Financial Report for further information; and
- The planned separation between SEEK and SEEK Investments. SEEK has designated assets (and associated liabilities) expected to be transferred to SEEK Growth Fund as held for sale. Refer to Note 2 Discontinued operations, specifically section (c)(iii), in the Financial Report, for further details of what comprises these balances at 30 June 2021.

SEEK's share of cash proceeds received in relation to the Zhaopin disposal have been partially used to repay borrowings, and fund the SEEK Limited dividend in May 2021. At 30 June 2021, a number of balances are included within SEEK's Consolidated Balance Sheet which are attributable to gross funds flows that are expected to occur after year end, relating to both SEEK's share and the non-controlling interests' share of proceeds from the Zhaopin disposal, through Zhaopin Limited (SEEK's holding entity for the Zhaopin operations). Refer to Note 2 Discontinued operations, specifically section (b)(iv), in the Financial Report for further details. SEEK's remaining share of proceeds from the disposal after the net distributions outstanding is \$183.7m.

Excluding this receivable, SEEK's current liabilities exceed its current assets by \$125.2m, however by excluding unearned income of \$129.9m, which represents non-refundable advances from customers, SEEK would have net current assets of \$4.7m, and sufficient liquidity and undrawn borrowings to further support this position.

Net debt

Net debt at 30 June 2021 was \$623.6m (\$615.3m net of capitalised borrowing costs) and is further discussed in Note 7 Net debt in the Financial Report.

SEEK's borrowings comprise a combination of debt facilities across SEEK Limited and Zhaopin Limited:

- SEEK Limited has an unsecured syndicated bank facility comprising A\$612.5m and US\$552.5m, and A\$225.0m of notes issued under SEEK's Euro Medium Term Note Programme; and
- Zhaopin Limited has entrusted loan facilities of US\$58.0m, which are expected to be repaid following further receipt of proceeds as a result of the Zhaopin disposal.

At 30 June 2021, \$1,115.5m of the total available facilities were drawn down, with \$536.3m available in undrawn capacity.

Cash flow

Cash generated from Continuing Operations increased to \$313.6m and represented an EBITDA conversion ratio⁽¹⁾ of 94%.

(1) EBITDA conversion ratio is calculated as cash generated from operations / EBITDA.

	2021 \$m	Restated 2020 ⁽²⁾ \$m
Cash generated from Continuing Operations	313.6	250.3
Transaction costs	(2.0)	(1.0)
Finance costs and taxes paid	(87.5)	(81.3)
Net cash from operating activities attributable to Continuing Operations	224.1	168.0
Proceeds from disposal of interest in Zhaopin, net of cash disposed	124.1	-
Proceeds from disposal of Zhaopin, to be paid out	308.7	-
Proceeds from disposal of equity accounted investment	6.1	-
Payments for acquisition of subsidiary, net of acquired cash	(1.2)	(4.0)
Payments for acquisition of equity accounted investments	-	(4.0)
Capital expenditure (intangible assets and plant and equipment)	(137.9)	(92.8)
Other investing activities	0.6	(4.5)
Net cash from/(used in) investing activities attributable to Continuing Operations	300.4	(105.3)
Net change in borrowings	(400.8)	301.7
Dividends paid to shareholders of SEEK Limited	(116.4)	(47.8)
Payments of lease liabilities	(7.1)	(9.7)
Payments for additional interest in subsidiary	(14.2)	-
Other financing activities	(30.5)	(41.9)
Net cash (used in)/from financing activities attributable to Continuing Operations	(569.0)	202.3
Net cash used attributable to Discontinued Operations	(22.5)	(29.4)
Net (decrease)/increase in cash and cash equivalents	(67.0)	235.6
Cash and cash equivalents at the beginning of the year	604.8	382.9
Effect of exchange rate changes on cash and cash equivalents	(12.4)	(13.7)
Cash and cash equivalents at the end of the year	525.4	604.8
Less cash and cash equivalents at the end of the year attributable to assets held for sale	(33.6)	-
Cash and cash equivalents at the end of the year attributable to Continuing Operations	491.8	604.8

(2) Comparative information has been restated for Discontinued Operations and a change in accounting policy (refer to Note 2 Discontinued operations and Note 29 Changes in accounting policies respectively in the Financial Report for more information).

Key cash flow movements

Net cash inflow from investing activities of \$300.4m includes \$432.8m received in relation to the disposal of Zhaopin, however, \$308.7m of cash received will be distributed to non-controlling interests and third parties for transaction costs in future periods. These inflows were partially offset by capital expenditure of \$137.9m.

Cash outflows from financing activities of \$569.0m were primarily driven by: a net decrease in borrowings of \$400.8m, which included net repayments of Zhaopin Limited borrowings of \$19.3m and net repayments of SEEK Limited borrowings of \$381.5m; and payments of dividends of \$116.4m, including the FY2020 interim dividend for which payment was deferred to July 2020, and the May 2021 dividend paid following completion of the Zhaopin transaction.

Principal risks

SEEK actively manages the risks that could materially impact our ability to sustain our future financial performance and deliver our long-term strategy. The following are the key risks and the actions we are taking to manage these risks. Climate change risk is not considered financially material at this time and is addressed separately in SEEK's Sustainability Report.

COVID-19

COVID-19 still presents many uncertainties across our markets. Varying speeds of economic recovery and levels of government intervention will require SEEK to adapt to continually changing conditions in the near term. As the medium- and long-term impacts and trends from COVID-19 begin to emerge, SEEK will monitor their effects on its principal risks, particularly in the areas of cybersecurity, business resiliency, marketplace disruption, workplace culture and attracting and retaining talent.

Risk area	Impact of the risk	Mitigation and monitoring strategies
Cybersecurity and business resilience	A major cybersecurity breach could result in the loss of personally identifiable information, proprietary algorithms or sensitive data. A prolonged, unplanned disruption to critical platforms or significant interruptions in the systems of third parties upon which SEEK relies may impair SEEK's ability to provide services and damage SEEK's reputation and trust with candidates, hirers and students.	Highly skilled cybersecurity and technical experts focus on preventative, detective and responsive capabilities, to identify and respond to the emerging cyber threat landscape. Initiatives to raise employee cyber awareness and vigilance have been implemented and continue to be reinforced. SEEK continues to enhance business continuity and disaster recovery capability and procedures, and the monitoring of critical systems for signs of poor performance, intrusion or interruption.
Disruption and competition	New disruptive business models, competitors entering the market or existing competitors aggressively increasing their market share could erode SEEK's ability to compete. SEEK may not successfully build and acquire new growth platforms or products that solve candidate, hirer or student needs in the human capital market as quickly or effectively as competitors.	SEEK is vigilant in monitoring local and global competitive trends and operating metrics. SEEK's organisational structure is designed for effective and fast-paced product and technology rollouts to provide market-leading experiences for candidates, hirers and students. Increased investment activity aims to diversify the portfolio and enhance capabilities and value offerings.
Data governance and artificial intelligence	Failure to use and protect personally identifiable information or sensitive data in breach of data privacy laws or contrary to customer and community expectations may breach customer trust. Loss of confidence would damage SEEK's reputation and market position and could result in regulatory action.	SEEK continually invests in cybersecurity and data management practices and procedures. Legal teams monitor developments in data privacy and ethics in relevant jurisdictions. Privacy policies are supported by clear guidance for candidates on how their information is collected, used, protected, and managed when they use SEEK's services.
Culture and talent	Operating and financial performance is dependent on the ability to attract and retain top talent in a competitive environment, particularly in technology roles, and with changing workplace expectations. The loss of critical people could leave SEEK vulnerable to leadership and capability gaps.	Investment in our people and culture enables SEEK to attract and retain key talent and maintain a motivated and effective workforce in the face of changing workplace environments. External hiring addresses gaps in experience and capability for more complex roles with cross-geographical responsibility. The senior management remuneration structure is designed to retain key managers in specific geographies and focus them on SEEK's long-term growth potential.
Execution effectiveness	Changes and integration across the operating model and technology systems are complex particularly across geographies, and anticipated business benefits may not be realised within the desired timeline or at increased costs.	Detailed planning processes underpin adjustments to the operating model designed to respond to customer needs, promote cross-regional collaboration and deliver greater impact on a global scale. Major programs of work have governance structures in place to ensure risks are well understood and managed.

Risk area	Impact of the risk	Mitigation and monitoring strategies
Country and regulatory	SEEK is exposed to regulatory, legal, political and conduct risks in the countries in which it operates including in the Asia Pacific region and Latin America. Changes in policy or regulation in any country in which SEEK's employment businesses operate may adversely impact the delivery of services.	Local and corporate management monitor economic and political indicators and changes to legislation. SEEK maintains strong relationships with key stakeholders in these markets, trains relevant employees and participates in industry consultation.
Economic conditions	A prolonged decline in job advertisement volumes and revenue may occur as a result of severe economic downturn impacting employment markets in one or more of SEEK's countries of operation.	SEEK monitors and forecasts its cash flow and revenue to manage its capital position. Additionally, SEEK continues to evolve its business model, products and services. Agile development methodologies enable fast response to challenges and allow SEEK to capitalise on new opportunities as they arise.
Environment and community	SEEK's policies, or the implementation and governance of those policies, in relation to business conduct and sustainable business practices, including in the areas of modern slavery, bribery and corruption and environmental practices, could fail to meet the expectations of customers, investors and other key stakeholders, resulting in a significant negative impact on reputation and loss of business.	SEEK engages with stakeholders to understand and meet community expectations regarding candidate safety and climate responsibilities. SEEK monitors its platforms to identify and remove illegitimate hirers or job ads that may lead to fraud or discrimination, or endanger candidates. Employees receive training in anti-bribery and corruption to support internal controls. SEEK also has a climate change strategy including emissions reduction targets.

Board of Directors



Graham Goldsmith, age 61

Non-Executive Director since October 2012, Chairman from January 2019

Skills and Experience

Graham Goldsmith retired in 2012 as Vice Chairman and a Managing Director of Goldman Sachs Australia after a 25 year career with the firm (and its predecessors in Australia), spanning a number of different roles. He was Chancellor of Swinburne University of Technology until 31 January 2019. Graham is a Panel Member of Adara Partners, a director of Stars Foundation Inc and Deputy Chairman of the John and Pauline Gandel Foundation.

Other listed company directorships

- Djerriwarrh Investments Ltd since April 2013

Board Committee memberships

- Chairman of Remuneration Committee
- Member of Audit and Risk Management Committee
- Chairman of Nomination Committee

Qualifications

B.Bus (Accounting) (Swinburne), AMP (Harvard), FCPA, FAICD



Ian Narev, age 54

Executive Director since 1 July 2021

Skills and Experience

Ian has been the Managing Director and CEO of SEEK Limited since 1 July 2021. Ian joined SEEK in April 2019 in the dual roles of Chief Operating Officer and CEO of Asia Pacific and Americas. Prior to joining SEEK, Ian had spent 11 years at Commonwealth Bank of Australia (CBA). He was CBA's Managing Director and CEO from 2011 until 2018. Ian has non-profit board roles in education and the performing arts, and advisory board roles in private equity and fintech.

Other listed company directorships

None

Qualifications

BA LLB (Hons)(Auckland), LLM (International Corporate Law)(Cambridge), LLM (International Relations)(New York)



Andrew Bassat, age 55

Non-Executive Director since 1 July 2021
Executive Director between September 1997 and 30 June 2020

Skills and Experience

Andrew Bassat is the former Managing Director and CEO of SEEK Limited. He co-founded the company in 1997 and from its inception until stepping down as CEO on 30 June 2021 he was involved in all stages of the development of SEEK's business. In July 2016 Andrew was appointed as a director of St Kilda Football Club and in December 2018, became President of the Club. Effective 1 July 2021, Andrew commenced as Executive Chairman and CEO of SEEK Growth Fund.

Other listed company directorships

None

Board Committee memberships

- Member of Nomination Committee

Qualifications

BSc (Computer Science) (Melb), LLB (Hons) (Monash), MBA (Melb)



Julie Fahey, age 64

Non-Executive Director since July 2014

Skills and Experience

Julie Fahey has over 30 years of experience in technology, covering consulting, software vendor and Chief Information Officer roles. In addition, Julie spent 10 years as a partner at KPMG. She is a director of Datacom Group Ltd and CenITex, and a member of the Australian Red Cross Lifeblood Board and the LaTrobe University Council.

Other listed company directorships

- Australian Foundation Investment Company Ltd since April 2021
- IRESS Ltd since October 2017
- Vocus Group Ltd (February 2018 to July 2021)

Board Committee memberships

- Member of Audit and Risk Management Committee
- Member of Nomination Committee

Qualifications

BAppSc (RMIT)


Leigh Jasper, age 47

Non-Executive Director since April 2019

Skills and Experience

Leigh Jasper co-founded and was the CEO of Aconex, which listed on the ASX in 2014 and was subsequently acquired by Oracle in March 2018. Leigh led Aconex's global growth, expanding the business into Asia, the Americas, the Middle East and Europe.

Leigh is a director of The Macfarlane Burnet Institute for Medical Research and Public Health Limited, Salta Properties Pty Ltd and Buildxact Ltd, and Chair of LaunchVic.

Other listed company directorships

None

Board Committee memberships

- Member of Remuneration Committee
- Member of Nomination Committee

Qualifications

BE (Hons) (Melb), BSc (Mathematics)(Melb), Dip ML (French) (Melb)


Linda Kristjanson, age 66

Non-Executive Director since October 2020

Skills and Experience

Linda Kristjanson is a leading figure in the education sector with an academic career spanning four decades across Australia, Canada and the United States. Linda was Vice-Chancellor and President of Swinburne University of Technology until August 2020. Linda is Chairperson of the Board of the Victorian Comprehensive Cancer Centre and a Non-Executive Director of Education Australia Limited and the National Stroke Foundation.

Other listed company directorships

None

Board Committee memberships

- Member of Remuneration Committee
- Member of Nomination Committee

Qualifications

BN (Manitoba), MN (Manitoba), PhD (Arizona) FAICD, FTSE


Michael Wachtel, age 66

Non-Executive Director since September 2018

Skills and Experience

Michael Wachtel has considerable global business experience gained during his 35 year career in the professional services industry. Michael was previously Chairman (Asia Pacific & Oceania) of Ernst & Young (EY) and a member of the EY Global Governance Council and Global Risk Executive Committee.

He is currently a Board member of the Future Fund and St Vincent's Medical Research Institute.

Other listed company directorships

- Pact Group Holdings Ltd since April 2020

Board Committee memberships

- Chairman of Audit and Risk Management Committee
- Member of Nomination Committee

Qualifications

BCom LLB (UCT), LLM (LSE), CTA, FAICD


Vanessa Wallace, age 57

Non-Executive Director since March 2017

Skills and Experience

Vanessa Wallace has over 30 years experience in strategy management consulting. Her former roles at Booz & Company (now known as Strategy&) included Executive Chairman of Booz & Company (Japan) Inc, Senior Partner, member of the global Board, lead of the financial services practice in Global Markets and lead of the strategy practice in ANZSEA. Vanessa is also a member of the Chairman's Council of the Australian Chamber Orchestra.

Other listed company directorships

- Doctor Care Anywhere Group PLC since September 2020
- Ecofibre Ltd since July 2021
- Wesfarmers Ltd since July 2010

Board Committee memberships

- Member of Audit and Risk Management Committee
- Member of Remuneration Committee
- Member of Nomination Committee

Qualifications

BCom (UNSW), MBA (IMD, Switzerland)

Directors and meetings of directors

All persons listed below were directors of SEEK Limited during the year ended 30 June 2021 and up to the date of this report, unless otherwise stated. Andrew Bassat stepped down as MD and CEO on 30 June 2021, and was appointed a Non-Executive Director of SEEK Limited effective 1 July 2021. Ian Narev became MD, CEO and Executive Director of SEEK Limited effective 1 July 2021. The Board acknowledges that Andrew's contribution to SEEK since its founding has been enormous, and would like to thank Andrew for his vision, leadership and passion. The Directors are pleased to retain his commitment and experience on the Board.

The qualifications, experience and special responsibilities of each director, including current and recent directorships, are detailed on pages 18 and 19 of the Directors' Report. The table below details the number of Board and Committee meetings held and attended by those directors during the year ended 30 June 2021.

	Board		Audit and Risk Management Committee			Remuneration Committee			Nomination Committee			Ad hoc Committees ⁽¹⁾		
	A	B	A	B	C	A	B	C	A	B	C	A	B	C
Managing Director, Chief Executive Officer and Co-Founder⁽²⁾														
A R Bassat	13	13	-	-	7	-	-	6	-	-	1	2	2	1
Non-Executive Directors														
G B Goldsmith	13	13	7	7	-	6	6	-	1	1	-	8	8	-
J A Fahey	13	13	7	7	-	-	-	6	1	1	-	-	-	-
L M Jasper	13	13	-	-	6	6	5	-	1	1	-	-	-	-
L J Kristjanson ⁽³⁾	10	10	-	-	4	4	4	-	1	1	-	-	-	1
M H Wachtel	13	13	7	7	-	-	-	6	1	1	-	8	8	-
V M Wallace	13	13	7	7	-	6	6	-	1	1	-	4	4	-

A - Meetings held while member held office and was eligible to attend as a member

B - Meetings attended

C - Meetings attended by invitation

(1) Includes the Independent Board Committee announced on 23 February 2021. Ad hoc committee meetings of the Board were convened during the year in relation to financial results and the issue of Subordinated Notes under the Euro Medium Term Note programme.

(2) Andrew Bassat was succeeded by Ian Narev as Managing Director and CEO, and was appointed a Non-Executive Director effective 1 July 2021.

(3) Linda Kristjanson was appointed a Non-Executive Director effective 9 October 2020.

Company Secretary

The Company Secretary during the year ended 30 June 2021 was Lynne Jensen. Lynne has over 25 years of international and domestic legal and governance experience, including as a partner of Allens Arthur Robinson and as Group General Counsel and Company Secretary of Grocon. Lynne holds a Bachelor of Laws (Honours) and Bachelor of Arts from the University of Melbourne.

Effective 1 July 2021, Rachel Agnew replaced Lynne Jensen as Company Secretary. Rachel was previously a Company Secretary of BHP Group Limited and BHP Group Plc and holds a Bachelor of Laws (Honours) and Bachelor of Commerce from the University of Wollongong.

Indemnification and insurance of officers

The SEEK Limited Constitution provides that the Company will, to the extent permitted by law, indemnify any current or former director or officer in respect of any liability incurred in that capacity and related legal costs. SEEK Limited has entered into a Deed of Indemnity with each director and a number of senior executives. During the year SEEK Limited paid a premium in respect of an insurance contract which covers the directors and officers against certain liabilities in accordance with the terms of the policy. The insurance contract requires the nature of the liability covered and the amount of the premium paid to be confidential.

Interests in shares and options

As at the date of the report the directors held the following interests in shares and options:

	Shares in SEEK Limited	Options over SEEK Limited shares
G B Goldsmith	50,000	-
I M Narev	116,037	1,144,201 ⁽¹⁾
A R Bassat	15,001,722	435,287 ⁽¹⁾
J A Fahey	8,888	-
L M Jasper	68,133	-
L J Kristjanson	1,137	-
M H Wachtel	4,000	-
V M Wallace	17,000	-

(1) Includes Wealth Sharing Plan Options/Rights (refer to section 6.3 on page 39).

Dividends

Dividends paid or declared by the Company to shareholders during the financial year are set out in Note 18 Dividends of the Financial Report.

Auditor and non-audit services

PricewaterhouseCoopers (PwC) continues in office as auditor of the parent entity (Auditor) in accordance with section 327 of the *Corporations Act 2001*.

It is SEEK's policy to engage PwC on assignments in addition to their statutory audit duties only where PwC's expertise and experience with SEEK provide a compelling reason to do so. These assignments are principally other assurance and due diligence reporting on acquisitions.

Fees that were paid or payable during the financial year for non-audit services provided by the Auditor and its related practices are disclosed in Note 27 Remuneration of auditors of the Financial Report.

The Board has considered the position and, in accordance with the advice received from the Audit and Risk Management Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

The directors are satisfied that the provision of non-audit services by the Auditor did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the Audit and Risk Management Committee to ensure they do not impact the impartiality and objectivity of the Auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 41.

Environmental regulation

The operations of the Group are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law.

Proceedings on behalf of the Company

No proceedings have been brought or intervened in on behalf of the Company, nor have any applications for leave to do so been made in respect of the Company, under section 237 of the *Corporations Act 2001*.

Significant changes in the state of affairs

In the opinion of the directors, other than the discontinued operations referenced in the operating and financial review of this report, there were no significant changes in the state of affairs of SEEK that occurred during the financial year.

Other information

The following information also forms part of this Directors' Report and is located as follows:

- Principal activities are set out on pages 4 to 8;
- SEEK's Operating and financial review is set out on pages 9 to 17; and
- the Remuneration Report, including an introductory letter from the Chairman of the Remuneration Committee, is set out on pages 23 to 40.

Matters subsequent to the end of the financial year

SEEK Growth Fund

On 11 August 2021, SEEK announced the creation of SEEK Growth Fund following the completion of a strategic review. SEEK's current holdings in OES and 14 ESVs will be transferred to the Fund as seed assets in exchange for units in the Fund, based on an independently assessed fair value of A\$1,215.0m. A management company will be formed to manage the Fund, led by Andrew Bassat and a team of investment professionals from SEEK. The Fund will operate autonomously from SEEK, with greater access to third party capital, allowing it to focus on being an investor and business builder, enabling SEEK to focus on growth opportunities in AP&A whilst retaining its economic exposure to the investment portfolio.

On 6 August 2021, SEEK acquired a 26.3% undiluted interest in Hireup Holdings Pty Ltd (Hireup), a provider of online disability support services which connects workers with participants, and a 38.4% undiluted interest in MyTutorWeb Limited (MyTutor), a UK based online tutoring marketplace. SEEK will subsequently sell its interests in Hireup and MyTutor to the Fund.

Remittance of proceeds

In June 2021, Zhaopin Limited, the holding entity for the Zhaopin operations, received AUD\$308.7m of proceeds related to the disposal of Zhaopin. These proceeds had not been distributed to shareholders at balance date and the amount is recorded in Cash and cash equivalents at 30 June 2021. On 5 July 2021, the amount was remitted to SEEK's co-investors in Zhaopin.

There are no other matters or circumstances which have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of SEEK, the results of those operations and the state of affairs of SEEK in subsequent financial periods.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with that Corporations Instrument to the nearest hundred thousand dollars, or in certain cases, the nearest dollar.



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Letter from Remuneration Committee Chairman

Dear Shareholders,

On behalf of the Board, I am pleased to present SEEK's FY2021 Remuneration Report (Report). This letter and the Q&A which follows summarise the remuneration outcomes for FY2021, changes to Executive leadership roles and our Executive KMP, and key changes to the executive remuneration framework as outlined in last year's Report.

COVID-19 and FY2021 Remuneration Outcomes

The 2021 financial year was a challenging one, as the health, social and economic consequences of the COVID-19 pandemic presented ongoing uncertainty for our customers and for society at large. Throughout this extraordinary period, we continued to support our customers through relief measures and prioritised the safety, wellbeing and retention of our people. The impact of the pandemic in all markets in which SEEK operates varied considerably and was constantly changing. The signs of economic recovery were closely linked to the status of the virus in each location.

Given the business challenges arising from COVID-19, there were no remuneration increases provided to Executives in FY2021. Additionally, for the second successive year, we made no changes to fees for Non-Executive Directors.

Given the improvement in SEEK's business results through the year being reflected in increases in our share price, the FY2019 Wealth Sharing Plan (WSP) fully vested as the 60-day VWAP to 30 June 2021 of \$30.76 exceeded the three-year share price hurdle of \$24.39. Pleasingly for shareholders, over the three-year vesting period for this award, SEEK's share price increased by 54%, from \$21.53 to \$33.14. The vesting of the FY2019 WSP followed the lapsing of the FY2018 WSP in the prior financial year.

The strength of recovery in our ANZ business through FY2021 also resulted in our decision to repay to both the Australian and New Zealand governments the COVID related support payments received during FY2021 totaling \$9.8 million.

FY2022 Separation of the SEEK Investments business and Executive KMP leadership

On 11 August 2021, SEEK announced that the Board had finalised a review targeted to provide SEEK Investments with a greater degree of independence, focus and access to third party capital; whilst allowing SEEK to retain significant economic exposure to the investment portfolio. We had also announced that SEEK's Chief Executive Officer (CEO) and Co-Founder, Andrew Bassat, would step down from this role and lead the Investments business. Ian Narev was appointed as Managing Director and Chief Executive Officer (MD and CEO), effective from 1 July 2021.

As I have noted in other communications, Andrew's contribution to SEEK since its founding has been enormous and we are pleased that we will retain his focus and commitment in his new role and also as a Non-Executive Director of SEEK Limited. Over the last two years, Ian and Andrew have worked closely in partnership, with Ian leading SEEK's operating businesses during a particularly challenging period. In his new role as MD and CEO, Ian brings a strong track record in public company leadership, digital transformation and strategy and we are fortunate to have such a high calibre leader as successor to Andrew.

At the end of FY2021, Geoff Roberts retired as Chief Financial Officer (CFO) after nearly six years at SEEK. The Board appointed Kate Koch as the new CFO and we welcome her to the organisation. I would like to record our thanks and appreciation to Geoff for his commitment and contribution during his time as CFO.

FY2022 Executive remuneration framework

Ensuring SEEK has the right leadership team in place is critical to its ongoing success. It is also critical to have the right remuneration framework in place – one that is globally competitive, while remaining fair and reasonable in a local context and delivering outcomes that are aligned with the shareholder experience over the long-term. Consequently, SEEK's executive remuneration framework is structured such that aside from base salary, Executives and other senior leaders do not receive incentive payments in cash. For most senior leaders at SEEK, variable remuneration is delivered entirely through equity, which we believe encourages leaders to focus on building a sustainable business over the long-term and achieves wealth creation for leaders and shareholders alike through ongoing share price growth. Our variable remuneration components are designed to align executive reward with the shareholder experience.

The Board is grateful for the support from investors in relation to changes to the WSP introduced in FY2021 and outlined in the FY2020 Remuneration Report. These changes are summarised in the following Q&As and outlined in further detail under section 3.5 of this Report.

Recognising the changes introduced last year were well-received, the overall approach to the FY2022 WSP will remain unchanged. However, we have addressed a further area of focus by many for the incoming CEO, by locking in the mix of WSP Options and Rights at 50:50, which is consistent with his recent voluntary choices. It is the Board's intent to review aspects of executive remuneration on an ongoing basis, to ensure the structure and methodology remain closely aligned with our remuneration principles and support sustainable growth of SEEK's business. We will continue to share our thinking with you as it evolves and as always, we welcome your feedback.

I look forward to engaging with you in FY2022 and thank you for your ongoing support of SEEK.



Graham Goldsmith
Chairman of the Remuneration Committee

Q&A

This section addresses questions relating to the remuneration arrangements of Ian Narev as SEEK MD and CEO, the departure arrangements for Andrew Bassat as he steps down, and the changes to the WSP introduced in FY2021.

1) What are Ian Narev's remuneration arrangements upon appointment as MD and CEO and are they appropriate relative to market?

Upon appointment as MD and CEO, Ian Narev's Total Remuneration Opportunity (TRO) was set at \$4,503,000 per annum, the key components of which are:

- Fixed Remuneration comprising Base Salary and Superannuation of \$1,900,000 – which remained unchanged;
- Equity Rights of \$950,000 (50% of Fixed Remuneration) – which also remained unchanged; and
- WSP Options and Rights of \$1,653,000 (87% of Fixed Remuneration) – which was increased in quantum and proportion of TRO.

The increase to Ian's TRO upon appointment as MD and CEO was thus delivered exclusively via an increase in the WSP component, which is entirely 'at risk' and closely aligned to the shareholders' interests.

The Board considers the increase to Ian's TRO upon appointment to the MD and CEO role to be appropriate. Ian's remuneration is positioned at the median of the primary comparator group (see section 3.2 for further detail on SEEK's benchmarking methodology) and recognises his skills and experience as demonstrated during his tenure with SEEK and his depth of experience as a seasoned CEO and executive prior to joining.

The Board also determined that in relation to Ian's WSP, 50% of the WSP is to be awarded as Options and 50% is to be awarded as Rights; ensuring the increase to Ian's TRO is closely aligned with the long-term interests of SEEK's shareholders.

Ian's TRO at \$4,503,000 is 10.4% below Andrew's TRO at the time of him stepping down as CEO.

2) What were Andrew Bassat's departure arrangements upon stepping down as CEO?

Upon stepping down as CEO, Andrew was not provided with any termination payment or payment in lieu of notice. All on-foot equity awards were treated in accordance with the default provisions of the grants per the plan rules and as approved by shareholders. Andrew's outstanding WSP awards were pro-rated based on the portion of the respective vesting period served to 30 June 2021 and all WSP awards remaining on-foot will be tested in accordance with the respective vesting conditions in July 2022 (for the FY2020 WSP) and July 2023 (for the FY2021 WSP).

As Andrew was appointed as a Non-Executive Director of SEEK effective from 1 July 2021, he will receive the standard Non-Executive Director fee of \$160,000, inclusive of superannuation. Under the Nomination Committee Charter, all Non-Executive Directors are members of this Committee, including Andrew. No fees are payable for membership of the Nomination Committee. Andrew will not be a member of any other Board Committee. As a Non-Executive Director, Andrew will not participate in any future EEP or WSP awards.

3) What were the WSP design changes in FY2021 and are these being retained in FY2022?

As outlined in SEEK's 2020 Remuneration Report, the following changes were made to the FY2021 WSP:

- **Graduated vesting** – 50% vesting occurring at a Threshold share price hurdle, 100% vesting occurring at a Stretch share price hurdle and pro-rata vesting taking place between these points. This change addressed feedback received about the 'all or nothing' nature of the WSP which previously included a 'cliff vesting' design element, and now more closely mirrors the experience of our shareholders.
- **Share price hurdle** – with the introduction of graduated vesting, it was necessary for the Board to set both Threshold and Stretch share price hurdles. For the FY2021 WSP, the Board decided that the Threshold share price hurdle would be based on the 15-year average growth in the ASX All Ordinaries Index (being 3.3%) – applied on a Compound Annual Growth Rate (CAGR) basis to SEEK's 60-day Volume Weighted Average Price (VWAP) to 30 June 2020 (being \$18.61) – resulting in a Threshold hurdle of \$20.51. This was consistent with the methodology previously used to set the 100% vesting price. As noted above, at the Threshold share price hurdle, 50% vesting occurs. For the FY2021 WSP, the Board set the Stretch share price hurdle based on a more challenging target of 6.0% CAGR, resulting in a hurdle of \$22.16 at which 100% vesting occurs.

With the continuation of graduated vesting, for the FY2022 WSP, the Board has determined that:

- The 15-year average growth in the ASX All Ordinaries Index (being 3.8%) will be applied on a CAGR basis to SEEK's 60-day VWAP to 30 June 2021 (being \$30.76) to set the Threshold share price hurdle of \$34.40 at which 50% vesting will occur;
- A 6.0% CAGR target will be applied to set the Stretch share price hurdle of \$36.64 at which 100% vesting will occur; and
- Between \$34.40 and \$36.64, pro-rata vesting on a straight-line basis will apply.
- **Share price input into fair value** – the share price input into the external fair valuation of the WSP undertaken for allocation purposes changed from a 1 July spot price to a 60-day VWAP up to and including 30 June. This change reduces the potential impact of share price volatility that originates from using a spot price, aligns with the 60-day VWAP period used for calculating the number of shares allocated under the EEP and mirrors the VWAP periods used with the WSP for purposes of setting and testing the share price hurdle.

Given the positive feedback received from investors in relation to these changes, the Board has decided to retain the current WSP design for the FY2022 award.

Remuneration Report

Introduction and contents

This Remuneration Report (Report) sets out SEEK's Executive remuneration framework, as well as the remuneration arrangements for the Key Management Personnel (KMP) of SEEK for the year ended 30 June 2021. References to Executives in this Report are to both Executive KMP and other Non-KMP Executives who report to the CEO.

The Report has been prepared and audited based on the requirements of the Corporations Act 2001 and its Regulations.

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1. Key Management Personnel

The KMP roles covered in this report are SEEK's Non-Executive Directors, Chief Executive Officer (CEO) and Co-Founder, Group Chief Operating Officer and Asia Pacific & Americas CEO (Group COO and AP&A CEO) and Group Chief Financial Officer (CFO). Each of the KMP held their position for the whole of FY2021, unless stated otherwise.

Name	Position	Changes during FY2021
Non-Executive Directors		
G B Goldsmith	Non-Executive Chairman	
J A Fahey	Non-Executive Director	
L M Jasper	Non-Executive Director	
L J Kristjanson	Non-Executive Director	Appointed 9 October 2020
M H Wachtel	Non-Executive Director	
V M Wallace	Non-Executive Director	
Executive KMP		
A R Bassat	CEO and Co-Founder	Stepped down as CEO 30 June 2021
I M Narev	Group COO and AP&A CEO	
G I Roberts	Group CFO	Retired 30 June 2021

Since the end of the reporting period:

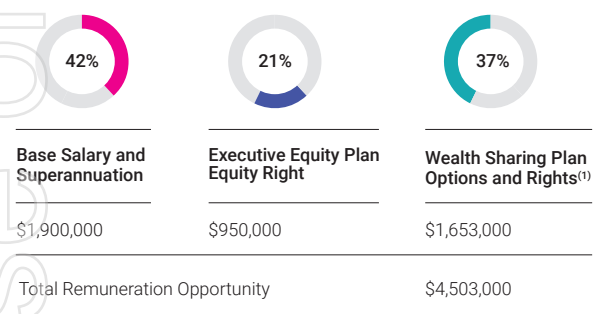
- Effective 1 July 2021, Andrew Bassat transitioned to a new role as Executive Chairman and CEO of the Manager of the SEEK Growth Fund and was appointed a Non-Executive Director of SEEK Limited;
- Effective 1 July 2021, Ian Narev was appointed Managing Director and CEO of SEEK (MD and CEO); and
- Kate Koch joined SEEK on 10 June 2021 and commenced a period of handover from Geoff Roberts prior to his retirement date. She was officially appointed CFO and KMP effective 1 July 2021.

1.1 Executive KMP changes and remuneration arrangements

New appointments

New MD and CEO

Ian Narev was appointed as MD and CEO effective 1 July 2021 and his Total Remuneration Opportunity (TRO) was disclosed in SEEK's ASX announcement that same day. Ian's contractual TRO is provided for transparency:



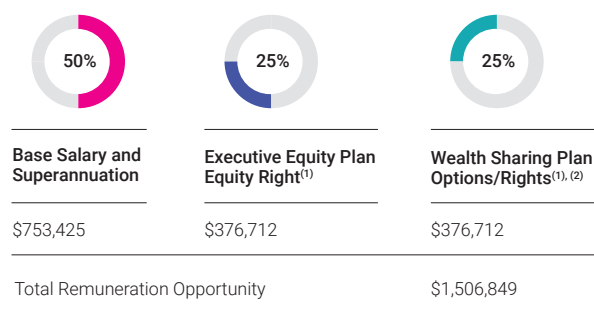
(1) The value of Wealth Sharing Plan Options and Rights represents the fair value opportunity for FY2022, with 50% to be awarded as Options and 50% to be awarded as Rights.

Ian's Base Salary and Superannuation as well as his Equity Right remained at the same level and have not changed since he joined SEEK on 29 April 2019. The Board determined that in stepping into the MD and CEO role, the increase to TRO would be delivered entirely through the Wealth Sharing Plan (WSP), ensuring the increase is aligned to the long-term interests of shareholders.

At the 2021 Annual General Meeting (AGM) on 17 November 2021, shareholders will be asked to approve the grant of an Equity Right and grant of WSP Options and Rights (50%/50%).

New CFO

Kate Koch joined SEEK on 10 June 2021 and commenced a period of handover prior to the retirement of Geoff Roberts on 30 June 2021. Kate was officially appointed as CFO and KMP effective 1 July 2021. Her contractual TRO is provided for transparency:



(1) The first year Kate is eligible to participate in the Executive Equity Plan and Wealth Sharing Plan is FY2022.

(2) The value of Wealth Sharing Plan Options/Rights represents the fair value opportunity for FY2022. There is a choice to receive the award as Options and/or Rights.

Departure arrangements

Former CEO and Co-Founder

Upon stepping down from the role of CEO, Andrew Bassat was not provided with any termination payment or payment in lieu of notice. All outstanding on-foot equity awards were treated in accordance with the default provisions per the plan rules and as approved by shareholders. Andrew's outstanding WSP awards were pro-rated based on the portion of the respective vesting period served to 30 June 2021 and will be tested in accordance with the respective vesting conditions in July 2022 (for the FY2020 WSP) and July 2023 (for the FY2021 WSP).

As Andrew was appointed a Non-Executive Director of SEEK effective 1 July 2021, he will receive the standard Non-Executive Director fee of \$160,000, inclusive of superannuation. All Non-Executive Directors of SEEK are members of the Nomination Committee and no fees are payable for membership of this Committee. Andrew will not be a member of any other Board Committee. As a Non-Executive Director, Andrew will not participate in any future EEP or WSP awards.

Former CFO

Upon his retirement from SEEK on 30 June 2021, Geoff Roberts was not provided with any termination payment or payment in lieu of notice. All outstanding EEP and WSP awards were treated in accordance with their plan rules and pro-rated based on the portion of the respective vesting period served to 30 June 2021. All WSP awards remaining on-foot will be tested in accordance with the respective vesting conditions in July 2022 (for the FY2020 WSP) and July 2023 (for the FY2021 WSP).

2. FY2021 executive remuneration outcomes and alignment with SEEK's performance

Outlined below is a summary of the FY2021 salary and equity plan vesting outcomes and the extent to which the equity plan outcomes have been aligned with SEEK's performance. Analysis is presented to show the benefit that Executives have effectively 'realised' through the EEP and WSP versus the corresponding shareholder returns delivered from FY2013 to FY2021. This aims to demonstrate the strong correlation between rewards delivered to Executives and SEEK shareholder returns over this period.

Executive Remuneration Outcomes

Component	Base Salary and Superannuation	FY2021 Executive Equity Plan	FY2019 Wealth Sharing Plan
Overall FY2021 salary/equity plan vesting outcomes	<p>Reflecting the impact of COVID-19, investor feedback and public sentiment regarding the quantum of executive remuneration, no salary or fee increases were awarded to Executives (including the CEO) or directors during FY2021.</p> <p>Further details regarding the remuneration of Ian Narev and Kate Koch upon appointment as MD and CEO and CFO respectively are provided in section 1.1 of this Report.</p>	<p>At the end of the Qualifying Period, the Equity Right granted to each Executive vested in accordance with the terms of the plan. As a result, following the release of SEEK's FY2021 financial results, the following number of Deferred Shares will be allocated to each Executive KMP:</p> <p>A R Bassat – 67,520 I M Narev – 51,047 G I Roberts – 31,467</p> <p>The allocated Deferred Shares are subject to a further one-year disposal restriction from 1 July 2021 to 30 June 2022 – during which the value of each Executive's EEP award remains unrealised and variable based on SEEK's share price.</p> <p>As Executives are subject to the SEEK Share Trading Policy, in practice, the shares will not be available to trade until one trading day following the release of SEEK's FY2022 financial results.</p>	<p>Under the FY2019 WSP, Executives were given the choice to receive Options, Rights or a 50/50 combination of Options and Rights, with all electing to receive Rights.</p> <p>The FY2019 WSP award was tested following the end of the vesting period on 30 June 2021. In accordance with the plan terms, a 60-day Volume Weighted Average Price (VWAP) up to and including 30 June 2021 was used for testing purposes.</p> <p>The 60-day VWAP was \$30.76 which was above the share price hurdle of \$24.39. As a result, the FY2019 WSP vested on 1 July 2021 and remains subject to an exercise restriction period until 30 June 2022 – meaning the value of each Executive's WSP award also remains unrealised and variable based on SEEK's share price.</p> <p>Once exercised, the following number of shares will be allocated to each Executive KMP:</p> <p>A R Bassat – 129,676 I M Narev – n/a. Not employed at the time of offer G I Roberts – 58,959</p> <p>Further details have been provided in section 6.3 of this Report.</p>

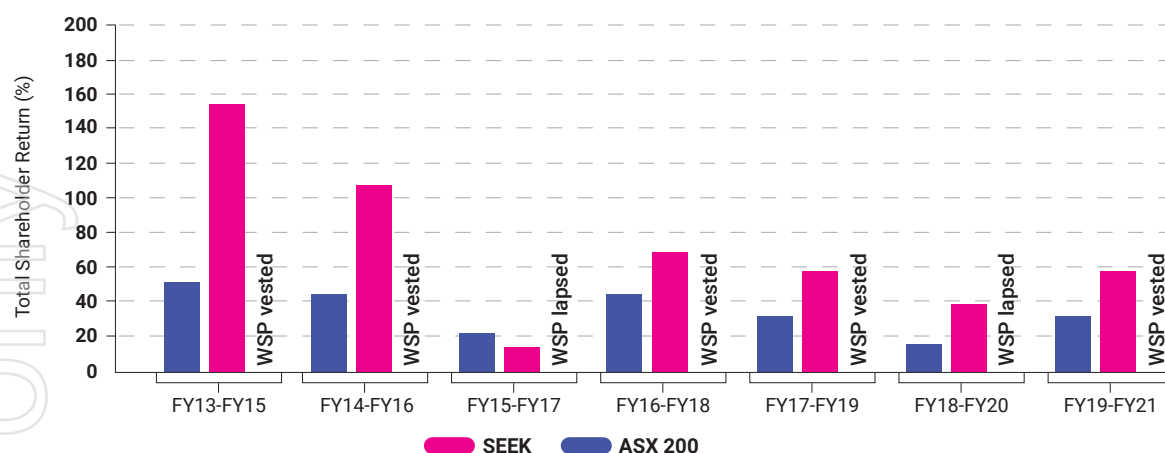
Note, the FY2021 EEP and FY2019 WSP outcomes are shown above as the end of the relevant qualifying/vesting periods for these awards are 30 June 2021 with vesting on 1 July 2021. Details of the FY2020 EEP and FY2018 WSP awards that vested and lapsed on 1 July 2020 were provided in the FY2020 Remuneration Report and in section 6 of this Report.

One of the guiding principles for executive remuneration is to align reward with SEEK's strategic intent and the shareholder experience, encouraging Executives to think and act like owners. The following analysis compares the previous equity outcomes 'realised' by Executives with the corresponding shareholder returns delivered since FY2013, when the EEP and WSP were introduced. Given the value of the EEP to an Executive is a direct function of SEEK's share price, there is clear alignment between the benefit received by Executives and growth in SEEK's Total Shareholder Returns (TSR) over each annual award period. Similarly, when viewing the seven WSP awards tested to date in totality, as was intended by the Board, there is clear alignment between the overall benefit received by Executives and SEEK's TSR growth over the nine-year period from 1 July 2012.

Link between SEEK's performance with equity outcomes



SEEK's TSR growth of 510% since 1 July 2012, when the WSP was first introduced, significantly exceeds the ASX 200 index growth of 156% over the same period. During this time, the SEEK share price also increased from \$6.53 to \$32.86. Assuming an Executive received all seven WSP awards granted since 1 July 2012, the combination of five having vested and two having lapsed has led to the benefit received by an Executive being correlated to but less than the TSR growth experienced by SEEK shareholders. This is an outcome which the Board considers to be fair and reasonable from the perspective of Executive reward and shareholder alignment.

SEEK vs ASX 200 TSR over WSP award periods⁽¹⁾

(1) Vested awards were measured over a four-year period, being the three-year performance period as shown above and an additional one-year exercise restriction period, to reflect the earliest time at which Executives can realise any benefit from the relevant WSP award. Lapsed awards were measured over their three-year performance period only to reflect the time at which the lapsing occurred.

Understanding that for some investors relative rather than absolute TSR performance is a key benchmark, the above confirms that in each of the WSP award periods for each vested award and the FY2018 lapsed award, SEEK has significantly outperformed the ASX 200 index. For each WSP award period, vesting only occurred when the SEEK TSR outperformed the ASX200 TSR. Ensuring SEEK has the right leadership team in place has been instrumental to the Company's outperformance of the Australian market throughout the increasing globalisation of the business, whilst facing local and global competitive threats and new disruptive business models.

2.1 SEEK's five-year financial performance

The following table sets out information about the SEEK's earnings and movements in shareholder wealth for the past five financial years up to and including FY2021.

	FY2017	FY2018	FY2019	FY2020	FY2021
Share price at year end (\$)	16.91	21.81	21.16	21.89	33.14
Weighted 12-month average share price (\$)	15.76	18.73	19.13	19.76	25.68
Cumulative Total Shareholder Return (TSR) - Indexed (%) ⁽¹⁾	114.68	151.63	150.64	159.03	242.36
Total dividend (cents per share)	44.0	46.0	46.0	13.0	20.0
Sales revenue (excluding significant items) (\$m) ⁽²⁾	1,040.9	1,299.5	1,537.3	1,577.4	1,591.1
EBITDA (excluding significant items) (\$m) ⁽²⁾	375.8	431.2	455.0	410.6	473.6
NPAT (excluding significant items and SEEK Investments ESVs) attributable to SEEK (\$m) ⁽²⁾	220.8	212.1	207.5	139.3	147.1
Basic EPS (excluding significant items and SEEK Investments ESVs) (cents) ⁽²⁾	63.5	60.5	59.1	39.6	41.7

(1) Cumulative TSR includes dividends and share price appreciation and is indexed from 1 July 2016 (1 July 2016 = 100.00).

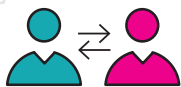
(2) SEEK's financial performance for FY2021 is reflective of the aggregate results from both continuing and discontinued operations. SEEK NPAT excludes significant items and the results from ESVs as removal of items that are once-off in nature and the impact from results generated from scaling the ESVs portfolio, provides a more representative view of the underlying operational performance of SEEK. A change in accounting policy means that comparative information for FY2020 EBITDA, NPAT and Basic EPS differs from the corresponding table for the year ended 30 June 2020 (refer to Note 29 Changes in accounting policies in the Financial Statements).

3. Executive remuneration framework, contractual terms and FY2021 statutory remuneration

3.1 Executive remuneration framework snapshot

SEEK's success as a global, people-centric business relies on the Company's ability to attract, motivate, and retain world-class talent and appropriately reward them for the behaviours and actions which result in sustainable, long-term shareholder wealth creation, rather than those focused on short-term gains. SEEK's Executive remuneration framework for FY2022 remains the same as outlined for FY2021.

Guiding Principles for Executive Remuneration



Aligns reward with SEEK's strategic intent and the shareholder experience, encouraging Executives to think and act as owners



Is sufficiently competitive and flexible to attract and retain world-class talent in the face of increasing competition



Balances the need to be competitive with being fair, reasonable, and appropriately reflective of SEEK's culture and the external environment



Is simple, easy to explain and delivers transparent remuneration outcomes that make sense internally and to SEEK shareholders

These principles are reviewed on a regular basis to ensure they remain fit for purpose and are used by the Remuneration Committee in its annual assessment of the effectiveness of SEEK's remuneration strategy and framework.

Objectives

The main objective of SEEK's executive remuneration framework is to ensure close alignment between Executive reward and long-term shareholder returns. With SEEK's short-term business results closely tied to the broader economy, the equity components, which represent a significant proportion of an Executive's Total Remuneration Opportunity are designed to 'see through' the ups and down of the economic cycle; and encourage Executives to make bold decisions and take actions focused on creating sustainable results over the long-term, leading to wealth creation for SEEK shareholders.

Executive Remuneration Framework

Component	Base Salary and Superannuation	Executive Equity Plan	Wealth Sharing Plan
Purpose and how we achieve this	Guaranteed Pay Base Salaries are set at a level that results in Executives' Total Remuneration Opportunity being positioned between the 50th and 80th percentiles of local companies of comparable size Refer section 3.2 for SEEK's FY2021 benchmarking approach and section 3.3 for the link to principles	Equity - Variable in Value Annual grant of 'locked-up' equity that is variable in value as the share price moves; this means that from Day 1 there is ongoing alignment with SEEK shareholders Refer section 3.4 for the link to principles and summary of the FY2021 EEP Offer details	Performance Based Equity (long-term equity component) Annual grant of 'at-risk' equity that is designed to reward for absolute share price growth throughout the economic cycle, in alignment with long-term shareholder returns Refer section 3.5 for the link to principles and summary of the FY2021 WSP Offer details
% of Total Remuneration Opportunity for FY2022			
Delivery mechanism	Base Salary plus Superannuation	One Equity Right that converts into an agreed number of SEEK shares	Choice of Options and/or Rights that may be converted into SEEK shares. The FY2022 WSP award for the MD and CEO will be delivered as 50% Options and 50% Rights.
Timeframe before reward is realised	Immediate	Two years	Four years
	1 Year	1 Year +1 Year	3 Years +1 Year

3.2 SEEK's approach to determining remuneration

Notwithstanding the impact of COVID-19 on the Australian economy, there continues to be an aggressive pursuit of talent with the skills and specific experience of SEEK's senior leaders. Recognising the critical need to attract, retain and motivate the talent that SEEK needs to succeed, the Board's objective is to position Executives' TRO within a target range of the 50th to 80th percentiles of a primary benchmarking comparator group comprising 20 similarly sized ASX-listed companies.

FY2021 benchmarking approach

The Executive remuneration structure, including the significant weighting towards equity, is guided by SEEK's remuneration objectives which support SEEK's focus on building a sustainable business over the long-term (see section 3.1). The quantum of Executive remuneration is guided by several inputs, one of which being external benchmarking. Other inputs include the competitive landscape for Executive talent, internal relativities and the individual's experience and performance. During FY2021, the Board engaged Ernst & Young to benchmark the quantum of TRO for Executive remuneration with the aim of identifying the competitive positioning of SEEK. Consistent with prior years, three ASX-listed size-based comparator groups were used:

> Primary comparator group

For consistency with prior years and reflecting proxy advisor feedback that a smaller, more targeted comparator group is generally preferred, SEEK's FY2021 primary comparator group comprised 20 ASX-listed companies: 10 companies immediately either side of SEEK based on 12-month average market capitalisation to 28 February 2021 of \$7,811m.

+ 10 Companies

- Auckland Int. Airport Limited
- Mirvac Group
- Origin Energy Limited
- Evolution Mining Limited
- Stockland
- Lendlease Group
- GPT Group
- Aurizon Holdings Limited
- Spark NZ Limited
- Wisetech Global Limited

SEEK

- 10 Companies

- Medibank Private Limited
- Tabcorp Holdings Limited
- Coca-Cola Amatil Limited
- Qantas Airways Limited
- CLIMIC Group Limited
- Treasury Wine Estates Limited
- Computershare Limited
- AusNet Services
- BlueScope Steel Limited
- Orica Limited

> Secondary data sources

Two additional comparator groups supplemented the FY2021 benchmarking analysis to provide a more complete view of Executive remuneration, reflecting common ASX-listed company benchmarking approaches:

- ASX-listed companies within the range of 50% to 200% of SEEK's market capitalisation based on a 12-month average market capitalisation to 28 February 2021; and
- ASX-listed companies with international operations within the range of 50% to 200% of SEEK's market capitalisation based on a 12-month average market capitalisation to 28 February 2021.

> Application of benchmarking data

Executives' TROs are determined by the Board with reference to:

- The market positioning of each Executive's TRO against the primary comparator group;
- Individual performance, role scope and complexity, and internal relativities amongst the Executives; and
- Availability of similar skills and experience in the domestic and international marketplace.

Based on the FY2021 benchmarking outcomes, the Board determined to increase Ian Narev's TRO upon appointment as the MD and CEO effective 1 July 2021. The increase was delivered entirely through WSP Options and Rights, aligning Ian's remuneration to the market median of the primary comparator group. See section 1.1 for further detail.

For the CFO and other Executives, the Board is satisfied that the TRO for each individual is positioned appropriately against the primary comparator group. Despite an increasing requirement for the scope of senior roles to expand across multiple geographies, the majority of Executives are based locally and as such, it is appropriate to anchor remuneration primarily to the Australian market. However, given the significant global footprint of SEEK and the associated demands, the ongoing monitoring of market positioning against multi-national and global technology companies will continue to be a focus.

3.3 Base Salary and Superannuation

Provision of a competitive Base Salary that appropriately reflects the opportunities and challenges faced by Executives and the expectation of high performance at all times and in all conditions, allows the focus to be on the job at hand. Together with the Equity Rights and WSP Options/Rights, Executives have the confidence they will be fairly and well remunerated for their efforts throughout the business cycle, without this being excessive.

Superannuation at SEEK is uncapped, with any amount earned over either the general concessional contributions cap or maximum superannuation contributions base paid as cash and included within 'cash salary'.

Executives are also eligible for cover under the SEEK salary continuance insurance policy available to all permanent employees, as well as on-site car parking.

3.4 Equity Rights

Equity Rights ensure alignment with shareholders and emphasise the focus on sustainable, long-term shareholder wealth creation. The provision of Equity Rights rather than a traditional STI, encourages Executives to think and act as owners and to channel their actions to sustainably grow the business, rather than focus on short-term financial targets which may not be aligned with SEEK's long-term objectives.

The key features of the EEP are as follows:

- Equity Rights vest, subject to continued employment, after a one-year Qualifying Period. Shares allocated are subject to a further one-year Disposal Restriction Period (in total, a two-year 'lock-up' period);
- The number of shares to be allocated is determined based on a VWAP for the 60 trading days leading up to the start of the Qualifying Period (up to and including 30 June); and
- The actual value of each Equity Right is variable during the Qualifying and Disposal Restriction Periods based on the SEEK share price at a given point in time. This means that Executives are always exposed to the same SEEK share price movements, up and down, as shareholders.

Terms and duration

The terms of the FY2021 Equity Rights award are set out below. There were no design changes from the prior financial year and no changes for FY2022.

Equity Rights

Objective	Ensuring Executives hold substantial equity in SEEK to create shareholder alignment and exposure to movements in SEEK's share price for the duration of the award.
Effective Date	1 July 2020
Grant date	Executives: 2 November 2020 CEO: 25 November 2020
Closing share price at 1 July 2020	\$21.80
Qualifying Period	1 July 2020 to 30 June 2021
Lapsing condition	Equity Rights generally lapse where the Executive ceases employment before the end of the Qualifying Period. In other circumstances, being good leaver events, the Executive's Equity Right will remain on foot and the number of shares that will be received will be adjusted to take into account the Executive's service period. The Board retains discretion to determine a different treatment if considered appropriate in the circumstances.
Vesting and allocation methodology	Vesting is determined following the end of the Qualifying Period with the number of shares allocated to an Executive determined by dividing the Executive's FY2021 EEP award opportunity by the 60-day SEEK VWAP up to and including 30 June 2020, being \$18.61.
Exercise price	\$nil
Disposal Restriction Period	1 July 2021 to 30 June 2022 During the Disposal Restriction Period, the shares allocated following vesting of an Equity Right are referred to as 'Deferred Shares'. Executives are entitled to retain their Deferred Shares if employment ceases during the Disposal Restriction Period, subject to the original restriction terms and compliance with post-employment obligations.
Dividend and voting entitlements	Executives are entitled to dividends on, and can exercise the voting rights attached to, Deferred Shares.
Change of control	The Board has discretion to determine an appropriate treatment for unvested Equity Rights and/or Deferred Shares.
Malus and clawback	Equity Rights and/or Deferred Shares may lapse or be forfeited, at the discretion of the Board, in certain circumstances which include fraudulent behaviour or gross misconduct, material breach of contractual obligations or where equity awards have vested as a result of a material misstatement in the financial statements.

3.5 Wealth Sharing Plan Options/Rights

Equity awards granted under the SEEK WSP represent the at-risk, long-term equity component of remuneration. The WSP is designed to align Executive reward with long-term shareholder returns and support bold decision making to enhance SEEK's prospects, in all conditions and in all business cycles. The plan supports the retention of Executives and operates as a true 'wealth sharing' arrangement, whereby reward is received only when shareholders have also done well over the same period.

The key features of the FY2021 WSP were as follows:

- Executives were offered the choice to receive a grant of Options and/or Rights. The number of awards granted to each Executive is dependent on this choice: fewer Rights are offered compared to Options, reflecting the lower allocation value of an Option due to the payment of an exercise price. The CEO, and Group COO and AP&A CEO, and several other participants elected to receive their FY2021 WSP award as 50% Options and 50% Rights, while the remaining participants chose to receive 100% Rights. These different elections demonstrate to the Board that choice is valued and worth retaining as it allows individuals to receive the award that best aligns with their risk profile and personal circumstances. For FY2022, the newly appointed MD and CEO will receive his WSP award as 50% Options and 50% Rights.
- Graduated vesting was introduced for the FY2021 WSP which replaced the previous cliff vesting approach. Vesting of Options and Rights is subject to continued employment and achievement of the Threshold share price hurdle (Threshold Price). The Threshold Price requires the SEEK share price to outperform the historical average of the Australian market applied on a Compound Annual Growth Rate (CAGR) basis for vesting to occur. If the Threshold Price is not met, no vesting occurs and all Options and Rights lapse. The Threshold Price also serves as the exercise price for Options.
- If the Threshold Price is met, the actual number of Options and Rights that vest will be determined based on the graduated vesting schedule. Full vesting occurs at the Stretch share price hurdle (Stretch Price) with pro-rata vesting between Threshold Price and Stretch Price. Upfront disclosure of the Threshold Price and Stretch Price enable both Executives and shareholders to easily monitor actual performance against hurdles at any time during the vesting period.
- While the plan has the potential to result in substantial reward for Executives, the requirement for absolute share price growth ensures a clear link to the value created for shareholders over the vesting period. While the share price performance hurdle is a purely capital hurdle, which excludes dividends, shareholders receive the benefit of any dividends paid to them in addition to any capital returns. In other words, any reward delivered to Executives under this plan is closely aligned with the experience of SEEK's shareholders.
- Awards have a three-year vesting period followed by a one-year exercise restriction. This means that even after awards have vested, the value that may be realised by Executives remains subject to movements in the SEEK share price. Exposure to a further year of share price variability means that if SEEK's share price decreases following achievement of the share price hurdle, Executives will experience the same downside as shareholders (and vice versa).

3.5 Wealth Sharing Plan Options/Rights continued

Terms and duration

The terms of the FY2021 Wealth Sharing Plan award (including the design changes introduced for FY2021) are set out below. There were no design changes from the prior financial year and no changes for FY2022.

Wealth Sharing Plan Options/Rights											
Objective	Ensuring Executives focus on sustainable absolute increases in shareholder value over the long-term.										
Effective Date	1 July 2020										
Grant date	CEO: 25 November 2020 Executives: 2 November 2020										
Vesting period	1 July 2020 to 30 June 2023										
Testing date	30 June 2023										
Exercise restriction period	1 July 2023 to 30 June 2024										
Exercise period	1 July 2024 to 30 June 2025										
Expiry date	30 June 2025										
Fair value at Effective Date (allocation value) ⁽¹⁾	Option: \$2.90; Right: \$8.78										
Fair value at grant date (accounting value) ⁽¹⁾	CEO: Option: \$7.69 and Right: \$19.09 at 25 November 2020 Executives: Option: \$4.26 and Right: \$11.96 at 2 November 2020										
Closing share price at grant date ⁽²⁾	CEO: \$26.18 at 25 November 2020 Executives: \$21.33 at 2 November 2020										
Exercise price	Option: \$20.51; Right: \$nil										
Performance conditions	<p>Vesting will only occur if the Testing Date Price achieves the Threshold Price, and once met the proportion of the award that vests is dependent on the extent of achievement against the Stretch Price. The Testing Date Price is the 60-day SEEK VWAP up to and including 30 June 2023.</p> <p>Threshold Price is \$20.51 calculated by applying the CAGR of ASX All Ordinaries Index 15-year average growth (3.30% for FY2021) to the 60-day SEEK VWAP up to and including 30 June 2020 (\$18.61 for FY2021), over the three-year vesting period.</p> <p>Calculation: $(1+0.033)^3 \times \\$18.61 = \\20.51</p> <p>Stretch Price is \$22.16 calculated by applying a CAGR of 6.00% to SEEK's VWAP for the 60 trading days up to and including 30 June 2020, over the three-year vesting period.</p> <p>Calculation: $(1+0.060)^3 \times \\$18.61 = \\22.16</p>										
Lapsing condition	<p>Options/Rights will lapse, subject to Board discretion, where the Executive ceases employment before the testing date as a result of summary dismissal, or less than one year has elapsed between the Effective Date and the date of cessation.</p> <p>In other circumstances, the Executive's Options/Rights will be pro-rated based on service period and remain on foot, subject to their original terms, unless the Board determines otherwise.</p>										
Vesting schedule	<p>If the Threshold Price is met, the actual number of Options and Rights that vest will be determined based on the graduated vesting schedule per below and no re-testing will occur.</p> <table> <tr> <th>If the Testing Date Price is</th><th>Proportion of award that vests</th></tr> <tr> <td>Less than the Threshold Price</td><td>0%</td></tr> <tr> <td>At the Threshold Price (\$20.51, 3.30% CAGR)</td><td>50%</td></tr> <tr> <td>Between Threshold Price and Stretch Price</td><td>Pro-rata vesting on a straight-line basis</td></tr> <tr> <td>At or above the Stretch Price (\$22.16, 6.00% CAGR)</td><td>100%</td></tr> </table> <p>Prior to the FY2021 award, cliff vesting rather than the above graduated vesting applied. Options/Rights vested where the share price hurdle, calculated based the methodology referenced above for the Threshold Price, was achieved.</p>	If the Testing Date Price is	Proportion of award that vests	Less than the Threshold Price	0%	At the Threshold Price (\$20.51, 3.30% CAGR)	50%	Between Threshold Price and Stretch Price	Pro-rata vesting on a straight-line basis	At or above the Stretch Price (\$22.16, 6.00% CAGR)	100%
If the Testing Date Price is	Proportion of award that vests										
Less than the Threshold Price	0%										
At the Threshold Price (\$20.51, 3.30% CAGR)	50%										
Between Threshold Price and Stretch Price	Pro-rata vesting on a straight-line basis										
At or above the Stretch Price (\$22.16, 6.00% CAGR)	100%										
Allocation methodology	<p>The number of Options/Rights granted to an Executive was determined by dividing the Executive's FY2021 WSP award opportunity by the fair value of the Options/Rights as at the Effective Date.</p> <p>For the FY2021 award, the fair value was based on a 60-day VWAP up to and including 30 June 2020 and was determined independently by Ernst & Young using a Monte-Carlo simulation model, which takes into consideration factors such as the performance hurdle, probability of the hurdle being achieved, share price volatility, expected life of the award, dividend yield and risk-free rate.</p>										
Change of control	The Board has discretion to determine an appropriate treatment for unvested and/or vested, but unexercised Options/Rights.										
Malus and clawback	Unvested and vested, but unexercised Options/Rights may lapse or be forfeited, at the discretion of the Board, in certain circumstances which include fraudulent behaviour or gross misconduct, material breach of contractual obligations or where equity awards have vested as a result of a material misstatement in the financial statements.										

(1) A fair value per Option/Right was determined based on the 60-day VWAP up to but excluding the Effective Date, 1 July 2020 for purposes of calculating the number of Options/Rights to be allocated to the CEO and other Executives.

(2) WSP Options/Rights were granted to Executives on 2 November 2020; and to the CEO on 25 November 2020 following shareholder approval of the CEO's FY2021 WSP award at SEEK's 2020 AGM. The closing share prices and fair values at grant date therefore reflect SEEK's share price and the fair value per Option/Right as at the respective grant dates. The fair values at grant date are the values attributed to the CEO and Executives' FY2021 WSP Options/Rights for accounting purposes, as shown in section 6.3.

Value of the CEO's FY2021 Wealth Sharing Plan award

The Board acknowledges that some shareholders and proxy advisors have a preference to convert the fair value of the CEO's WSP award into an equivalent face value amount. The CEO elected to receive his FY2021 WSP award as 50% Options and 50% Rights. While the Options component is difficult to translate into a face value equivalent as Options have an exercise price attached, for transparency, a conversion of the Rights component is provided below.

	Number of Rights	Fair value of Rights	Face value of Rights
Andrew Bassat	71,558	\$628,279	\$1,331,694

The CEO's FY2021 WSP award was equal to 25% of his TRO. Following shareholder approval at SEEK's 2020 AGM, this resulted in 216,649 Options being granted at a fair value for allocation purposes of \$2.90 (determined by Ernst & Young at the start of the performance period, 1 July 2020) and 71,558 Rights being granted at a fair value of \$8.78. The equivalent face value of the WSP Rights, based on SEEK's 60-day VWAP up to and including 30 June 2020, was \$18.61.

The difference between the fair and face value of WSP Rights reflects the degree of difficulty associated with achieving full vesting under the plan: a combination of SEEK having a share price performance hurdle that requires absolute share price growth over the vesting period irrespective of any external conditions; and the graduated vesting approach. The fair value also takes into account dividends foregone during the vesting period.

3.6 Executive performance evaluations

SEEK's leaders are held to a high standard of performance in relation to their behaviours and outcomes expected of them. The performance of each Executive including the CEO is assessed annually, with quality feedback conversations conducted on an ongoing basis throughout the year. The CEO's performance assessment is conducted by the Board, followed by a one-on-one discussion between the Chairman and the CEO, which considers the operational and financial results achieved, management of principal risks, demonstrated leadership behaviours and the culture fostered within the organisation. Executives' performance is assessed by the CEO and presented to the Board for discussion and review. Discussions about CEO and Executive performance also occurs at Board and Committee meetings on a regular basis throughout the year.

Performance assessments for all SEEK employees are undertaken primarily against SEEK's performance framework, referred to as 'This is SEEK'. The framework considers both the individual and collective outcomes achieved, along with how well each individual has demonstrated the SEEK values and attributes when achieving these. For the CEO, Executives and other senior leaders, other inputs into their performance assessment include formal '360 degree' feedback and the results and insights from engagement surveys.

3.7 Executive contractual terms

Executives' remuneration and other key employment terms are formalised in individual employee agreements. Each of these agreements provides for Base Salary and Superannuation, the Equity Right and WSP Options/Rights. Executives' TROs are reviewed on an annual basis.

The table below outlines contractual arrangements for the CEO and Executives.

Individual	Contract term	Notice period - employer	Notice period - employee	Post-employment restraints
CEO and other Executives	Ongoing	Six months	Six months	12-month non-competition period across all markets in which SEEK operates

Prior to the appointment of an Executive, SEEK undertakes references and background checks to validate the candidate's experience and character.

SEEK has the option to terminate employment with a payment in lieu of notice. Any payment in lieu of notice is not to exceed average annual base salary as defined by the Corporations Act 2001. SEEK may terminate employment immediately for cause, in which case the Executive is not entitled to any payment in lieu of notice.

3.8 Executive statutory remuneration for FY2021 and FY2020

The following table provides the statutory remuneration disclosures for Executive KMP for FY2021, prepared in accordance with Australian Accounting Standards. As such, the amounts in this table may differ from the Executive KMPs' FY2021 TROs and the elements of the remuneration framework outlined in sections 3.1 to 3.5. Differences arise mainly due to the accounting treatment of long-term benefits (including annual and long service leave) and share-based payments (Equity Rights and WSP Options/Rights). Specifically, Australian Accounting Standards require share-based payments to be expensed and included as remuneration over the vesting period of the award, even if an Executive may not realise any benefit from an award. The accounting values for current year Equity Rights, all unvested WSP Options/Rights and a one-off equity award granted in FY2019 are therefore what is shown in the following table.

(1) Amounts disclosed include base salary and any superannuation amount over the general concessional contributions cap of \$25,000 for the 2020/21 income year.

	Short-term benefits		Post-employment benefits	Long-term benefits	One-off share-based payment	Ongoing share-based payments				Total	Performance based equity component ⁽⁸⁾ %
	Cash salary ⁽¹⁾ \$	Non-monetary benefits ⁽²⁾ \$	Super-annuation ⁽³⁾ \$	Leave ⁽⁴⁾ \$	One-off equity award ⁽⁵⁾ \$	Equity Rights ⁽⁶⁾ \$	WSP Options ⁽⁷⁾ \$	WSP Rights ⁽⁷⁾ \$		\$	
Executive KMP											
A R Bassat	2021	2,488,130	8,614	25,000	335,311	-	1,256,565	845,499	909,336	5,868,455	30%
	2020	2,488,130	8,386	25,000	133,398	-	1,256,565	289,789	453,621	4,654,889	16%
I M Narev	2021	1,875,000	17,737	25,000	112,904	1,157,608	950,000	410,557	392,867	4,941,673	40%
	2020	1,765,385	12,413	25,000	101,314	2,046,500	950,000	177,971	177,188	5,255,771	29%
G I Roberts ⁽⁹⁾	2021	1,146,207	5,792	25,000	51,632	-	585,603	-	606,076	2,420,310	25%
	2020	1,145,063	12,243	25,000	43,671	-	585,603	-	339,905	2,151,485	16%
Total	2021	5,509,337	32,143	75,000	499,847	1,157,608	2,792,168	1,256,056	1,908,279	13,230,438	
	2020	5,398,578	33,042	75,000	278,383	2,046,500	2,792,168	467,760	970,714	12,062,145	

(2) Non-monetary benefits include car parking benefits and income protection insurance.

(3) Any superannuation amount earned over the general concessional contributions cap or maximum superannuation contributions base (where applicable) is paid as cash and included within 'cash salary'.

(4) Amounts disclosed reflect long service leave and annual leave accrued but not taken.

(5) Amounts disclosed reflect the accounting expense for the one-off sign-on equity award granted to Ian Narev following commencement with SEEK on 29 April 2019. One-third of the award was granted as an Equity Right, with the remaining two-thirds granted as WSP Options and Rights. While the grant occurred in FY2019 and no further one-off share-based payments have been made since then, the disclosures show the accounting value which has been attributed to FY2020 and FY2021 due to amortisation of the Equity Right and WSP Options and Rights over their associated one and three-year vesting periods.

(6) Amounts disclosed reflect the accounting expense for the Equity Rights.

(7) Amounts disclosed reflect the accounting expense for the WSP Options and Rights. For FY2020 and FY2021, Andrew Bassat and Ian Narev elected to receive their WSP award as 50% WSP Options and 50% WSP Rights.

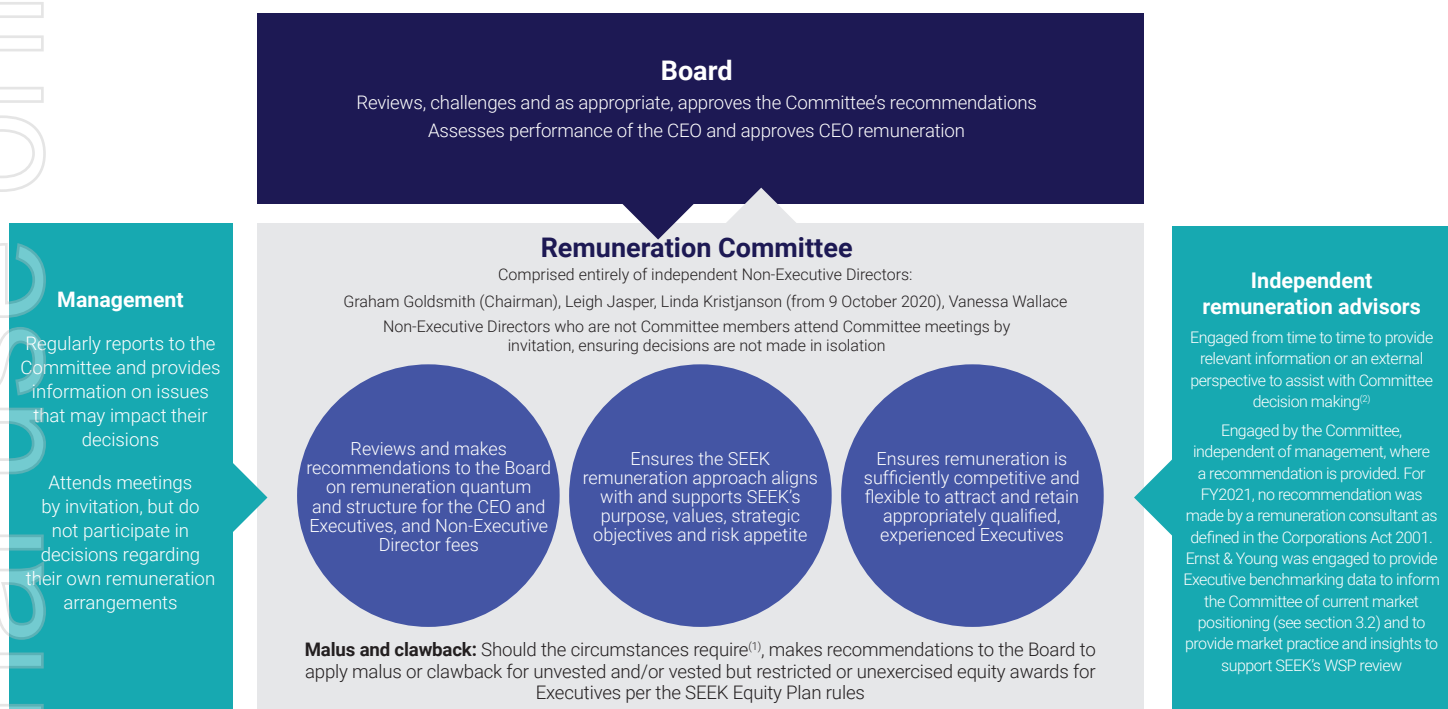
(8) Amounts disclosed reflect the expense relating to the WSP Options and Rights component of the one-off equity award granted to Ian Narev in FY2019 (refer footnote 5), and ongoing WSP Options and Rights, as a percentage of Total Remuneration.

(9) Andrew Bassat stepped down as CEO effective 30 June 2021. He was appointed Non-Executive Director effective 1 July 2021 and his director fees will be disclosed in the FY2022 Remuneration Report.

(10) Geoff Roberts retired and ceased as KMP effective 30 June 2021. Kate Koch commenced as a KMP effective 1 July 2021 after a period of handover from Geoff Roberts since joining SEEK on 10 June 2021. Kate's statutory remuneration will be disclosed in the FY2022 Remuneration Report. For transparency, her contractual TRO is disclosed in section 1.1.

4. Remuneration governance framework and related policies

SEEK's remuneration governance framework and related policies ensure that integrity of the remuneration strategy is upheld, and the desired outcomes are delivered. The diagram below illustrates SEEK's remuneration governance framework, key roles of the Board and Remuneration Committee (Committee) and related policies.



Related Policies

SEEK Share Trading Policy – Restricts dealing in SEEK securities by directors, Executives, other senior leaders and selected SEEK employees (Designated Persons) and prohibits Designated Persons from entering into arrangements which have the effect of limiting the economic risk related to an unvested or vested but restricted equity awarded under a SEEK employee incentive scheme. All KMP, Executives and certain other senior leaders are also restricted from entering into margin loans in respect to SEEK's securities, unless approved by the Chairman. No margin loans were entered into by KMP during FY2021 and none are currently on foot. The Share Trading Policy can be found on the Corporate Governance page in the Investors section of SEEK's website at <https://www.seek.com.au/about/investors/corporate-governance>.

SEEK Minimum Shareholding Policy – Promotes the alignment of interests of Executives and Non-Executive Directors with the interests of shareholders. The relevant amount of SEEK equity required to be held under the policy and the time to comply is as follows:

Category	Annual base salary and superannuation or annual fee	Acquisition timeframe for new appointees	Equity included to meet requirement
CEO	200%	Over 3 years	Shares, vested WSP Options/Rights and unvested Equity Rights
Executives	100%		
Non-Executive Director	100%	Over 5 years, 20% each year until requirement achieved	Shares (including shares held by a controlled entity or beneficially)
In FY2021, the CEO, Executives and Non-Executive Directors met or are on track to meet, their minimum shareholding requirements as outlined above.			

(1) Circumstances include instances of fraudulent behaviour or gross misconduct, material breach of contractual obligations or where equity awards have vested as a result of a misstatement in the financial statements.

(2) Information sought includes market movements, trends, and regulatory developments to assist the Board to determine the right approach for SEEK.

5. Non-Executive Director fees

SEEK's Non-Executive Director fees aim to appropriately recognise the time, contribution, and expertise of each director. The following sections set out how SEEK's director fees are determined and details the actual Non-Executive Director fees paid in FY2021.

5.1 Non-Executive Director fee policy

The following table outlines SEEK's Non-Executive Director fee policy and terms:

Aggregate Non-Executive Director fee limit	Non-Executive Director fees are determined within a yearly aggregate directors' fee limit. The current aggregate fee limit of \$1,800,000 per annum was approved by shareholders at the 2016 AGM.			
Non-Executive Director fee reviews	Non-Executive Director fees and payments are reviewed annually by the Committee, and approved by the Board, to ensure fees are appropriately positioned in the market to attract and retain high calibre Non-Executive Directors. In FY2021 Board and Committee fees remained unchanged for the second consecutive year from their FY2019 levels considering the business challenges arising from COVID-19.			
Non-Executive Director fees FY2022	In FY2021, independent remuneration consultants (Ernst & Young) provided the Remuneration Committee with a comparative benchmarking analysis on director fees. The analysis highlighted SEEK's fees had generally fallen below market rates relative to the primary comparator group due to SEEK's modest increases in fees since 2016 (when the last review was conducted by Ernst & Young) compared to SEEK's growth in market capitalisation over the same period. Based on this analysis, the Board determined increases to director fees effective 1 July 2021 as set out below.			
		FY2021	FY2022	Increase
	Chairman of the Board ⁽¹⁾	\$410,000	\$424,000	3.4%
	Non-Executive Directors	\$154,000	\$160,000	3.9%
	Additional fees are paid for the following roles:			
	Chairman of the Audit and Risk Management Committee	\$38,000	\$39,500	3.9%
	Member of the Audit and Risk Management Committee	\$19,500	\$19,500	0%
	Chairman of the Remuneration Committee ⁽¹⁾	\$31,000	\$32,000	3.2%
	Member of the Remuneration Committee	\$15,500	\$16,000	3.2%
	Member of the Nomination Committee ⁽¹⁾	\$0	\$0	n/a
Superannuation	The fees set out above include superannuation payments in accordance with relevant statutory requirements. Any superannuation amount earned over the general concessional contributions cap is paid as cash and included within 'cash salary'.			
Non-Executive Director shareholding requirement	All Non-Executive Directors are required to hold SEEK shares equivalent to one year of their annual base director fee. Refer to section 4 for further detail.			
Performance-based remuneration	Non-Executive Directors do not receive share options or rights or any performance-based remuneration.			

(1) No Remuneration Committee Chair, or other Committee, fees are payable to the Chairman of the Board.

5.2 Non-Executive Director fees

Details of the actual fees paid to each Non-Executive Director of SEEK Limited for FY2021 and FY2020 are set out in the following table. The total Non-Executive Director fees paid for FY2021 were \$1,263,272, which is below the current annual aggregate fee limit of \$1,800,000.

		Short-term benefits		Post-employment benefits	Total \$
		SEEK Limited director fees \$	Non-monetary benefits ⁽¹⁾ \$	Superannuation \$	
G B Goldsmith	2021	384,339	5,792	25,661	415,792
	2020	386,211	5,815	23,789	415,815
J A Fahey	2021	158,448	-	15,052	173,500
	2020	158,448	-	15,052	173,500
L M Jasper	2021	154,795	-	14,705	169,500
	2020	154,795	-	14,705	169,500
L J Kristjanson ⁽²⁾	2021	122,571	-	909	123,480
	2020	-	-	-	-
M H Wachtel	2021	175,342	-	16,658	192,000
	2020	175,342	-	16,658	192,000
V M Wallace	2021	172,603	-	16,397	189,000
	2020	172,603	-	16,397	189,000
Former Non-Executive Director					
D I Bradley ⁽³⁾	2021	-	-	-	-
	2020	116,096	-	11,029	127,125
Total	2021	1,168,098	5,792	89,382	1,263,272
	2020	1,163,495	5,815	97,630	1,266,940

(1) Non-monetary benefits relate to car parking benefits.

(2) Linda Kristjanson was appointed as a Non-Executive Director and a member of the Remuneration Committee effective 9 October 2020.

(3) Denise Bradley ceased to be a Non-Executive Director effective 20 March 2020.

Effective 1 July 2021, Andrew Bassat was appointed as a Non-Executive Director and will receive the associated fee from this time. He will not be a member of a Board Committee other than the Nomination Committee, and hence will not receive any Committee Fees.

6. Other KMP disclosures

6.1 Ordinary shareholdings – SEEK Limited

The number of ordinary shares in SEEK Limited held during FY2021 by each KMP, including their personally related parties, is set out below. No shares were granted during the reporting period as compensation.

FY2021 - SEEK Limited shares	Balance at the start of the year	Received during the year on exercise of WSP Rights	Received during the year on exercise of ongoing Equity Rights ⁽¹⁾	Purchase of shares	Sale of shares	Other changes during the year	Balance at the end of the year
Non-Executive Directors							
G B Goldsmith	50,000	-	-	-	-	-	50,000
J A Fahey	8,888	-	-	-	-	-	8,888
L M Jasper	68,133	-	-	-	-	-	68,133
L J Kristjanson ⁽²⁾	-	-	-	1,137	-	-	1,137
M H Wachtel	4,000	-	-	-	-	-	4,000
V M Wallace	17,000	-	-	-	-	-	17,000
Executive KMP							
A R Bassat	14,756,293	182,126	63,303	-	-	-	15,001,722
I M Narev	68,179	-	47,858	-	-	-	116,037
G I Roberts	189,021	88,603	29,501	-	(161,043)	-	146,082

(1) Relates to the FY2020 EEP award which vested following the end of the Qualifying Period on 30 June 2020. The shares allocated during FY2021 remained subject to a disposal restriction until 1 July 2021.

(2) Linda Kristjanson commenced as a Non-Executive Director on 9 October 2020. The nil balance reported as at the start of the financial year reflects that she did not hold SEEK shares as at the date of appointment.

6.2 Other equity holdings

The number of Options and Rights over Ordinary shares in SEEK Limited held during FY2021 by each Executive KMP (as a result of Equity Rights grants or awards made under the WSP), including their personally related parties, are set out below.

FY2021	Balance at the start of the year	Granted during the year as compensation	Exercised during the year	Forfeited during the year	Balance at the end of the year	Vested and exercisable at the end of the year	Vested and unexercisable at the end of the year	Unvested at the end of the year
WSP Rights⁽¹⁾								
A R Bassat	554,336	71,558	(182,126)	(243,147)	200,621	-	-	200,621
I M Narev	206,187	54,100	-	-	260,287	-	-	260,287
G I Roberts	297,008	66,697	(88,603)	(150,018)	125,084	-	-	125,084
WSP Options⁽¹⁾								
A R Bassat	243,520	216,649	-	(225,503)	234,666	-	-	234,666
I M Narev	720,121	163,793	-	-	883,914	-	-	883,914
Equity Rights								
A R Bassat	1	1	(1)	-	1	-	-	1
I M Narev	1	1	(1)	-	1	-	-	1
G I Roberts	1	1	(1)	-	1	-	-	1

(1) For FY2021, Andrew Bassat and Ian Narev elected to receive their WSP award as 50% WSP Options and 50% WSP Rights.

6.3 Equity grants on foot during FY2021

The required statutory disclosures of equity grants for SEEK's KMP are set out below.

	Vesting period	Grant date	# of options and rights granted	Exercise price	Fair value of options and rights at grant date ⁽¹⁾	Vested %	Vested #	Forfeited / lapsed %
Executive KMP								
A R Bassat ⁽²⁾	1 Jul 2016 - 30 Jun 2019 ⁽³⁾	19 Dec 2016	182,126	\$0.00	\$994,408	100%	182,126	0%
	1 Jul 2017 - 30 Jun 2020 ⁽⁴⁾	4 Dec 2017	171,941	\$0.00	\$1,547,469	-	-	100%
	1 Jul 2018 - 30 Jun 2019 ⁽⁵⁾	6 Dec 2018	1	\$0.00	\$1,256,565	100%	1	0%
	1 Jul 2018 - 30 Jun 2021 ⁽⁶⁾	6 Dec 2018	129,676	\$0.00	\$510,923	100%	129,676	0%
	1 Jul 2019 - 30 Jun 2020 ⁽⁷⁾	29 Nov 2019	1	\$0.00	\$1,256,565	100%	1	0%
	1 Jul 2019 - 30 Jun 2022 ⁽⁸⁾	29 Nov 2019	243,520	\$23.18	\$869,366	n/a	n/a	33%
	1 Jul 2019 - 30 Jun 2022 ⁽⁸⁾	29 Nov 2019	70,593	\$0.00	\$849,940	n/a	n/a	33%
	1 Jul 2020 - 30 Jun 2021 ⁽⁹⁾	25 Nov 2020	1	\$0.00	\$1,256,565	100%	1	0%
	1 Jul 2020 - 30 Jun 2023 ⁽⁸⁾	25 Nov 2020	216,649	\$20.51	\$1,666,031	n/a	n/a	67%
	1 Jul 2020 - 30 Jun 2023 ⁽⁸⁾	25 Nov 2020	71,558	\$0.00	\$1,366,042	n/a	n/a	67%
I M Narev	1 Jul 2018 - 30 June 2019 ⁽⁵⁾	11 Jun 2019	1	\$0.00	\$164,422	100%	1	0%
	29 Apr 2019 - 28 Apr 2020 ⁽¹⁰⁾	11 Jun 2019	1	\$0.00	\$1,066,667	100%	1	0%
	29 Apr 2019 - 28 Apr 2022 ⁽¹⁰⁾	11 Jun 2019	536,013	\$20.95	\$1,801,004	n/a	n/a	n/a
	29 Apr 2019 - 28 Apr 2022 ⁽¹⁰⁾	11 Jun 2019	152,817	\$0.00	\$1,671,818	n/a	n/a	n/a
	1 Jul 2019 - 30 Jun 2020 ⁽⁷⁾	23 Sep 2019	1	\$0.00	\$950,000	100%	1	0%
	1 Jul 2019 - 30 Jun 2022 ⁽⁸⁾	23 Sep 2019	184,108	\$23.18	\$533,913	n/a	n/a	n/a
	1 Jul 2019 - 30 Jun 2022 ⁽⁸⁾	23 Sep 2019	53,370	\$0.00	\$531,565	n/a	n/a	n/a
	1 Jul 2020 - 30 Jun 2021 ⁽⁹⁾	2 Nov 2020	1	\$0.00	\$950,000	100%	1	0%
	1 Jul 2020 - 30 Jun 2023 ⁽⁸⁾	2 Nov 2020	163,793	\$20.51	\$697,758	n/a	n/a	n/a
	1 Jul 2020 - 30 Jun 2023 ⁽⁸⁾	2 Nov 2020	54,100	\$0.00	\$647,036	n/a	n/a	n/a
G I Roberts	1 Jul 2016 - 30 Jun 2019 ⁽³⁾	3 Oct 2016	88,603	\$0.00	\$571,489	100%	88,603	0%
	1 Jul 2017 - 30 Jun 2020 ⁽⁴⁾	17 Oct 2017	83,648	\$0.00	\$714,354	-	-	100%
	1 Jul 2018 - 30 Jun 2019 ⁽⁵⁾	16 Oct 2018	1	\$0.00	\$571,320	100%	1	0%
	1 Jul 2018 - 30 Jun 2021 ⁽⁶⁾	16 Oct 2018	58,959	\$0.00	\$364,367	100%	58,959	0%
	1 Jul 2019 - 30 Jun 2020 ⁽⁷⁾	23 Sep 2019	1	\$0.00	\$585,603	100%	1	0%
	1 Jul 2019 - 30 Jun 2022 ⁽⁸⁾	23 Sep 2019	65,798	\$0.00	\$655,348	n/a	n/a	33%
	1 Jul 2020 - 30 Jun 2021 ⁽⁹⁾	2 Nov 2020	1	\$0.00	\$585,603	100%	1	0%
	1 Jul 2020 - 30 Jun 2023 ⁽⁸⁾	2 Nov 2020	66,697	\$0.00	\$797,696	n/a	n/a	67%

(1) For Equity Rights, fair value is the allocated value of the Equity Right. For WSP Options/Rights, fair value is the accounting fair value at grant.

(2) For Andrew Bassat, equity grants were made subsequent to obtaining shareholder approval at the relevant AGM per ASX Listing Rule 10.14.

(3) The FY2017 WSP award vested in full during FY2020 and these rights were exercised during FY2021, following the exercise restriction period that ended on 30 June 2020.

(4) The FY2018 WSP award lapsed during FY2021. Lapsing occurred following the testing date of 30 June 2020 as the share price hurdle of \$19.79 had not been achieved.

(5) The FY2019 Equity Right vested in full during FY2020 (with restrictions lifted on resulting shares in FY2021).

(6) The FY2019 WSP award vested during FY2022. Vesting occurred following the testing date of 30 June 2021 as the share price hurdle of \$24.39 had been achieved.

(7) The FY2020 Equity Right vested in full during FY2021 (with restrictions lifted on resulting shares in FY2022).

(8) As per prior year WSP awards, if the share price hurdle for the FY2020 and FY2021 award is met and the awards subsequently vest, vested awards will be subject to a one-year exercise restriction period.

(9) Participants will then have a one-year exercise period within which to exercise their vested awards, including WSP Options which require payment of an exercise price.

(10) The FY2021 Equity Right vested in full during FY2022 (with restrictions lifting on resulting shares in FY2023).

(11) During FY2019, Ian Narev received a one-off sign-on equity award comprising one Equity Right with an allocation value of \$1,066,667 which vested in FY2020, 152,817 WSP Rights with an allocation value of \$6.98 per Right and 536,013 WSP Options with an allocation value of \$1.99 and an exercise price of \$20.95 per Option. Vesting of the WSP Rights and Options is subject to achievement of a three-year share price hurdle.

6.4 Shares under option

Unissued Ordinary shares of SEEK Limited under option at the date of this Report are as follows:

Date granted	Expiry date	Exercise price ⁽¹⁾	Number of shares under option
CEO Options/Rights			
6 December 2018	1 July 2023	\$0.00	129,676
29 November 2019	1 July 2024	\$23.18	162,450
29 November 2019	1 July 2024	\$0.00	47,092
25 November 2020	1 July 2025	\$20.51	72,216
25 November 2020	1 July 2025	\$0.00	23,853
Other Options/Rights			
16 October 2018	1 July 2023	\$0.00	340,523
11 June 2019	28 April 2024	\$20.95	536,013
11 June 2019	28 April 2024	\$0.00	152,817
23 September 2019	1 July 2024	\$23.18	211,392
23 September 2019	1 July 2024	\$0.00	396,607
6 March 2020	1 July 2024	\$0.00	28,313
2 November 2020	1 July 2025	\$20.51	220,858
2 November 2020	1 July 2025	\$0.00	525,857
12 March 2021	1 July 2025	\$20.51	14,612
Total shares under option⁽²⁾			2,862,279

(1) Unlike Options, Rights do not have an Exercise Price.

(2) Balance excludes Equity Rights and Performance Rights which vested on 1 July 2021. Corresponding fulfilment of these shares will occur by early September 2021.

6.5 Shares or options over shares in subsidiaries

KMP do not hold any shares or options over shares in any subsidiaries of SEEK.

6.6 Loans to KMP

There were no loans to KMP during FY2021 (FY2020: \$nil).

6.7 Other transactions with KMP

Some of the Non-Executive Directors hold directorships or positions in other companies or organisations. From time to time, SEEK may provide or receive services from these companies or organisations on arm's length terms. None of the Non-Executive Directors were, or are, involved in any procurement or Board decision-making regarding the companies or organisations with which they have an association. There were no other transactions with KMP during FY2021.

This Directors' Report is made in accordance with a resolution of the directors.



Graham Goldsmith

Chairman
Melbourne

24 August 2021

AUDITOR'S INDEPENDENCE DECLARATION



Auditor's Independence Declaration

As lead auditor for the audit of SEEK Limited for the year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of SEEK Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'Chris Dodd'.

Chris Dodd
Partner
PricewaterhouseCoopers

Melbourne
24 August 2021

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FINANCIAL REPORT

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Basis of preparation

SEEK Limited is a for-profit entity for the purpose of preparing financial statements.

These financial statements:

- are general purpose financial statements;
- are for the consolidated entity consisting of SEEK Limited and its controlled entities;
- have been prepared in accordance with Australian Accounting Standards (AASBs) and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*;
- comply with International Financial Reporting Standards as issued by the International Accounting Standards Board;
- have been prepared on a historical cost basis except for the revaluation of financial assets and liabilities (including derivative instruments) measured at fair value through profit and loss; and
- are presented in Australian dollars with all values rounded to the nearest hundred thousand dollars, or in certain cases, the nearest dollar, in accordance with the Australian Securities and Investments Commission Corporations Instrument 2016/191.

Accounting policies adopted are consistent with those of the previous financial year, with the exception of the areas described in Note 29 Changes in accounting policies.

The Directors have included information in this report that they deem to be material and relevant to the understanding of the financial statements. Disclosure may be considered material and relevant if the dollar amount is significant due to size or nature, or the information is important to understand:

- SEEK's current year results;
- impact of significant changes in SEEK's business; or
- aspects of SEEK's operations that are important to future performance.

In accordance with accounting standards, where appropriate, the Primary Financial Statements and Notes to the financial statements have been presented for continuing operations only, including restatement of prior year numbers, as a result of the Zhaopin disposal and the pending divestment of the SEEK Growth Fund disposal group. Additionally, the Consolidated Balance Sheet includes the presentation of assets held for sale and liabilities directly associated with those assets held for sale of the SEEK Growth Fund disposal group. Refer to Note 1 Segment information and Note 2 Discontinued operations for the detail of these two transactions, an understanding of which is critical for users of the Financial Report in order to understand the overall financial performance and position of SEEK for the financial year ended 30 June 2021.

The financial statements have been prepared on a going concern basis. The Directors have made this assessment on the basis that SEEK has sufficient liquidity, undrawn borrowing facilities and an active and ongoing capital management strategy which enables it to meet its obligations and pay its debts as and when they fall due.

The Basis of preparation forms part of the Notes to the financial statements.

Consolidated Income Statement for the year ended 30 June 2021

	Notes	2021 \$m	Restated 2020 \$m
Revenue	3	760.3	650.6
Other income	4(a)	3.0	13.6
Operating expenses			
Direct cost of services		(4.4)	(4.4)
Employee benefits expenses		(275.0)	(234.6)
Marketing related expenses		(50.3)	(57.0)
Technology, product and development expenses		(55.0)	(46.1)
Operations and administration expenses		(65.2)	(76.0)
Depreciation and amortisation expenses		(83.9)	(76.7)
Finance costs	4(b)	(48.1)	(58.2)
Transaction costs		(0.3)	(1.7)
Total operating expenses		(582.2)	(554.7)
Impairment loss	12(a)(iii)	(46.9)	(203.1)
Share of results of equity accounted investments	20(b)	4.1	(8.8)
Profit/(loss) before income tax expense		138.3	(102.4)
Income tax expense	6(a)	(33.8)	(20.9)
Profit/(loss) from continuing operations		104.5	(123.3)
Profit from discontinued operations	2	669.4	31.1
Profit/(loss) for the year		773.9	(92.2)
Profit/(loss) is attributable to owners of SEEK Limited:			
From continuing operations		104.9	(121.2)
From discontinued operations	2	647.3	8.1
		752.2	(113.1)
Profit/(loss) is attributable to non-controlling interest:			
From continuing operations		(0.4)	(2.1)
From discontinued operations		22.1	23.0
		21.7	20.9
Earnings/(loss) per share for profit from continuing operations attributable to the owners of SEEK Limited:		Cents	Cents
Basic earnings per share	5	29.7	(34.3)
Diluted earnings per share	5	29.6	(34.2)
Earnings/(loss) per share attributable to the owners of SEEK Limited:		Cents	Cents
Basic earnings per share	5	213.0	(32.1)
Diluted earnings per share	5	211.6	(33.0)

The above Consolidated Income Statement has been restated for discontinued operations (refer to Note 2 Discontinued operations) and a change in accounting policy (refer to Note 29 Changes in accounting policies), and should be read in conjunction with the accompanying notes.

Consolidated Statement of Comprehensive Income for the year ended 30 June 2021

	Notes	2021 \$m	Restated 2020 \$m
Profit/(loss) for the year		773.9	(92.2)
Other comprehensive income/(loss)			
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign controlled entities		(62.3)	(49.9)
Exchange differences on translation of foreign equity accounted investments		14.3	(3.0)
Share of reserves movement of equity accounted investments		0.1	2.7
Losses on cash flow hedges		(0.6)	(5.1)
Losses on net investment hedges		(2.2)	(9.5)
Reserves recycled on disposal of subsidiaries		0.2	-
Reserves recycled on disposal of equity accounted investments		(0.3)	-
Income tax recognised in other comprehensive income	6(b)	0.2	2.4
From continuing operations		(50.6)	(62.4)
Exchange differences on translation of foreign controlled entities		8.0	(20.8)
Exchange differences on translation of foreign equity accounted investments		(2.0)	(8.0)
Share of reserves movement of equity accounted investments		(4.5)	3.0
Gain/(loss) on net investment hedges		0.8	(22.8)
Gain on cost of hedging reserve		1.2	-
Recycling of foreign currency translation reserve		(82.6)	-
Recycling of net investment hedge reserve		99.5	-
From discontinued operations		20.4	(48.6)
Items that will not be reclassified to profit or loss:			
Change in equity instruments held at fair value		(0.8)	1.2
From continuing operations		(0.8)	1.2
Gain/(loss) on fair value hedges		2.5	(0.9)
Change in equity instruments held at fair value		90.0	22.0
Income tax recognised on equity instruments held at fair value		(32.7)	-
From discontinued operations		59.8	21.1
Other comprehensive income/(loss) for the year			
From continuing operations		(51.4)	(61.2)
From discontinued operations		80.2	(27.5)
Total comprehensive income/(loss) for the year		802.7	(180.9)
Total comprehensive income/(loss) for the year attributable to:			
Owners of SEEK Limited		776.6	(194.4)
Non-controlling interests		26.1	13.5
		802.7	(180.9)
Total comprehensive income/(loss) for the year attributable to owners of SEEK Limited:			
From continuing operations		53.5	(182.2)
From discontinued operations		723.1	(12.2)
		776.6	(194.4)

The above Consolidated Statement of Comprehensive Income has been restated for discontinued operations (refer to Note 2 Discontinued operations) and a change in accounting policy (refer to Note 29 Changes in accounting policies), and should be read in conjunction with the accompanying notes.

Consolidated Balance Sheet as at 30 June 2021

	Notes	2021 \$m	Restated 2020 \$m
Current assets			
Cash and cash equivalents	7(a)	491.8	604.8
Trade and other receivables	11	771.1	151.6
Other financial assets	9(b)	4.3	57.6
Current tax assets	6(a)(iii)	6.3	3.2
Total current assets from continuing operations		1,273.5	817.2
Assets held for sale	2(c)(iii)	1,064.5	-
Total current assets		2,338.0	817.2
Non-current assets			
Investments accounted for using the equity method	20(b)	562.4	268.3
Plant and equipment		67.3	35.5
Intangible assets	12	1,380.0	2,538.8
Right-of-use assets	14(a)(i)	192.9	55.5
Other receivables	11	-	114.9
Other financial assets	9(b)	11.2	436.4
Deferred tax assets	6(c)(i)	48.8	62.2
Total non-current assets		2,262.6	3,511.6
Total assets		4,600.6	4,328.8
Current liabilities			
Trade and other payables	13	831.1	307.3
Borrowings	7(b)	77.3	143.4
Unearned income		129.9	350.9
Lease liabilities	14(a)(ii)	17.1	28.0
Other financial liabilities	9(b)	60.6	70.0
Current tax liabilities	6(a)(iii)	69.5	25.2
Provisions	15	29.5	36.5
Total current liabilities from continuing operations		1,215.0	961.3
Liabilities directly associated with the assets held for sale	2(c)(iii)	69.1	-
Total current liabilities		1,284.1	961.3
Non-current liabilities			
Borrowings	7(b)	1,029.9	1,797.6
Lease liabilities	14(a)(ii)	188.1	36.0
Other financial liabilities	9(b)	0.9	3.1
Deferred tax liabilities	6(c)(i)	158.0	127.5
Provisions	15	20.9	27.5
Total non-current liabilities		1,397.8	1,991.7
Total liabilities		2,681.9	2,953.0
Net assets		1,918.7	1,375.8
Equity			
Share capital	16	269.2	269.2
Foreign currency translation reserve		(73.6)	60.8
Hedging reserves	17(a)	(55.7)	(158.0)
Other reserves	17(b)	147.8	16.1
Retained profits		1,546.6	886.7
Non-controlling interests		84.4	301.0
Total equity		1,918.7	1,375.8

The above Consolidated Balance Sheet has been restated for a change in accounting policy (refer to Note 29 Changes in accounting policies), and should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity for the year ended 30 June 2021

	Notes	Attributable to equity holders of the parent						Non-controlling interests \$m	Total equity \$m
		Share capital \$m	Foreign currency translation reserve \$m	Hedging reserves \$m	Other reserves \$m	Retained profits \$m	Total \$m		
Balance as at 1 July 2019		269.2	127.6	(120.3)	(10.6)	1,127.3	1,393.2	293.4	1,686.6
Impact of change in accounting policy	29(a)	-	-	-	-	(6.3)	(6.3)	-	(6.3)
Adjusted balance at 1 July 2019		269.2	127.6	(120.3)	(10.6)	1,121.0	1,386.9	293.4	1,680.3
Loss for the year from continuing operations		-	-	-	-	(121.2)	(121.2)	(2.1)	(123.3)
Profit for the year from discontinued operations		-	-	-	-	8.1	8.1	23.0	31.1
Other comprehensive (loss)/income for the year from continuing operations		-	(49.2)	(13.1)	1.3	-	(61.0)	(0.2)	(61.2)
Other comprehensive (loss)/income for the year from discontinued operations		-	(17.6)	(24.6)	21.9	-	(20.3)	(7.2)	(27.5)
Total comprehensive (loss)/income for the year		-	(66.8)	(37.7)	23.2	(113.1)	(194.4)	13.5	(180.9)
<i>Transactions with owners:</i>									
Dividends provided for or paid	18	-	-	-	-	(123.2)	(123.2)	(7.4)	(130.6)
Employee share options scheme		-	-	-	9.7	-	9.7	1.5	11.2
Tax associated with employee share schemes	6(b)	-	-	-	(0.6)	2.4	1.8	-	1.8
Share of reserve movement of equity accounted investments		-	-	-	(5.6)	(0.4)	(6.0)	-	(6.0)
Balance at 30 June 2020		269.2	60.8	(158.0)	16.1	886.7	1,074.8	301.0	1,375.8
Profit/(loss) for the year from continuing operations		-	-	-	-	104.9	104.9	(0.4)	104.5
Profit for the year from discontinued operations		-	-	-	-	647.3	647.3	22.1	669.4
Other comprehensive loss for the year from continuing operations		-	(48.0)	(2.6)	(0.8)	-	(51.4)	-	(51.4)
Other comprehensive (loss)/income for the year from discontinued operations		-	(86.4)	104.9	57.3	-	75.8	4.4	80.2
Total comprehensive (loss)/income for the year		-	(134.4)	102.3	56.5	752.2	776.6	26.1	802.7
<i>Transactions with owners:</i>									
Dividends provided for or paid	18	-	-	-	-	(70.6)	(70.6)	-	(70.6)
Employee share options scheme		-	-	-	22.4	-	22.4	2.7	25.1
Tax associated with employee share schemes	6(b)	-	-	-	4.4	2.1	6.5	-	6.5
Share of reserve movement of equity accounted investments	20(b)	-	-	-	1.8	-	1.8	-	1.8
Acquisition of subsidiaries		-	-	-	-	-	-	8.4	8.4
Change in ownership of subsidiaries and equity accounted investments		-	-	-	(2.7)	-	(2.7)	8.5	5.8
Disposal of interest in Zhaopin		-	-	-	-	-	-	(253.7)	(253.7)
Reserves reclassified to retained earnings on disposal of Zhaopin		-	-	-	31.6	(23.0)	8.6	(8.6)	-
Reserves reclassified to retained earnings on disposal of equity accounted investments		-	-	-	1.5	(1.5)	-	-	-
Utilisation of put option reserve		-	-	-	16.9	-	16.9	-	16.9
Transfer of reserves		-	-	-	(0.7)	0.7	-	-	-
Balance at 30 June 2021		269.2	(73.6)	(55.7)	147.8	1,546.6	1,834.3	84.4	1,918.7

The above Consolidated Statement of Changes in Equity has been restated for discontinued operations (refer to Note 2 Discontinued operations) and a change in accounting policy (refer to Note 29 Changes in accounting policies), and should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows for the year ended 30 June 2021

	Notes	2021 \$m	Restated 2020 \$m
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		742.5	709.7
Payments to suppliers and employees (inclusive of goods and services tax)		(428.9)	(459.4)
		313.6	250.3
Interest received		2.5	4.1
Interest paid		(47.3)	(47.2)
Transaction costs		(2.0)	(1.0)
Income taxes paid	6(a)(iii)	(42.7)	(38.2)
Net cash inflow from operating activities attributable to continuing operations		224.1	168.0
Cash inflow from operating activities attributable to discontinued operations	2(a)	122.4	132.0
Net cash inflow from operating activities		346.5	300.0
Cash flows from investing activities			
Proceeds from disposal of interest in Zhaopin, net of cash disposed	2(b)(ii)	124.1	-
Proceeds from disposal of Zhaopin, to be paid out	2(b)(iv)	308.7	-
Payments for acquisition of subsidiary, net of cash acquired		(1.2)	(4.0)
Payments for interests in equity accounted investments		-	(4.0)
Proceeds from disposal of equity accounted investments		6.1	-
Dividends and distributions received from equity accounted investments		1.0	-
Payments for investment in financial assets		-	(3.3)
Payments for intangible assets		(83.7)	(85.7)
Payments for plant and equipment		(54.2)	(7.1)
Payments for convertible loans		(0.4)	(1.2)
Net cash inflow/(outflow) from investing activities attributable to continuing operations		300.4	(105.3)
Cash outflow from investing activities attributable to discontinued operations	2(a)	(191.3)	(151.3)
Net cash inflow/(outflow) from investing activities		109.1	(256.6)
Cash flows from financing activities			
Proceeds from borrowings		230.2	486.8
Repayments of borrowings		(631.0)	(185.1)
Transaction costs on establishment of debt facilities		(1.0)	(4.6)
Settlement of share options in subsidiaries		-	(6.5)
Dividends paid to members of the parent		(116.4)	(47.8)
Payments for additional interest in subsidiary		(14.2)	-
Payments of lease liabilities		(7.1)	(9.7)
Net payment for other financing arrangements		(29.5)	(30.8)
Net cash (outflow)/inflow from financing activities attributable to continuing operations		(569.0)	202.3
Cash inflow/(outflow) from financing activities attributable to discontinued operations	2(a)	46.4	(10.1)
Net cash (outflow)/inflow from financing activities		(522.6)	192.2
Net (decrease)/increase in cash and cash equivalents		(67.0)	235.6
Cash and cash equivalents at the beginning of the year		604.8	382.9
Effect of exchange rate changes on cash and cash equivalents		(12.4)	(13.7)
Cash and cash equivalents at the end of the year		525.4	604.8
Less cash and cash equivalents at the end of the year transferred to assets held for sale	2(c)(iii)	(33.6)	-
Cash and cash equivalents at the end of the year attributable to continuing operations		491.8	604.8

The above Consolidated Statement of Cash Flows has been restated for discontinued operations (refer to Note 2 Discontinued operations) and a change in accounting policy (refer to Note 29 Changes in accounting policies), and should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

Performance

1. Segment information

Accounting Policy

Operating segments, which have not been aggregated, are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer.

Segment EBITDA is the measure utilised by the CODM to measure the businesses' profitability. Segment EBITDA is earnings before interest, tax, depreciation and amortisation and excludes share of results of equity accounted investments, amortisation of share-based payments and long-term incentives, gains/losses on investing activities, and other non-operating gains/losses.

Change to operating segments

A change has been made to SEEK's operating segments in FY2021 as a result of the transactions outlined below.

Zhaopin

On 23 February 2021, SEEK announced that it had entered into an agreement to sell down its controlling interest in Zhaopin. As a result, Zhaopin was deconsolidated from SEEK from 1 May 2021 and is reported as a discontinued operation for the year. Refer to Note 2 Discontinued operations for further information.

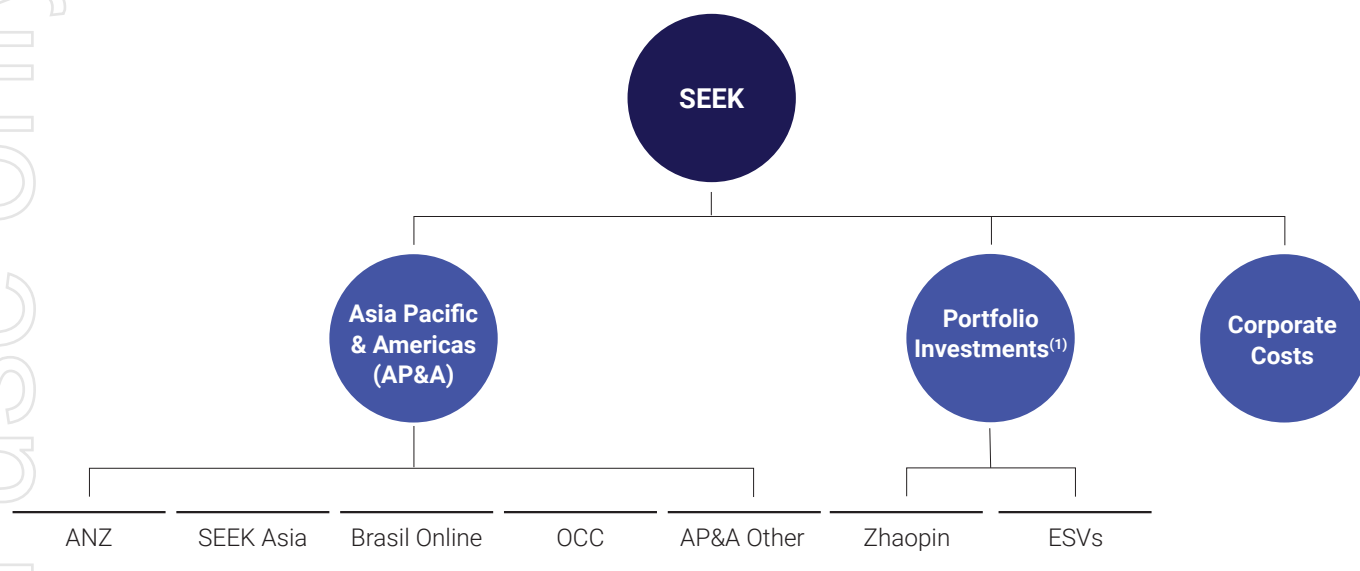
SEEK has retained a 23.5% equity accounted investment in Zhaopin effective from 1 May 2021, and has also retained its 61.1% controlling interest in Zhaopin Ltd (the holding entity for the Zhaopin operations) as at 30 June 2021. The combined results of these interests have been reported within continuing operations, with no comparative information for these operations. Refer to Note 2 Discontinued operations (specifically section (b)(iv)) for further details on balances held in Zhaopin Ltd.

SEEK Growth Fund

On 11 August 2021, SEEK announced the creation of SEEK Growth Fund (the Fund), following the completion of a strategic review that had been announced in February 2021. SEEK's current holdings in Online Education Services (OES) and 14 Early Stage Ventures (ESVs) will be transferred to the Fund as seed assets in exchange for units in the Fund. The combined results of OES and the ESVs that will be transferred to the Fund have been presented as a discontinued operation in FY2021 (referred to as 'SEEK Growth Fund'), with associated assets and related liabilities of the disposal group deemed to be held for sale at 30 June 2021.

The presentation of assets and associated liabilities that will be transferred to the Fund as held for sale, and recognition of the results of the disposal group as a discontinued operation, as at 30 June 2021, requires judgement. The key factor in determining these presentations is SEEK's intention and advanced stage of planning for deconsolidation of the Fund in the future, and for the Fund to run autonomously despite SEEK holding a majority financial interest.

The operating segments of the continuing operations are as described below.



Operating segment	Nature of operations	Primary source of revenue	Geographical location
ANZ	Online employment marketplace services	Job advertising	Australia and New Zealand
SEEK Asia	Online employment marketplace services	Job advertising	Seven countries across South East Asia
Brasil Online	Online employment marketplace services	Candidate services and job advertising	Brazil
OCC	Online employment marketplace services	Job advertising	Mexico
AP&A Other	A portfolio of early stage investments that complement and/or have synergies with the AP&A operating businesses	Various	Various
Zhaopin ⁽²⁾	Online employment marketplace services and provision of other offline services	Job and banner advertising	China
ESVs ⁽³⁾	A portfolio of early stage investments which are managed as standalone entities	Various	Various

(1) Portfolio Investments refers to the legacy SEEK Investments segment, and in FY2021 comprises the continuing operations of Zhaopin (for which there is no comparative) and results from a small portfolio of ESVs that will not be transferred to SEEK Growth Fund.

(2) SEEK has retained a 23.5% equity accounted investment in Zhaopin, as well as its 61.1% controlling interest in the holding company Zhaopin Limited. This has been reported within continuing operations.

(3) SEEK continues to manage a small portfolio of ESVs that will not be transferred to SEEK Growth Fund. The results of these portfolio investments have been reported within continuing operations.

(a) Segment information provided to the CODM

(a) segment information provided to the CODM

	Year ended 30 June 2021	Notes	Asia Pacific & Americas					Portfolio Investments				Corporate continuing operations		Total		
			ANZ	SEEK Asia	Brasil Online	OCC	Other	Total	Zhaopin ⁽²⁾	ESVs	Total	\$m	\$m			
			\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	
Online employment marketplaces			539.4	145.0	30.5	19.2	0.5	734.6	-	21.3	21.3	-	755.9	323.7	63.0	1,142.6
Education			1.6	-	-	-	-	1.6	-	1.5	1.5	-	3.1	-	190.7	193.8
Business process outsourcing			-	-	-	-	-	-	-	-	-	-	-	125.5	-	125.5
Other sales revenue			-	0.6	-	-	0.7	1.3	-	-	-	-	1.3	127.9	-	129.2
Sales revenue	3		541.0	145.6	30.5	19.2	1.2	737.5	-	22.8	22.8	-	760.3	577.1	253.7	1,591.1
Segment EBITDA ⁽¹⁾			322.9	47.4	(1.1)	2.4	(9.5)	362.1	(0.1)	(4.0)	(4.1)	(26.0)	332.0	98.7	42.9	473.6
Depreciation			(8.4)	(5.8)	(1.0)	(1.4)	(0.1)	(16.7)	-	(1.2)	(1.2)	(4.8)	(22.7)	(17.7)	(2.1)	(42.5)
Amortisation	12		(39.3)	(10.6)	(2.4)	(2.2)	(3.2)	(57.7)	-	(0.9)	(0.9)	(2.6)	(61.2)	(17.2)	(12.4)	(90.8)
Impairment loss			-	(14.1)	(29.6)	-	-	(43.7)	-	-	-	(3.2)	(46.9)	-	-	(46.9)
Net interest (expense)/income			(2.2)	(1.4)	-	0.1	-	(3.5)	(0.1)	(0.3)	(0.4)	(42.2)	(46.1)	(1.6)	0.4	(47.3)
Share-based payments and other LTIs	25(b)		(9.9)	(1.2)	(0.4)	(0.2)	-	(11.7)	-	(0.3)	(0.3)	(8.6)	(20.6)	(2.8)	0.1	(23.3)
Share of results of equity accounted investments	20(b)		-	-	-	-	(1.1)	(1.1)	5.6	(0.4)	5.2	-	4.1	-	(8.7)	(4.6)
(Loss)/Gain on disposal of equity accounted investments			-	(0.4)	-	-	0.4	-	-	-	-	-	-	-	65.3	65.3
Transaction costs			-	-	-	-	-	-	-	-	-	(0.3)	(0.3)	-	(8.3)	(8.6)
Gain on sale of discontinued operation	2(b)		-	-	-	-	-	-	-	-	-	-	-	628.9	-	628.9
Other			3.2	(3.2)	-	-	-	-	-	-	-	-	-	-	-	-
Profit/(loss) before income tax expense			266.3	10.7	(34.5)	(1.3)	(13.5)	227.7	5.4	(7.1)	(1.7)	(87.7)	138.3	688.3	77.2	903.8
Income tax (expense)/benefit	6(a)		(77.9)	(4.1)	12.1	0.4	7.7	(61.8)	-	0.3	0.3	27.7	(33.8)	(12.7)	(83.4)	(129.9)
Profit/(loss) for the year			188.4	6.6	(22.4)	(0.9)	(5.8)	165.9	5.4	(6.8)	(1.4)	(60.0)	104.5	675.6	(6.2)	773.9
Non-controlling interests	19(c)		-	-	-	-	-	-	-	0.4	0.4	-	0.4	(18.2)	(3.9)	(21.7)
Profit/(loss) attributable to owners of SEEK Limited			188.4	6.6	(22.4)	(0.9)	(5.8)	165.9	5.4	(6.4)	(1.0)	(60.0)	104.9	657.4	(10.1)	752.2

(1) Segment EBITDA is earnings before interest, tax, depreciation and amortisation and excludes share of results of equity accounted investments, share-based payments expense, gains/losses on investing activities and other non-operating gains/losses.

(2) SEEK has retained a 23.5% equity accounted investment in Zhaopin, as well as its 61.1% controlling interest in the holding company Zhaopin Limited. This has been reported within continuing operations.

Year ended 30 June 2020 Restated ⁽¹⁾	Asia Pacific & Americas						Portfolio Investments		Corporate Costs		Total continuing operations		Discontinued operations		Total				
	ANZ		SEEK Asia		Brasil Online		OCC		Other		Total		ESVs			Zhaopin		SEEK Growth Fund	
	Notes	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m		\$m	\$m	\$m	
Online employment marketplaces		385.7	161.0	52.4	25.1	1.2	625.4	17.4	-	-	642.8	427.1	40.6	1,110.5					
Education		1.5	-	-	-	-	1.5	3.6	-	-	5.1	-	136.6	141.7					
Business process outsourcing		-	-	-	-	-	-	-	-	-	-	191.4	-	191.4					
Other sales revenue		-	1.9	-	-	0.8	2.7	-	-	-	2.7	131.1	-	133.8					
Sales revenue	3	387.2	162.9	52.4	25.1	2.0	629.6	21.0	-	-	650.6	749.6	177.2	1,577.4					
Segment EBITDA⁽²⁾⁽³⁾																			
Depreciation		220.5	72.8	5.8	7.2	(14.3)	292.0	(3.8)	(33.1)	-	255.1	123.7	31.8	410.6					
Amortisation ⁽³⁾	12	(4.0)	(6.1)	(1.7)	(1.8)	(0.1)	(13.7)	(1.3)	(2.8)	-	(17.8)	(24.4)	(1.8)	(44.0)					
Impairment loss		(37.9)	(9.1)	(3.7)	(2.7)	(2.9)	(56.3)	(2.4)	(0.2)	-	(58.9)	(17.8)	(11.0)	(87.7)					
Net interest (expense)/income		-	-	(100.7)	(42.7)	(20.8)	(164.2)	(38.9)	-	-	(203.1)	-	-	(203.1)					
Share-based payments and other LTIs	25(b)	-	(1.6)	1.1	0.6	-	0.1	(0.3)	(51.2)	-	(51.4)	(8.0)	0.1	(59.3)					
Share of results of equity accounted investments		(8.3)	(0.5)	(0.4)	-	(0.2)	(9.4)	-	(5.4)	-	(14.8)	(3.3)	(4.1)	(22.2)					
Transaction costs		-	-	-	-	(2.3)	(2.3)	(6.5)	-	-	(8.8)	-	(31.1)	(39.9)					
Other		-	-	-	-	-	-	-	(1.7)	-	(1.7)	-	-	(1.7)					
Profit/(loss) before income tax expense		3.6	(3.6)	-	-	-	-	-	(1.0)	-	(1.0)	-	-	(1.0)					
Profit/(loss) before income tax expense		173.9	51.9	(99.6)	(39.4)	(40.6)	46.2	(53.2)	(95.4)	-	(102.4)	70.2	(16.1)	(48.3)					
Income tax (expense)/benefit ⁽³⁾	6(a)	(51.1)	(9.2)	4.2	(1.1)	5.3	(51.9)	1.5	29.5	-	(20.9)	(15.7)	(7.3)	(43.9)					
Profit/(loss) for the year		122.8	42.7	(95.4)	(40.5)	(35.3)	(5.7)	(51.7)	(65.9)	-	(123.3)	54.5	(23.4)	(92.2)					
Non-controlling interests		-	-	-	0.8	-	0.8	1.3	-	-	2.1	(21.0)	(2.0)	(20.9)					
Profit/(loss) attributable to owners of SEEK Limited		122.8	42.7	(95.4)	(39.7)	(35.3)	(4.9)	(50.4)	(65.9)	-	(121.2)	33.5	(25.4)	(113.1)					

(1) See Note 2 Discontinued operations - comparative information has been restated due to the discontinued operations of Zhaopin and SEEK Growth Fund.

(2) Segment EBITDA is earnings before interest, tax, depreciation and amortisation and excludes share of results of equity accounted investments, share-based payments expense, gains/losses on investing activities and other non-operating gains/losses. Effective 1 July 2019, SEEK applied the new AASB 16 Leases standard using the modified retrospective approach. Lease costs such as property rental payments are accounted for as depreciation and interest expense below Segment EBITDA from FY2020.

(3) See Note 29 Changes in accounting policies - SEEK revised its accounting policy regarding upfront configuration costs incurred in implementing cloud computing arrangements. Comparative information has been restated to account for the impact of the change retrospectively.

1. Segment information continued

(b) Geographical information

The following table analyses sales revenue and non-current assets (excluding deferred tax assets and financial assets) based on geographical location.

Sales revenue is allocated to a country based on the geographical location of the customers.

Non-current assets are allocated to a country based on the geographical location of the asset. Intangible assets that relate only to one country have been allocated to that country. Intangible assets acquired as part of the JobsDB and JobStreet acquisitions (goodwill, brands and other intangible assets) relate to several countries and have been shown as "South East Asia" as they cannot practically be split between the individual country locations. This is consistent with the approach for impairment testing (refer to Note 12 Intangible assets).

	Sales revenue		Segment assets ⁽²⁾	
	2021 \$m	Restated 2020 ⁽¹⁾ \$m	2021 \$m	2020 ⁽³⁾ \$m
Australia	509.1	360.1	458.2	583.0
China	-	-	-	740.5
South East Asia	146.1	163.7	1,131.5	1,225.1
Brazil	30.4	53.5	8.1	37.8
New Zealand	54.0	42.7	5.7	6.1
Mexico	20.7	27.4	35.9	35.1
United Kingdom and Europe	-	2.0	-	1.9
Rest of the world	-	1.2	0.8	0.3
Total for continuing operations	760.3	650.6	1,640.2	2,629.8

(1) See Note 2 Discontinued operations - comparative information has been restated due to the discontinued operations of Zhaopin and SEEK Growth Fund.

(2) Segment assets include plant and equipment, intangible assets and right-of-use assets.

(3) See Note 29 Changes in accounting policies - SEEK revised its accounting policy regarding upfront configuration costs incurred in implementing cloud computing arrangements. Comparative information has been restated to account for the impact of the change retrospectively.

2. Discontinued operations

(a) Summary of discontinued operations

As outlined in Note 1 Segment information, SEEK has two discontinued operations for the year ended 30 June 2021, being the disposal of Zhaopin, and the recognition of a disposal group for the assets that will be transferred to SEEK Growth Fund. This section aggregates the key results for FY2021 from those two operations, with more detailed information provided on the individual transactions in sections (b) and (c) of this Note, respectively.

2021	Zhaopin \$m	SEEK Growth Fund \$m	Total \$m
Financial performance of discontinued operations			
Profit/(Loss) from discontinued operations after gain on sale after income tax	675.6	(6.2)	669.4
Profit/(Loss) from discontinued operations, attributable to owners of SEEK Limited	657.4	(10.1)	647.3
Other comprehensive income, attributable to owners of SEEK Limited	19.5	56.3	75.8
Basic earnings per share (cents per share)	186.2	(2.9)	183.3
Diluted earnings per share (cents per share)	184.8	(2.8)	182.0
Cash flows of discontinued operations			
Net cash inflow from operating activities	88.1	34.3	122.4
Net cash outflow from investing activities incurred in the ordinary course of business	(22.6)	(168.7)	(191.3)
Net cash inflow from financing activities	42.8	3.6	46.4

(b) Zhaopin

On 23 February 2021, SEEK announced that it had entered into an agreement to sell down its controlling interest in Zhaopin. The decision to reduce SEEK's ownership interest is a continuation of SEEK's portfolio management strategy and to create the right structure to support Zhaopin's long-term growth aspirations.

Effective from 1 May 2021, SEEK has retained a 23.5% equity accounted investment in Zhaopin, as well as retaining its 61.1% controlling interest in the holding company, Zhaopin Limited. This has been reported within continuing operations.

(i) Financial performance

The financial performance presented is for the ten months ended 30 April 2021 and the year ended 30 June 2020 for the operations of Zhaopin, including the holding company.

	30 Apr 2021 \$m	30 Jun 2020 \$m
Sales revenue	577.1	749.6
Other income	12.6	19.5
Operating expenses	(530.3)	(698.9)
Profit from discontinued operation before income tax	59.4	70.2
Income tax expense	(12.7)	(15.7)
Profit from discontinued operation after income tax	46.7	54.5
Gain on sale from discontinued operation, after income tax	628.9	-
Profit from discontinued operation after gain on sale after income tax	675.6	54.5
Non-controlling interests	(18.2)	(21.0)
Profit from discontinued operation, attributable to owners of SEEK Limited	657.4	33.5
Exchange differences on translation of discontinued operation	3.0	(20.8)
Reclassification of foreign currency translation reserve on discontinued operation	(86.3)	-
Gains/(losses) on net investment hedges of discontinued operation	1.0	(21.8)
Reclassification of net investment hedge reserve of discontinued operation	101.8	-
Other comprehensive income from discontinued operation, attributable to owners of SEEK Limited	19.5	(42.6)
Earnings per share from profit from discontinued operation, attributable to the owners of SEEK Limited		
Basic earnings per share (cents per share)	186.2	9.5
Diluted earnings per share (cents per share)	184.8	8.3

(ii) Cash flow of discontinued operation

The cash flow information presented is for the ten months ended 30 April 2021 and the year ended 30 June 2020.

	30 Apr 2021 \$m	30 Jun 2020 \$m
Net cash inflow from operating activities	88.1	109.4
Net cash inflow/(outflow) from investing activities		
Net cash flows incurred in the ordinary course of business	(22.6)	(33.9)
Proceeds from disposal of Zhaopin, net of cash disposed	124.1	-
Net cash inflow from financing activities	42.8	27.8
Net increase in cash generated by the discontinued operation	232.4	103.3

2. Discontinued operations continued

(iii) Assets and liabilities of discontinued operation at date of sale

The carrying amounts of assets and liabilities at the date of disposal (30 April 2021) were as follows:

	30 Apr 2021 \$m
Cash and cash equivalents	313.5
Trade and other receivables	36.4
Plant and equipment	9.7
Intangible assets	682.1
Right-of-use assets	21.3
Other financial assets	230.3
Deferred tax assets	30.8
Total assets	1,324.1
Trade and other payables	268.9
Borrowings	74.7
Unearned income	238.4
Lease liabilities	23.8
Current tax liabilities	1.9
Deferred tax liabilities	43.3
Total liabilities	651.0
Net assets	673.1
Less non-controlling interest	(253.7)
Carrying amount of net assets sold	419.4

(iv) Details of consideration

	Notes	30 Apr 2021 \$m
Consideration received or receivable		
Cash received		497.7
Cash receivable		198.6
Fair value of retained equity accounted investment	20	521.1
Total disposal consideration		1,217.4
Carrying amount of net assets sold (net of non-controlling interest)		(419.4)
Transaction costs		(14.5)
Gain on sale before income tax and reclassification of reserves		783.5
Recycling of foreign currency translation reserve		86.3
Recycling of net investment hedge reserve		(101.8)
Income tax expense		(139.1)
Gain on sale after income tax and reclassification of reserves		628.9
Fair value of retained equity accounted investment	20	521.1
Percentage retained of net assets of subsidiary		(158.1)
Indicative gain on retained equity accounted investment		363.0

There are gross funds flows which are expected to occur after 30 June 2021, relating to both SEEK's share and the non-controlling interests' share of the Zhaopin disposal, through Zhaopin Ltd (SEEK's holding entity for the Zhaopin continuing operations). These are recognised in SEEK's Consolidated Balance Sheet (with impacts on the Consolidated Statement of Cash Flows also) at 30 June 2021 as outlined below:

- Cash and cash equivalents: \$308.7m of cash proceeds were received shortly before year end but not yet distributed, to settle amounts owing to both the non-controlling interests and to third parties for transaction costs;
- Trade and other receivables: \$671.6m of proceeds from investors (net of taxes) is an outstanding receivable (refer to Note 11 Trade and other receivables);
- Trade and other payables: \$(719.3)m is payable to non-controlling interests and third parties for transaction costs (refer to Note 13 Trade and other payables);
- Bank borrowings: \$(77.3)m of transaction proceeds will be used to settle the remaining pre-transaction debt in Zhaopin Limited (refer to Note 7 Net debt).

As a result of the above, SEEK's remaining share of proceeds from the net distribution outstanding is \$183.7m.

Following distribution of all consideration in respect of the transaction, there is the potential that SEEK may receive further 'special dividends' from Zhaopin over a period of time, in priority to other shareholders. The dividends are dependent on the satisfaction of a number of conditions in the future. As at 30 June 2021, the likelihood of a future dividend was deemed to be sufficiently uncertain and as a result no receivable has been recognised.

(c) SEEK Growth Fund

(i) Financial performance

On 11 August 2021, SEEK announced the creation of SEEK Growth Fund, following the completion of a strategic review that had been announced in February 2021. SEEK's current holdings in OES and 14 ESVs will be transferred to the Fund as seed assets in exchange for units in the Fund. The combined results of OES and the ESVs that will be transferred to the Fund have been presented as a discontinued operation for the year (referred to as 'SEEK Growth Fund'), with associated assets and related liabilities of the disposal group deemed to be held for sale at year end.

The financial performance presented is for the year ended 30 June 2020 and the year ended 30 June 2021:

	30 Jun 2021 \$m	30 Jun 2020 \$m
Sales revenue	253.7	177.2
Other income	66.4	2.6
Operating expenses	(234.2)	(164.8)
Share of results of equity accounted investments	(8.7)	(31.1)
Profit/(loss) from discontinued operation before income tax	77.2	(16.1)
Income tax expense	(83.4)	(7.3)
Loss from discontinued operation after income tax	(6.2)	(23.4)
Non-controlling interests	(3.9)	(2.0)
Loss from discontinued operation, attributable to owners of SEEK Limited	(10.1)	(25.4)
Exchange differences on translation of foreign controlled entities	(0.2)	0.1
Exchange differences on translation of foreign equity accounted investments	(2.0)	(8.0)
Share of reserve movements of equity accounted investments	(4.5)	3.0
Loss on net investment hedges	0.8	(1.9)
Gain/(loss) on fair value hedges	2.5	(0.9)
Gain/(loss) on cost of hedging	1.2	-
Changes in fair value of equity instruments	90.0	22.0
Income tax recognised on equity instruments held at fair value	(32.7)	-
Foreign currency translation reserve recycled on disposal of equity accounted investment	3.6	-
Net investment hedge reserve recycled on disposal of equity accounted investment	(2.4)	-
Other comprehensive income from discontinued operation, attributable to owners of SEEK Limited	56.3	14.3
Earnings per share from profit from discontinued operations attributable to the owners of SEEK Limited		
Basic earnings per share (cents per share)	(2.9)	(7.2)
Diluted earnings per share (cents per share)	(2.8)	(7.0)

(ii) Cash flow of discontinued operation

The cash flow information presented is for the year ended 30 June 2021 and the year ended 30 June 2020:

	30 Jun 2021 \$m	30 Jun 2020 \$m
Net cash inflow from operating activities	34.3	22.5
Net cash outflow from investing activities	(168.7)	(117.4)
Net cash inflow/(outflow) from financing activities	3.6	(37.9)
Net decrease in cash generated by the held for sale group	(130.8)	(132.8)

2. Discontinued operations continued

(iii) Assets and associated liabilities of discontinued operation presented as held for sale

The carrying amounts of assets held for sale and liabilities directly associated with the assets held for sale at 30 June 2021 are as follows:

	30 Jun 2021 \$m
Cash and cash equivalents	33.6
Trade and other receivables	31.1
Other financial assets ⁽¹⁾	324.4
Investments accounted for using the equity method	295.5
Deferred tax assets	7.0
Plant and equipment	1.9
Intangible assets	368.8
Right-of-use assets	2.2
Total assets held for sale	1,064.5
Trade and other payables	34.9
Borrowings	5.2
Unearned income	4.6
Lease liabilities	2.5
Deferred tax liabilities	1.8
Provisions	20.1
Total liabilities directly associated with the assets held for sale	69.1

(1) Other financial assets consists of equity instruments held at fair value through other comprehensive income and convertible loans.

On disposal of SEEK Growth Fund, there are accumulated balances, such as foreign currency translation, hedging and investment revaluation reserves recorded within other comprehensive income which will be reclassified to earnings. The balance to be reclassified will be determined on the date of disposal.

3. Revenue

Accounting Policy

Recognition criteria

Revenue is measured at the fair value of the consideration received or receivable and is shown net of sales taxes (such as GST and VAT) and amounts collected on behalf of third parties.

SEEK recognises revenue when the contract has been identified, it is probable that the entity will collect the consideration to which it is entitled and specific criteria have been met as described below for the material classes of revenue.

Class of revenue	Recognition criteria
Online employment marketplaces	
Job advertisements	over the period in which the advertisements are placed. If it is expected that the customer will not use all the services they are entitled to, the excess is recognised in the same pattern as for the services that the customer does use.
CV search/download	over the period in which the searches/downloads occur. If it is expected that the customer will not use all the services they are entitled to, the excess is recognised in the same pattern as for the services that the customer does use.
CV online	over the period in which the jobseeker can access the services.
Education	
Provision of education services to students	over the period in which the student studies a particular unit. For Higher Education it is typically four months. For Vocational Education (VET), the length of time to complete units can vary so an estimate is made.
Business process outsourcing	
HR agent services	when the service is provided to the customer. Revenue is recognised on a net basis as the business operates as the agent under the terms and conditions of the contractual arrangement.
Labour outsourcing services	when the service is provided to the customer. Revenue is recognised on a gross basis as the business operates as the principal under the terms and conditions of the contractual arrangement.
Labour dispatch services	when the service is provided to the customer. Revenue was recognised on a gross basis when the business operated as the principal under the terms and conditions of contractual arrangements. Commencing from Q3 FY2020, the standardised contractual terms and conditions were revised for new contracts. The revisions to the contract provide a refined scope of services with the customer now bearing any potential employment risks associated with the contract. Upon transition to the new agreement, the business operates as an agent and revenue is recognised on a net basis.
Other sales revenue	
Campus recruitment services	when the service is provided to the customer.
Provision of training services	when the service is provided to the customer.

Allocation of transaction price to services in a bundled contract

Where a contract identifies multiple services (performance obligations) that can be used independently of one another, the consideration is allocated between them on the basis of their relative standalone selling prices. This is usually the price at which the service is sold separately.

Contract costs

Costs incurred in the acquisition of contracts, predominantly sales commissions, are considered to be recoverable.

Applying the practical expedient in paragraph 94 of AASB 15 *Revenue from Contracts with Customers*, SEEK recognises the incremental costs of obtaining contracts as an expense when incurred because the amortisation period of the assets that SEEK otherwise would have recognised is one year or less.

Variable consideration

Certain education contracts include variable amounts of consideration dependent on the occurrence or non-occurrence of future events. SEEK estimates the amount of revenue to be recognised based on historical and forecast information. The estimated amount is included in the transaction price to the extent it is highly probable that a change in the revenue estimation would not result in a significant reversal of the cumulative revenue recognised.

3. Revenue continued

	2021 \$m	Restated 2020 ⁽¹⁾ \$m
Online employment marketplaces	755.9	642.8
Education	3.1	5.1
Other sales revenue	1.3	2.7
Total sales revenue from continuing operations	760.3	650.6

(1) See Note 2 Discontinued operations - comparative information has been restated due to the discontinued operations of Zhaopin and SEEK Growth Fund.

Sales revenue recognised during the financial year ended 30 June 2021 includes \$130.3m (2020: \$149.3m) that was included in the opening balance of unearned income at the beginning of the corresponding period.

At 30 June 2021, SEEK is party to contracts with customers for services that have not yet been delivered (or fully delivered) at that date. Some amounts have already been invoiced to the customer in line with the terms of the contract, and are therefore recognised within unearned income, whereas other amounts are yet to be invoiced.

SEEK has chosen to apply the practical expedient in paragraph 121 of AASB 15 *Revenue from Contracts with Customers* and therefore has not disclosed information about contracts that are expected to be completed in one year or less. Of the contracts with a duration of more than one year, SEEK expects to recognise future revenue of \$0.2m (2020: \$0.8m).

SEEK has provided further customer relief in response to COVID-19 by its investment in hirer support packages including reducing minimum contracted commitments, extending contract lives and providing credits for job advertisements no longer required from hirers who are in financial hardship.

4. Other income and expenses

(a) Other income

	2021 \$m	Restated 2020 ⁽¹⁾ \$m
Government grants (i)	1.7	8.4
Interest income	1.3	5.2
Total other income from continuing operations	3.0	13.6

(1) See Note 2 Discontinued operations - comparative information has been restated due to the discontinued operations of Zhaopin and SEEK Growth Fund.

(i) Government grants

In FY2021, SEEK has recognised subsidy payments from South East Asia \$1.7m (2020: \$0.2m). This government support is due to the ongoing economic impacts of COVID-19.

During the year, SEEK voluntarily repaid \$9.8m of COVID-19 subsidies received from the Australian and New Zealand governments.

In accordance with AASB 120 *Accounting for Government Grants and Disclosure of Government Grants*, SEEK has elected to present government grants received in FY2021 as other income.

(b) Finance costs

	Notes	2021 \$m	Restated 2020 ⁽¹⁾ \$m
Interest expense		43.9	55.4
Interest expense on lease liabilities	14(b)	3.5	1.2
Borrowing costs written off		-	0.9
Other finance charges paid/payable		0.7	0.7
Total finance costs from continuing operations		48.1	58.2

(1) See Note 2 Discontinued operations - comparative information has been restated due to the discontinued operations of Zhaopin and SEEK Growth Fund.

(c) Other gains/(losses)

Profit/(loss) before income tax expense includes net gains on foreign exchange movements of \$10.9m (2020: \$2.7m gain), which are classified as 'Operations and administration' costs in the Consolidated Income Statement.

5. Earnings per share

Accounting Policy

Diluted Earnings Per Share (EPS) reflects the following adjustments:

- the impact on profit if the subsidiaries' outstanding employee options were fully exercised, resulting in SEEK's ownership being diluted; and
- the effect of employee options and rights in SEEK Limited, calculated by comparing the number of shares that would be issued if all options/rights were exercised with the number of shares the Company could hypothetically buy back on market using the exercise price (the dilutive impact being the difference between the two). Employee options and rights are only treated as dilutive when their conversion to ordinary shares would decrease EPS or increase the loss per share.

	2021 Cents	Restated 2020 ⁽¹⁾ Cents
Basic earnings per share		
From continuing operations	29.7	(34.3)
From discontinued operations ⁽²⁾	183.3	2.2
	213.0	(32.1)
Diluted earnings per share		
From continuing operations	29.6	(34.2)
From discontinued operations ⁽²⁾	182.0	1.2
	211.6	(33.0)

(1) See Note 2 Discontinued operations - comparative information has been restated due to the discontinued operations of Zhaopin and SEEK Growth Fund.

(2) Excluding the gain on sale related to Zhaopin, both the basic and diluted earnings per share from discontinued operations would be 5.2 cents.

5. Earnings per share continued

(a) Reconciliation of earnings used in calculating EPS

	2021 \$m	Restated 2020 ⁽¹⁾⁽²⁾ \$m
Profit attributable to owners of SEEK Limited (for basic EPS)		
From continuing operations	104.9	(121.2)
From discontinued operations	647.3	8.1
	752.2	(113.1)
Potential dilutive adjustment for subsidiary option plans		
From continuing operations	0.2	0.4
From discontinued operations	0.3	(3.6)
	0.5	(3.2)
Adjusted profit attributable to owners of SEEK Limited (for diluted EPS)		
From continuing operations	105.1	(120.8)
From discontinued operations	647.6	4.5
	752.7	(116.3)

(1) See Note 2 Discontinued operations - comparative information has been restated due to the discontinued operations of Zhaopin and SEEK Growth Fund.

(2) See Note 29 Changes in accounting policies - SEEK revised its accounting policy regarding upfront configuration costs incurred in implementing cloud computing arrangements. Comparative information has been restated to account for the impact of the change retrospectively.

(b) Weighted average number of shares

	2021 number	2020 number
Weighted average number of shares used as denominator in calculating basic EPS	353,102,683	352,082,752
Weighted average of potential dilutive ordinary shares:		
- WSP Options	166,666	-
- WSP Rights	1,843,404	-
- Equity Rights and Performance Rights	533,882	-
Weighted average number of shares used as the denominator in calculating diluted EPS	355,646,635	352,082,752

In the prior year, the weighted average of potential ordinary shares excludes Wealth Sharing Plan (WSP) Options which had an exercise price that was higher than the average share price for the period. Therefore, these Options are considered potentially antidilutive and have been excluded from the earnings per share calculation.

Also in the prior year, the conversion of Rights would decrease the loss per share for the financial year ended 30 June 2020, and therefore the impact of these were excluded from the diluted earnings per share calculation.

6. Income tax

Critical accounting estimates and assumptions

Uncertain tax positions

SEEK applies its current understanding of the tax law to estimate tax liabilities where the ultimate tax position is uncertain. When the tax position is ultimately determined or tax laws change, the actual tax liability may differ from this current estimate.

Research and development incentive

The research and development incentive available to SEEK is estimated in the accounts because a full assessment of the position cannot be made by the reporting date. It is the policy of SEEK to only bring to account the preliminary portion of expenses that is reasonably expected to be claimable at reporting date.

Accounting Policy

Each entity in SEEK uses the tax laws in place or those that have been substantively enacted at reporting date in the relevant jurisdiction to calculate income tax. For deferred income tax, the entity also considers whether these laws are expected to be in place when the related asset is realised or the liability is settled.

Deferred tax assets and liabilities are recognised on all deductible and taxable temporary differences respectively, except for:

- the initial recognition of goodwill;
- any undistributed profits of the Company's subsidiaries, associates or joint ventures where either the distribution of those profits would not give rise to a tax liability or the directors consider they have the ability to control the timing of the reversal of the temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future; and
- the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither accounting profit nor taxable profit or loss.

Deferred tax assets:

- are recognised only to the extent that it is probable that there are sufficient future taxable profits to recover these assets. This assessment is reviewed at each reporting date;
- are offset against deferred tax liabilities in the same tax jurisdiction, when there is a legally enforceable right to do so and they relate to taxes levied by the same taxation authority; and

- acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. If the changed circumstances existed at the acquisition date, it would be treated as a reduction to goodwill (as long as it does not exceed goodwill), otherwise through profit or loss.

SEEK Limited and its wholly-owned Australian subsidiaries formed an Australian income tax consolidated group in 2004. These entities have tax sharing and tax funding agreements in place. Refer to Note 21 Parent entity financial information for further information.

Adoption of Voluntary Tax Transparency Code

On 3 May 2016, the Australian Treasurer released a Voluntary Tax Transparency Code (the Voluntary Code). The Voluntary Code recommends additional tax information be publicly disclosed to help educate the public about the corporate sector's compliance with Australia's tax laws. SEEK fully supports and signed up to this Voluntary Code from FY2016. Accordingly, the income tax disclosures in this note include the recommended additional disclosures under Part A of the Voluntary Code.

SEEK's latest Tax Transparency Report can be found on the Reports & Presentations page in the Investors section of the Company's website at <https://www.seek.com.au/about/investors/reports-presentations>.

6. Income tax continued

(a) Income tax expense

		2021 \$m	Restated 2020 ⁽¹⁾ \$m
Current tax		57.1	32.1
Deferred tax		(22.1)	(11.6)
(Over)/under provision in prior years (current tax)		(1.7)	0.6
Under/(over) provision in prior years (deferred tax)		0.5	(0.2)
Income tax expense in the Consolidated Income Statement	6(a)(i)	33.8	20.9
Deferred income tax expense included in income tax expense comprises:			
Increase in deferred tax assets		(14.7)	(6.6)
Decrease in deferred tax liabilities		(6.9)	(5.2)
		(21.6)	(11.8)

(1) See Note 2 Discontinued operations - comparative information has been restated due to the discontinued operations of Zhaopin and SEEK Growth Fund.

(i) Reconciliation of income tax expense

		2021 \$m	Restated 2020 ⁽¹⁾ \$m
Profit/(loss) before income tax expense			
Continuing operations		138.3	(102.4)
Income tax calculated @ 30% (2020: 30%)		41.5	(30.7)
Increase/(decrease) in income tax expense due to:			
Impairment loss	(a)	4.2	57.5
Post-tax share of results of equity accounted investments	(b)	(1.2)	2.6
Financing, transaction and legal costs	(c)	0.4	1.0
Research and development incentive	(d)	(3.1)	(3.3)
Overseas tax rate differential	(e)	(7.1)	(8.4)
(Over)/under provision in prior years		(1.2)	0.4
Other		0.3	1.8
Income tax expense in the Consolidated Income Statement		33.8	20.9

(1) See Note 2 Discontinued operations - comparative information has been restated due to the discontinued operations of Zhaopin and SEEK Growth Fund.

Explanation of key items:

- (a) Non-deductible accounting impairment loss with respect to WorkAbroad (an investment held within SEEK Asia) (see Note 12 Intangible assets, specifically section (a) Impairment).
- (b) SEEK's share of equity accounted investments' results is taken up net of equity accounted investments' tax expense.
- (c) Non-deductible financing, transaction and legal costs throughout SEEK.
- (d) Research and development incentives utilised throughout SEEK.
- (e) SEEK's international profits are taxed at local rates which vary from the Australian corporate tax rate. This includes utilisation of Malaysia's Principal Hub Incentive by JobStreet.com Shared Services Sdn. Bhd.

(ii) Effective tax rate

	SEEK		Australian operations ⁽²⁾	
	2021 \$m	Restated 2020 ⁽¹⁾ \$m	2021 \$m	Restated 2020 ⁽¹⁾ \$m
Profit/(loss) before income tax expense	138.3	(102.4)	158.1	41.8
Add: Impairment loss	14.1	203.1	-	-
(Subtract)/add: Post-tax share of results of equity accounted investments	(4.1)	8.8	1.3	15.8
(A) Adjusted profit before income tax expense ⁽³⁾	148.3	109.5	159.4	57.6
(B) Income tax expense ⁽⁴⁾	33.8	20.9	39.9	15.9
Effective tax rate (B/A)	22.8%	19.1%	25.0%	27.6%

(1) See Note 2 Discontinued operations - comparative information has been restated due to the discontinued operations of Zhaopin and SEEK Growth Fund.

(2) Excludes intra-group dividends within SEEK.

(3) Impairment loss and post-tax share of results from SEEK's equity accounted investments have been excluded from the effective tax rate calculation to better reflect SEEK's taxable profit.

(4) Does not include Australian income tax expense of \$48.5m relating to the Zhaopin disposal (see Note 2 Discontinued operations). If included, the SEEK Australian operations effective tax rate would be 55.5% (calculated as \$88.4m / \$159.4m).

(iii) Reconciliation of income tax expense to net current tax liabilities

	2021 \$m	Restated 2020 ⁽¹⁾ \$m
Income tax expense in the Consolidated Income Statement	33.8	20.9
Add:		
Deferred tax assets credited to income	14.7	6.6
Deferred tax liabilities credited to income	6.9	5.2
Current tax included in income tax expense	55.4	32.7
Add/(subtract):		
Net restated opening balance carried forward	5.1	14.2
Tax payments made to tax authorities	(42.7)	(38.2)
Current tax recognised directly in equity	(2.1)	(2.4)
Australian current income tax expense relating to the Zhaopin disposal	48.5	-
Foreign exchange	(0.2)	1.6
Other	(0.8)	(2.8)
Net current tax liabilities	63.2	5.1
Net current tax liabilities comprises:		
Current tax assets in the Consolidated Balance Sheet	(6.3)	(3.2)
Current tax liabilities in the Consolidated Balance Sheet	69.5	8.3
Net current tax liabilities	63.2	5.1

(1) See Note 2 Discontinued operations - comparative information has been restated due to the discontinued operations of Zhaopin and SEEK Growth Fund.

(b) Amounts recognised directly in equity

Tax relating to certain taxable or deductible items are recognised in other comprehensive income or directly in equity rather than through the Consolidated Income Statement.

	2021 \$m	Restated 2020 ⁽¹⁾ \$m
Relating to items recognised in other comprehensive income:		
Deferred tax credited directly to foreign currency translation reserve	-	0.9
Deferred tax credited directly to cash flow hedge reserve	0.2	1.5
Total tax recognised in other comprehensive income	0.2	2.4
Relating to items recognised directly in equity:		
Deferred tax credited directly to retained profits	3.5	0.8
Deferred tax credited/(debited) directly to share-based payment reserve	4.4	(0.6)
Current tax credited directly to retained profits on issuance of new shares	2.1	2.4
Total tax recognised directly in equity	10.0	2.6

(1) See Note 2 Discontinued operations - comparative information has been restated due to the discontinued operations of Zhaopin and SEEK Growth Fund.

6. Income tax continued

(c) Deferred taxes

(i) Deferred tax balances

Deferred tax balances in the Consolidated Balance Sheet comprise temporary differences attributable to the following items:

As at 30 June	2021 \$m	2020 \$m
Share-based payments	12.6	7.0
Provisions and accruals	5.7	28.5
Employee benefits	15.7	11.0
Unrealised foreign exchange	4.6	9.5
Research and development incentive	(27.0)	(24.9)
Tax losses recognised	15.4	11.2
Property, plant and equipment ⁽¹⁾	13.4	9.6
Cash flow hedge	5.5	5.3
Other	2.9	5.0
Deferred tax assets	48.8	62.2
Intangible assets	36.1	86.6
Withholding tax on undistributed profits	15.1	35.0
Future interest in the SEEK Growth Fund ⁽²⁾	107.9	-
Other	(1.1)	5.9
Deferred tax liabilities	158.0	127.5
Net deferred tax liabilities	109.2	65.3

(1) See Note 29 Changes in accounting policies - SEEK revised its accounting policy regarding upfront configuration costs incurred in implementing cloud computing arrangements. Comparative information has been restated to account for the impact of the change retrospectively.

(2) A deferred tax liability is required to be recognised with respect to the potential future income tax liability that would arise if SEEK disposed of its interest in the SEEK Growth Fund (see Note 2 Discontinued Operations, specifically section (c) for more information).

Certain deferred tax liability balances are shown as part of deferred tax assets, as they originate in the same jurisdiction as, and can be offset against, other deferred tax assets.

(ii) Deferred taxes credited to income

For the year ended 30 June	2021 \$m	Restated 2020 ⁽¹⁾ \$m
Share-based payments	(1.1)	0.4
Provisions and accruals	(1.3)	(1.5)
Employee benefits	(6.8)	1.7
Unrealised foreign exchange	4.9	(6.0)
Research and development incentive	2.2	-
Tax losses recognised	(5.4)	(1.7)
Property, plant and equipment	(8.9)	(2.3)
Other	1.7	2.8
Deferred tax assets	(14.7)	(6.6)
Intangible assets	(7.0)	(4.3)
Withholding tax on undistributed profits	0.2	(0.4)
Other	(0.1)	(0.5)
Deferred tax liabilities	(6.9)	(5.2)
Net deferred tax credited to income	(21.6)	(11.8)

(1) See Note 2 Discontinued operations - comparative information has been restated due to the discontinued operations of Zhaopin and SEEK Growth Fund.

(iii) Deferred tax movements

For the year ended 30 June	2021 \$m	2020 \$m
Opening net deferred tax liabilities ⁽¹⁾	65.3	89.8
Credited to income ⁽¹⁾	(21.6)	(17.6)
Credited to other comprehensive income and equity	(8.1)	(3.0)
Exchange differences	(2.0)	(3.9)
Transfer to discontinued operations	75.6	-
Closing net deferred tax liabilities	109.2	65.3

(1) See Note 29 Changes in accounting policies - SEEK revised its accounting policy regarding upfront configuration costs incurred in implementing cloud computing arrangements. Comparative information has been restated to account for the impact of the change retrospectively.

Financing and risk management

7. Net debt

Accounting Policy

Borrowings are initially recognised net of transaction costs incurred. Fees paid on the establishment of loan facilities are recognised as transaction costs where it is probable that some or all the facility will be drawn down. The fee is deferred until the drawdown occurs and is amortised on a straight-line basis over the entire life of the facility. Transaction costs include the discount on the July 2020 issuance of Capital Markets Debt, that is amortised to the first date on which SEEK has the right to repay the debt.

Borrowings are classified as current liabilities unless the Group has the right to defer settlement of the liability for at least 12 months after the reporting period.

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(a) Cash and cash equivalents

Cash and short-term deposits held in certain Asian countries (including China) are subject to local exchange control regulations which place restrictions on exporting capital from these countries other than through normal dividends. These balances at 30 June are disclosed as 'cash not freely converted', representing cash that cannot be freely converted into other currencies for transfer throughout SEEK.

	2021 \$m	2020 \$m
Cash freely converted	475.4	532.4
Cash not freely converted	0.3	8.5
Short-term deposits	16.1	63.9
Total cash and cash equivalents	491.8	604.8

(b) Borrowings

	Current		Non-current	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
Bank loans - unsecured	-	59.8	813.2	1,156.7
Bank loans - secured	77.3	83.6	-	323.3
Capital markets debt - unsecured	-	-	225.0	325.0
Less: transaction costs capitalised	-	-	(8.3)	(7.4)
Total borrowings	77.3	143.4	1,029.9	1,797.6

SEEK had access to \$536.3m in undrawn facilities at 30 June 2021 (2020: \$322.5m).

7. Net debt continued

(c) Net debt

SEEK's net cash/(debt) position is defined as Borrowings, offset by:

- Cash and cash equivalents - Note 7(a)
- Short-term investments - Note 9 (b)
- Funds on deposit for entrusted loan facilities - Note 7(e)

	Facility limit	Borrowings \$m Note 7(b)	Cash (i) \$m Note 7(a)	Short-term investments \$m Note 9(b)	Funds on deposit \$m Note 7(e)	Net cash/ (debt) \$m
Year ended 30 June 2021						
SEEK Limited A\$ bank debt	A\$612.5m	(345.0)				
SEEK Limited US\$ bank debt	US\$552.5m	(468.2)				
SEEK Limited A\$ Subordinated Floating Rate Notes	A\$225.0m	(225.0)				
SEEK Limited Borrower Group⁽¹⁾		(1,038.2)	174.8	0.1	-	(863.3)
Zhaopin Limited (ii)	US\$58.0m	(77.3)	317.0	-	-	239.7
SEEK	A\$1,651.8m	(1,115.5)	491.8	0.1	-	(623.6)
Less: transaction costs capitalised		8.3				
Per Consolidated Balance Sheet		(1,107.2)				
Consolidated net interest cover: EBITDA⁽²⁾ / Net interest						7.2
Consolidated net leverage ratio: Net debt / EBITDA⁽²⁾						1.9

(1) – Borrower Group EBITDA for the year ended 30 June 2021 inclusive of cash dividends from excluded entities of \$137.7m (2020: \$41.3m) was \$458.6m (2020: \$310.3m).

(2) EBITDA is defined and reconciled to consolidated profit before income tax expense for total continuing operations in Note 1 Segment information.

(i) Cash

As at 30 June 2020, SEEK reported cash held in Jobadder, OES and Sidekicker as 'Other' cash. As at 30 June 2021, cash balances held in JobAdder have been included in the cash balance held by the SEEK Limited Borrower Group for the first time, following an increase in ownership. Cash balances held in OES and Sidekicker have been transferred to assets held for sale, and therefore continue to be excluded from the cash balances held by the SEEK Limited Borrower Group.

(ii) Zhaopin Limited

Bank borrowings: \$77.3m of transaction proceeds will be used to settle the remaining pre-transaction debt in Zhaopin Limited (refer to Note 2 Discontinued operations). Cash and cash equivalents: \$308.7m of cash proceeds were received shortly before year end but not yet distributed, to settle amounts owing to both the non-controlling interests and to third parties for transaction costs (refer to Note 2 Discontinued operations).

	Facility limit	Borrowings \$m Note 7(b)	Cash \$m Note 7(a)	Short-term investments \$m Note 9(b)	Funds on deposit \$m Note 7(e)	Net cash/ (debt) \$m
Year ended 30 June 2020						
SEEK Limited A\$ bank debt	A\$612.5m	(467.5)				
SEEK Limited US\$ bank debt	US\$552.5m	(689.2)				
SEEK Limited A\$ Floating Rate Notes	A\$175.0m	(175.0)				
SEEK Limited A\$ Subordinated Floating Rate Notes	A\$150.0m	(150.0)				
SEEK Limited Borrower Group		(1,481.7)	337.7	0.1	-	(1,143.9)
Zhaopin Limited	RMB309.9m	(59.8)				
Zhaopin Limited	US\$322.5m	(406.9)				
		(466.7)	245.8	-	442.8	221.9
Other		-	21.3	0.1	-	21.4
SEEK	A\$2,270.9m	(1,948.4)	604.8	0.2	442.8	(900.6)
Less: transaction costs capitalised		7.4				
Per Consolidated Balance Sheet		(1,941.0)				
Consolidated net interest cover: EBITDA / Net interest						7.0
Consolidated net leverage ratio: Net debt / EBITDA						2.2

(d) Financing and credit facilities

The overall funding structure of SEEK includes bank loans and capital markets debt funding as follows:

		Drawn		Undrawn		Total	
		2021	2020	2021	2020	2021	2020
Facility Type	Maturity	\$m	\$m	\$m	\$m	\$m	\$m
SEEK Limited - Non-current							
Bank facilities - unsecured (i)							
Tranche A (Revolving)	Nov 2022	A\$300.5m	A\$362.5m	A\$62.0m	-	A\$362.5m	A\$362.5m
Tranche B (Revolving)	Nov 2023	A\$44.5m	A\$105.0m	A\$205.5m	A\$145.0m	A\$250.0m	A\$250.0m
Tranche C (Revolving)	Nov 2024	US\$51.0m	US\$175.3m	US\$201.5m	US\$77.2m	US\$252.5m	US\$252.5m
Tranche D (Term Loan)	Nov 2023	US\$100.0m	US\$100.0m	-	-	US\$100.0m	US\$100.0m
Tranche E (Term Loan)	Nov 2024	US\$200.0m	US\$200.0m	-	-	US\$200.0m	US\$200.0m
Capital Markets Debt (ii)							
A\$ Floating Rate Notes	Apr 2022	-	A\$175.0m	-	-	-	A\$175.0m
A\$ Subordinated Floating Rate Notes	Jun 2026	A\$225.0m	A\$150.0m	-	-	A\$225.0m	A\$150.0m
Zhaopin Limited - Current							
Bank facilities - secured (iii)							
Loan Facility	Dec 2021	US\$55.0m	US\$70.0m	-	-	US\$55.0m	US\$70.0m
Revolving Credit Facility	Dec 2021	US\$3.0m	-	-	US\$40.0m	US\$3.0m	US\$40.0m

(i) Bank facilities - unsecured

As at 30 June 2021 A\$813.2m principal had been drawn down against the facility, comprising A\$345.0m and US\$351.0m (30 June 2020: A\$1,156.7m, comprising A\$467.5m and US\$475.3m). The SEEK Limited Borrower Group includes SEEK Limited and all subsidiaries in which its ownership is at least 90%.

(ii) Capital Markets Debt

A Guaranteed Euro Medium Term Note (EMTN) Programme was originally established in March 2017 with a programme limit of EUR 1 billion. Under the programme the Group may from time to time issue notes denominated in any currency, with funds raised under the programme to be used for general corporate purposes. In December 2019, the Group issued A\$150.0m of A\$ Subordinated Floating Rate Notes with a maturity date of June 2026 and a first optional redemption date of June 2023. The Group initiated a redemption of the April 2022 A\$175.0m Floating Rate Notes in June 2020, that completed in July 2020 and was funded from available cash balances. The Group also completed an A\$75.0m "tap" issuance of the June 2026 A\$ Subordinated Floating Rate Notes in July 2020, increasing the total outstanding to A\$225.0m. These notes are unsecured and subordinate to SEEK's existing unsecured bank debt.

(iii) Bank facilities - secured

The facilities held in Zhaopin Limited are supported by funds on deposit that are no longer on the Consolidated Balance Sheet due to the disposal of Zhaopin, and are non-recourse to the SEEK Limited Borrower Group. Zhaopin Limited has undrawn facilities of US\$37.0m available but these are not expected to be drawn upon.

(e) Funds on deposit for entrusted loan facilities

The following table shows the Zhaopin funds on deposit to support entrusted loan facilities:

	Other financial assets - Note 9(b)		Other receivables - Note 11		Total \$m
	Current \$m	Non-current \$m	Current \$m	Non-current \$m	
Opening funds on deposit as at 1 July 2020	43.3	237.2	47.4	114.9	442.8
Cash movement on deposits to support entrusted loan facilities	(39.8)	(233.1)	(46.4)	2.9	(316.4)
Movement in interest received/receivable	(4.1)	(0.9)	(0.4)	(0.2)	(5.6)
Movement in foreign exchange	0.6	(3.2)	(0.6)	(2.5)	(5.7)
Disposal of Zhaopin (i)	-	-	-	(115.1)	(115.1)
Closing funds on deposit as at 30 June 2021	-	-	-	-	-

(i) Disposal of Zhaopin

As at 30 June 2021 there were no funds on deposit for entrusted facilities following the deconsolidation of Zhaopin during the period.

8. Notes to the cash flow statement

(a) Reconciliation of profit for the year to net cash inflow from operating activities

The table below shows the reconciliation of profit after tax to operating cash flow. Operating cash flow is, broadly speaking, the net cash amount of receipts from our customers and payments to our suppliers. The difference between profit and operating cash flow is generally due to:

- items included in profit which have no cash impact (e.g. depreciation, amortisation, share of results from equity accounted investments and impairment);
- items included in profit which are not related to operations (e.g. fair value changes in financial assets);
- payments/receipts being made in the current financial year in relation to previous or future financial years (e.g. opening balances on debtor/creditor accounts); and
- foreign exchange movements which cause operating assets and liabilities balances to fluctuate.

	2021 \$m	2020 \$m
Profit/(loss) for the year⁽¹⁾	773.9	(92.2)
Non-cash items		
Impairment loss	46.9	203.1
Depreciation and amortisation ⁽¹⁾	133.3	131.7
Share of results of equity accounted investments	4.6	39.9
Share-based payments expense	21.1	17.2
Aggregated tax amounts arising in the reporting period recognised directly in equity	(6.5)	(1.8)
Net (gain)/loss on derivative instruments at fair value through profit and loss	(31.7)	14.8
Other	11.9	5.5
Non-operating items		
Gain on sale of discontinued operation	(628.9)	-
Fair value gain on financial asset	(65.3)	-
Write-off of borrowing costs	-	1.0
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	(90.8)	44.0
(Increase)/decrease in current tax assets	(3.1)	0.4
(Increase)/decrease in deferred tax assets ⁽¹⁾	(24.4)	(13.4)
Increase/(decrease) in trade and other payables	115.6	3.6
Increase/(decrease) in unearned income	22.1	(50.2)
Increase/(decrease) in current tax liabilities	46.2	(5.8)
Increase/(decrease) in provisions	6.5	2.9
Increase/(decrease) in deferred tax liabilities	(6.7)	(11.1)
Exchange gains on translation of foreign operations	21.8	10.4
Net cash inflow from operating activities	346.5	300.0

(1) See Note 29 Changes in accounting policies - SEEK revised its accounting policy regarding upfront configuration costs incurred in implementing cloud computing arrangements. Comparative information has been restated to account for the impact of the change retrospectively.

(b) Changes in assets/liabilities arising from financing activities

This disclosure, which is a requirement of AASB 107 *Statement of Cash Flows*, allows users to understand changes in the balance of certain liabilities such as borrowings. It also includes certain assets where cash flows have been, or will be, included in cash flows from financing activities. The disclosure identifies changes from cash flows as well as non-cash changes such as acquisitions and exchange differences.

	Movement type	Trade and other receivables	Other financial assets			Borrowings	Other financial liabilities	
		Funds on deposit for entrusted loan facilities \$m	Short-term investments \$m	Funds on deposit for entrusted loan facilities \$m	Derivative assets \$m	Total Borrowings \$m	Put option \$m	Derivative liabilities \$m
2020								
Opening balance		151.5	0.1	314.7	8.3	1,599.7	19.2	33.5
Net cash flows from financing activities	Cash	15.4	0.1	(33.6)	-	322.0	-	(15.0)
Interest received/receivable	Non-cash	(2.9)	-	2.7	-	-	-	-
Amortisation	Non-cash	-	-	-	-	-	-	-
Fair value through OCI	Non-cash	-	-	-	3.6	10.6	-	26.6
Fair value through profit and loss	Non-cash	-	-	-	(6.2)	4.5	-	4.1
Write-off borrowing costs	Non-cash	-	-	-	-	1.0	-	-
Foreign exchange movements	Non-cash	(1.7)	-	(3.3)	-	3.2	-	-
Closing balance		162.3	0.2	280.5	5.7	1,941.0	19.2	49.2
2021								
Net cash flows from financing activities - continuing operations	Cash	-	-	-	-	(401.8)	(14.2)	15.0
Net cash flows from financing activities - discontinued operations	Cash	(43.5)	-	(272.9)	-	(258.9)	-	-
Interest received/receivable	Non-cash	(0.6)	-	(5.0)	-	-	-	-
Amortisation	Non-cash	-	-	-	-	5.7	-	-
Fair value through OCI	Non-cash	-	-	-	(1.5)	(34.4)	-	(10.3)
Fair value through profit and loss	Non-cash	-	-	-	-	(31.3)	-	(0.5)
Put option liability	Non-cash	-	-	-	-	-	(2.8)	-
Disposal of interest in subsidiary	Non-cash	(115.1)	-	-	-	(74.7)	-	-
Transfer to assets held for sale	Non-cash	-	(0.1)	-	-	-	-	-
Foreign exchange movements	Non-cash	(3.1)	-	(2.6)	-	(38.4)	-	-
Closing balance		-	0.1	-	4.2	1,107.2	2.2	53.4

9. Financial instruments and fair value measurement

Accounting Policy

Derivatives are initially recognised at fair value on the date the contract is entered into and are subsequently remeasured to their fair value at each reporting period.

(i) Derivatives that qualify for hedge accounting

Hedge effectiveness is determined at the establishment of the hedge relationship. This relates to the extent that the hedging instrument (derivative) offsets the changes in value of the hedged item (asset, liability or future transaction that is being hedged). It is measured through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and the hedging instrument.

SEEK uses the hypothetical derivative method and the critical terms match method to assess effectiveness of its hedge arrangements.

SEEK designates certain derivatives as either:

Cash flow hedge

Risk that is being hedged	The risk of uncertain cash flows attributable to a particular risk associated with an asset, liability or future transaction.
Treatment of gains or losses	The effective portion of changes in the fair value is recognised in other comprehensive income and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within 'operations and administration expenses'.
Treatment if the hedge relationship finishes	The hedge relationship will end when the hedging instrument expires or is sold or terminated, or when it no longer meets the criteria for hedge accounting, or when the hedged risk occurs. Gains and losses accumulated in equity remain in equity until the hedged item affects profit or loss. At this time, the accumulated gain or loss is reclassified to profit or loss within: <ul style="list-style-type: none"> • 'finance costs' for interest rate derivatives hedging variable rate borrowings; and • 'operations and administration expenses' for other derivative instruments, where the underlying exposure is not related to funding the Company. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss.

Fair value hedge

Risk that is being hedged	The risk of changes in the fair value of a financial asset, liability or unrecognised firm commitment.
Treatment of gains or losses	Where the hedged item is an equity instrument for which an election has been made to present changes in fair value in other comprehensive income, the effective portion of changes in the fair value of the hedging instrument is recognised in other comprehensive income and accumulated in reserves in equity, otherwise it is recognised in profit or loss. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within 'operations and administration expenses'. Where the hedged item is an equity instrument for which an election has been made to present changes in fair value in other comprehensive income, the ineffective portion shall remain in other comprehensive income.
Treatment if the hedge relationship finishes	The hedge relationship will end when the hedging instrument expires or is sold or terminated, or when it no longer meets the criteria for hedge accounting, or when the hedged item is disposed of. Gains and losses accumulated in equity remain in equity until the hedged item affects profit or loss. If the hedged item is an equity instrument for which an election has been made to present changes in fair value in other comprehensive income, those amounts shall remain in other comprehensive income.

Net investment hedge

Risk that is being hedged	The risk of changes in foreign currency when net assets of a foreign operation are translated from their functional currency to Australian dollars.
Treatment of gains or losses	The effective portion of changes in the fair value is recognised in other comprehensive income and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within 'operations and administration expenses'.
Treatment if the hedge relationship finishes	The hedge relationship will end when the hedging instrument expires or is sold or terminated, or when it no longer meets the criteria for hedge accounting, or when the hedged item is disposed of. Gains and losses accumulated in equity remain in equity until the foreign operation ceases to be consolidated. At this time, the accumulated gain or loss is recognised in profit or loss as part of the gain or loss on disposal.

(ii) Derivatives that do not qualify for hedge accounting

Derivatives are only used for economic hedging purposes and not as speculative investments. However, certain derivative instruments do not qualify for hedge accounting or are not designated for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify or is not designated for hedge accounting are recognised immediately in profit or loss and are included in 'operations and administration expenses' or 'finance costs'.

This note provides information about SEEK's financial instruments, including:

- (a) Valuation methodology of financial instruments;
- (b) Composition of financial instruments held by SEEK; and
- (c) Derivative financial instruments.

(a) Valuation methodology of financial instruments

For financial instruments measured and carried at fair value, SEEK uses the following fair value measurement hierarchy:

Level 1: fair value is calculated using quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: fair value is estimated using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(b) Composition of SEEK's financial instruments

Financial instruments	Valuation method	Notes	Current		Non-current	
			2021 \$m	2020 \$m	2021 \$m	2020 \$m
Cash and cash equivalents	Amortised cost	7(a)	491.8	604.8	-	-
Trade and other receivables	Amortised cost	11	750.0	46.6	-	-
Funds on deposit for entrusted loan facilities	Amortised cost	7(e)	-	47.4	-	114.9
Other financial assets	Various	9(b)	4.3	57.6	11.2	436.4
Trade and other payables	Amortised cost	13	(831.1)	(307.3)	-	-
Lease liabilities	Amortised cost	14(a)(ii)	(17.1)	(28.0)	(188.1)	(36.0)
Borrowings	Amortised cost	7(b)	(77.3)	(143.4)	(1,029.9)	(1,797.6)
Other financial liabilities	Various	9(b)	(60.6)	(70.0)	(0.9)	(3.1)

Further information regarding SEEK's other financial assets and liabilities is provided below.

Other financial assets	Hierarchy level	Notes	Current		Non-current	
			2021 \$m	2020 \$m	2021 \$m	2020 \$m
Financial assets held at amortised cost						
Funds on deposit for entrusted loan facilities	n/a		-	43.3	-	237.2
Short-term investments	n/a		0.1	0.2	-	-
Security deposits	n/a		-	-	0.9	1.4
Financial assets at fair value through profit and loss (FVPL)						
Investment in equity instruments	Level 3	9(b)(i)	-	-	-	113.6
Convertible loans	Level 3	9(b)(ii)	-	8.4	-	1.2
Derivative financial instruments	Level 2	9(c)	1.3	1.3	-	-
Financial assets at fair value through other comprehensive income (FVOCI)						
Investment in equity instruments	Level 2	9(b)(i)	-	-	-	82.0
Investment in equity instruments	Level 3	9(b)(i)	-	-	10.3	1.0
Derivative financial instruments	Level 2	9(c)	2.9	4.4	-	-
Total other financial assets			4.3	57.6	11.2	436.4

			Current		Non-current	
Other financial liabilities	Hierarchy level	Notes	2021 \$m	2020 \$m	2021 \$m	2020 \$m
Financial liabilities at fair value through profit and loss (FVPL)						
Derivative financial instruments	Level 2	9(c)	(9.0)	(10.0)	-	-
Put option	Level 3	9(b)(iii)	(2.2)	(19.2)	-	-
Contingent consideration	Level 3		(5.0)	(1.6)	(0.9)	(3.1)
Financial liabilities at fair value through other comprehensive income (FVOCI)						
Derivative financial instruments	Level 2	9(c)	(44.4)	(39.2)	-	-
Total other financial liabilities			(60.6)	(70.0)	(0.9)	(3.1)

9. Financial instruments and fair value measurement continued

Other financial assets and liabilities held by SEEK as at 30 June 2021 are carried at an amount which closely approximates their fair value.

SEEK's exposure to various risks associated with financial instruments is discussed in Note 10 Financial risk management.

(i) Investment in equity instruments

As part of its overall investment strategy, SEEK holds various investments in equity instruments that do not meet the requirements of either consolidation or equity accounting, and which are not held for the purposes of trading. They are therefore held at fair value.

The following table shows the summary of changes in the fair value of SEEK's investment in equity instruments:

	FVPL \$m	FVOCI \$m	Total \$m
Opening fair value 1 July 2019	102.2	56.5	158.7
Additions	12.6	3.3	15.9
Change in equity instruments held at fair value	-	23.2	23.2
Foreign exchange movements	(1.2)	-	(1.2)
Closing fair value as at 30 June 2020	113.6	83.0	196.6
Additions	2.8	4.0	6.8
Transfer from equity accounted investments	-	139.8	139.8
Disposal of interest in Zhaopin	(113.9)	-	(113.9)
Change in equity instruments held at fair value	-	89.2	89.2
Foreign exchange movements	(2.5)	-	(2.5)
Transfer to assets held for sale	-	(305.7)	(305.7)
Closing fair value as at 30 June 2021	-	10.3	10.3

(ii) Convertible loans

In the current year, all convertible loans have either been converted or transferred to liabilities directly associated with the assets held for sale, resulting in a \$nil balance. In prior years, SEEK has extended convertible loans to certain ESVs. These loans were interest-bearing and subject to various terms and conditions.

(iii) Put option

A put option has been recognised relating to the remaining shares held by non-controlling interests in JobAdder. Movements in the estimated exercise value of this put option are recognised in the Consolidated Income Statement.

During the period, a portion of non-controlling interests exercised the put option and SEEK acquired a further 36.2% interest in JobAdder for cash consideration of \$14.2m.

(c) Derivative financial instruments

SEEK is party to derivative financial instruments (forward foreign exchange contracts, options and swaps) in the normal course of business in order to hedge exposure to fluctuations in interest and foreign exchange rates in accordance with SEEK's treasury policies.

Derivatives are only used for economic hedging purposes and not as speculative instruments. SEEK has the following derivative instruments:

Derivative instrument	Current assets		Current liabilities	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
Derivatives designated as cash flow hedges				
Forward foreign exchange contracts and options	-	0.2	-	-
Interest rate options and swaptions contracts	-	-	(5.7)	(2.5)
Interest rate swap contracts	-	-	(12.7)	(0.4)
Derivatives designated as net investment hedges				
Forward foreign exchange contracts	-	0.9	-	-
Foreign exchange options	-	-	(16.7)	(23.3)
Cross currency interest rate swap contracts	-	3.3	(9.3)	(13.0)
Derivatives designated as fair value hedges				
Cross currency interest rate swap contracts	2.9	-	-	-
Derivatives not designated as hedges				
Forward foreign exchange contracts and options	0.2	1.3	(9.0)	(6.8)
Cross currency interest rate swap contracts	1.1	-	-	(1.7)
Interest rate options and swap contracts	-	-	-	(1.5)
Total derivative financial instruments	4.2	5.7	(53.4)	(49.2)

10. Financial risk management

SEEK maintains a capital structure to ensure sufficient liquidity and support to fund business operations, maintain shareholder and market confidence, provide strong stakeholder returns, and position the business for future growth.

SEEK's ongoing capital management approach is characterised by:

- Rolling cash flow forecast analyses and detailed budgeting processes which, combined with continual development of relationships with banks and investors, is directed at providing a sound financial positioning for SEEK's operations and financial management activities;
- A capital structure that provides adequate funding for SEEK's potential acquisition and investment strategies in order to build future growth in shareholder value; and
- Investment criteria that consider earnings accretion and risk adjusted rate of return requirements based on overall strategic goals.

SEEK's financial risk management is carried out by a central treasury department (SEEK Treasury) under policies approved by the Board of Directors. SEEK Treasury identifies, evaluates and hedges financial risks in close cooperation with SEEK's operating units. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as use of derivative financial instruments and investment of excess liquidity.

Exposure to risks

SEEK's capital structure, global operations and the nature of the business activities result in exposure to operational risks and a number of financial risks including:

Risk	Exposure arising from	Management
Foreign exchange risk - the risk that fluctuations in foreign exchange rates may impact SEEK results	Translation risk - the risk of unfavourable foreign exchange movements in the translation of the profits, assets and liabilities of overseas subsidiaries operating in functional currencies other than Australian dollars	Creating a natural hedge by matching debt with underlying local currency earnings and investments Where a natural hedge is not possible, creating synthetic debt (via cross currency interest rate swaps) to hedge some underlying earnings and balance sheet exposures
	Transaction risk - the risk that unfavourable foreign exchange movements may have an adverse impact on future cash flows which are committed to in foreign currencies	When international cash inflows and outflows are certain, use forward foreign exchange contracts or options to hedge inflows/outflows
Interest rate risk - the risk that fluctuations in interest rates may impact SEEK results	Long-term borrowings at variable interest rates	Where appropriate, adopt interest rate swaps or options to fix some interest rates
Liquidity risk - the risk that SEEK might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities	Borrowings and other liabilities	Availability of cash, and committed and uncommitted borrowing facilities
Credit risk - the risk that default by a counterparty (debtor or creditor) could impact SEEK's financial position and results	Cash and cash equivalents, and derivative financial instruments	Use of financial institutions with an investment grade rating
	Trade receivables	Credit limits and credit checks

A summary of SEEK's derivative financial instruments and its application of hedge accounting is outlined in Note 9 Financial instruments and fair value measurement.

10. Financial risk management continued

(a) Foreign exchange risk

SEEK operates internationally and is therefore exposed to foreign exchange risk arising from various currencies, predominantly the US Dollar (USD), Chinese Renminbi (RMB), Hong Kong Dollar (HKD), Malaysian Ringgit (MYR), Philippine Peso (PHP), Singapore Dollar (SGD), Brazilian Real (BRL) and Mexican Peso (MXN).

As a result of this international presence, SEEK is exposed to both translation and transaction risk.

Risk management policy

SEEK's foreign exchange risk management policy is to hedge up to 100% of anticipated significant cash flows in foreign currencies (for example for one-off significant transactions) for up to a six month period using external forward currency contracts. The derivative instruments used for hedging these types of exposures are forward foreign exchange contracts and purchased net forward exchange option contracts. The forward foreign exchange contracts taken up by SEEK are regularly reassessed.

If funding of equity in foreign subsidiaries is material, SEEK Treasury will attempt to match the asset with borrowings in the currency of that subsidiary to form a natural hedge to protect the balance sheet. Where a natural hedge is not possible, synthetic debt may be created using a cross currency interest rate swap.

Whilst SEEK's reported profits are subject to foreign exchange translation risk, the current policy is not to specifically hedge reported profits on the basis that:

- there can be significant cost associated with hedging some currencies, particularly in 'emerging markets' where SEEK has significant exposures;
- profits do not always align with cash flow, and to the extent that there is a mismatch between profits and cash flow, hedging can create mismatches; and
- the level of balance sheet (translation) and cash flow (transaction) hedging undertaken already provides a degree of protection against profit and loss translation risk.

Material arrangements in place at reporting date

SEEK has foreign exchange options in hedging relationships against the USD denominated portion of SEEK's syndicated facility intended to limit the cost of making the repayments.

SEEK has foreign exchange options, forwards and cross currency swaps in hedging relationships to hedge SEEK's RMB, SGD, EUR and GBP net investments. At 30 June 2021, there is a net liability on the foreign exchange options of \$16.7m (2020: net liability of \$23.3m). Cross currency interest rate swap contracts have a net liability of \$6.4m (2020: net liability of \$9.7m).

SEEK also manages the foreign currency exposure on USD debt which is not designated as a net investment hedge and other foreign currency exposures that are revalued to profit and loss, by entering foreign exchange forward and option contracts. At 30 June 2021, there is a net liability on these derivatives of \$8.8m (2020: net liability \$5.5m).

Material exposures and sensitivities

As noted above, SEEK has significant offshore operations. In addition to the revenue and earnings for these operations as set out in Note 1 Segment information and other related disclosures, there are also significant assets which are subject to foreign exchange fluctuations, as set out in Note 12 Intangible assets, Note 19 Interests in controlled entities and Note 20 Interest in equity accounted investments. The method for translating SEEK's offshore results, assets and liabilities is described in Note 28 Other significant accounting policies.

A sensitivity analysis has been performed over possible movements in relevant foreign currencies against the underlying functional currencies in the short-term subsequent to 30 June 2021. Utilising a range of +5% to -5%, the analysis showed that the impact to the profit and loss would be less than \$1.0m for each of the common currency pairings.

At 30 June 2021, SEEK's largest exposure to foreign currency exchange risk is in regards to the USD denominated borrowings. This is the largest exposure that SEEK has in relation to a foreign currency denominated asset or liability as it is repayable in USD but held by an Australian entity which operates in Australian dollars.

At 30 June 2021, the amount of USD borrowings drawn down on SEEK Limited's USD bank debt was US\$351.0m (2020: US\$475.3m). US\$265.0m of this loan has been designated as a net investment hedge with a further US\$35.0m designated as a fair value hedge for accounting purposes and therefore movements are taken directly to equity, rather than impacting profit or loss. The remaining US\$51.0m of this loan has been economically hedged by cross currency interest rate swap contracts, forward foreign exchange contracts and USD denominated assets.

(b) Interest rate risk

SEEK's main interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose SEEK to cash flow interest rate risk.

Risk management policy

To protect part of its borrowings from exposure to fluctuations in interest rates, SEEK's Treasury policy prescribes the use of interest rate swaps and options.

Material arrangements in place at reporting date

SEEK has entered into interest rate swaps and options under which it receives or pays interest at variable and fixed rates. As shown in the table below, swaps and options in place at 30 June 2021 cover approximately 14% (2020: 26%) of the variable loan principal outstanding on the SEEK's loan facility.

	2021		2020	
	Weighted average interest rate %	\$m	Weighted average interest rate %	\$m
AUD denominated borrowings				
Bank loans - principal	2.4%	345.0	2.5%	467.5
Subordinated note	4.3%	225.0	4.5%	150.0
Senior Euro Medium Term Note	-	-	3.1%	175.0
Less amounts covered by interest rate swaps	1.5%	(126.3)	1.9%	(435.0)
		443.7		357.5
USD denominated borrowings				
Bank loan - principal	2.7%	468.2	3.6%	689.2
Entrusted loan facilities	1.7%	77.3	3.2%	406.9
Less amounts covered by interest rate swaps or options	2.5%	(33.3)	2.6%	(72.5)
		512.2		1,023.6
RMB denominated borrowings				
Loan facility ⁽¹⁾	3.8%	-	3.9%	59.8
Less amounts covered by interest rate swaps	n/a	-	n/a	-
		-		59.8
Total SEEK borrowings				
Total borrowings	2.7%	1,115.5	3.2%	1,948.4
Less amounts covered by interest rate swaps	1.7%	(159.6)	2.0%	(507.5)
		955.9		1,440.9

(1) As at 30 June 2021 there were no RMB facilities following the deconsolidation of Zhaopin during the period.

As at 30 June 2021, SEEK has a net liability on its interest rate swaps, swaptions and options of \$18.4m (2020: net liability \$4.4m).

Material exposures and sensitivities

The weighted average interest rate for the year ended 30 June 2021 was 2.7% (2020: 3.2%). If the weighted average interest rate had been 10% higher or 10% lower, interest expense would increase/decrease by \$4.4m.

While SEEK's bank accounts are predominantly interest bearing accounts, funds that are in excess of short-term liquidity requirements are generally invested in short-term deposits. Where excess funds are significantly in excess of short-term requirements, they are then applied to reduce the syndicated loan facility balance. Given this, at 30 June 2021, there is not a material interest rate risk relating to SEEK's cash balances.

10. Financial risk management continued

(c) Liquidity risk

Prudent liquidity risk management requires maintaining sufficient cash and ensuring that all term deposits can be converted to funds at call.

Risk management policy

Due to the dynamic nature of the underlying businesses, SEEK Treasury aims to maintain flexibility in funding by keeping the cash reserves of the business accessible. SEEK maintains borrowing facilities to enable SEEK to borrow funds when necessary. For details of these facilities, refer to Note 7 Net debt.

Material arrangements in place at reporting date

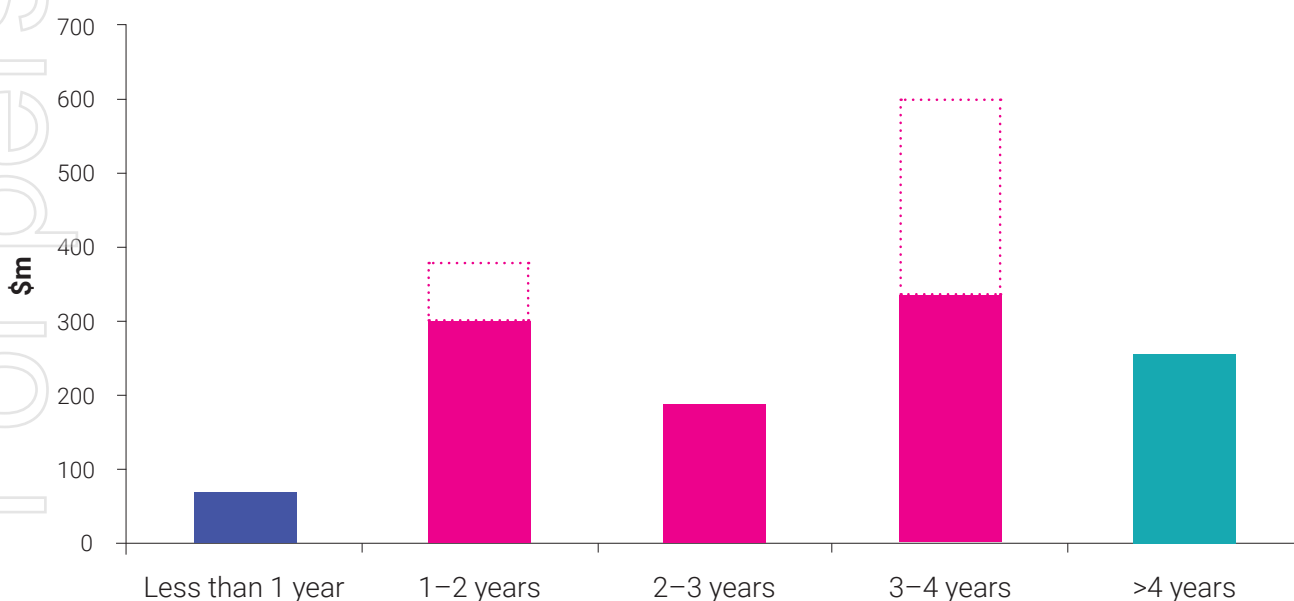
At 30 June 2021, SEEK had access to borrowing facilities totalling \$77.3m expiring within one year and \$1,574.5m expiring beyond one year (2020: \$147.2m expiring within one year and \$2,123.7m expiring beyond one year). The table below outlines the level of drawn and undrawn debt at the balance sheet date.

	Drawn		Undrawn		Total	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m	2021 \$m	2020 \$m
Floating rate						
Expiring within one year	77.3	143.4	-	3.8	77.3	147.2
Expiring beyond one year	1,038.2	1,805.0	536.3	318.7	1,574.5	2,123.7
	1,115.5	1,948.4	536.3	322.5	1,651.8	2,270.9

Subject to continuing to meet certain financial covenants, certain revolving bank loan facilities may be drawn down at any time. SEEK is not subject to externally imposed capital requirements, other than the contractual banking covenants and obligations. SEEK obtained certain temporary amendments to its key covenant limits in its senior syndicated debt facility that applied until April 2021. SEEK has complied with all bank lending requirements during the year and at the date of this report.

Material exposures

The below graph outlines the contractual undiscounted maturities of SEEK's borrowing portfolio as at 30 June 2021 and prior to the redemption and new issue activities set out in Note 7 Net debt:



● SEEK Limited - bank debt

● SEEK Limited - EMTN

● Zhaopin

○ SEEK Limited - undrawn

Maturities of financial liabilities

The table below analyses SEEK's financial liabilities into relevant maturity groupings based on their contractual undiscounted maturities for:

- (a) all non-derivative financial liabilities, and
- (b) net and gross settled derivative financial instruments.

Contractual maturities of financial liabilities	Less than 6 months \$m	Between 6 and 12 months \$m	Between 1 and 2 years \$m	Between 2 and 5 years \$m	Over 5 years \$m	Total contractual (inflows)/outflows \$m	Carrying amount (assets)/liabilities \$m
At 30 June 2021							
Non-derivatives							
Trade and other payables	831.1	-	-	-	-	831.1	831.1
Lease liabilities	8.5	8.8	18.9	49.0	174.6	259.8	205.2
Put option	2.2	-	-	-	-	2.2	2.2
Contingent consideration	5.0	-	0.9	-	-	5.9	5.9
Borrowings	87.4	9.9	318.5	774.2	-	1,190.0	1,115.5
Total non-derivatives	934.2	18.7	338.3	823.2	174.6	2,289.0	2,159.9
Derivatives							
Net settled							
Interest rate swaps	2.5	2.5	4.2	4.3	-	13.5	15.7
Gross settled							
Interest rate derivatives	0.4	0.4	0.6	-	-	1.4	1.4
Forward foreign exchange contracts/options							
- (inflow)	(142.5)	-	-	-	-	(142.5)	25.7
- outflow	145.6	-	-	-	-	145.6	
Gross currency interest rate swaps							
- (inflow)	(1.0)	(166.8)	134.3	-	-	(33.5)	10.6
- outflow	1.7	172.9	(136.5)	-	-	38.1	
Total derivatives	6.7	9.0	2.6	4.3	-	22.6	53.4
Contractual maturities of financial liabilities	Less than 6 months \$m	Between 6 and 12 months \$m	Between 1 and 2 years \$m	Between 2 and 5 years \$m	Over 5 years \$m	Total contractual (inflows)/outflows \$m	Carrying amount (assets)/liabilities \$m
At 30 June 2020							
Non-derivatives							
Trade and other payables	307.3	-	-	-	-	307.3	307.3
Lease liabilities	14.8	13.3	20.8	18.9	-	67.8	64.0
Put option	10.5	8.7	-	-	-	19.2	19.2
Contingent consideration	1.6	-	1.9	1.2	-	4.7	4.7
Borrowings	166.8	21.8	217.8	1,530.1	155.7	2,092.2	1,948.4
Total non-derivatives	501.0	43.8	240.5	1,550.2	155.7	2,491.2	2,343.6
Derivatives							
Net settled							
Interest rate swaps	(14.5)	0.8	9.0	5.4	-	0.7	1.2
Gross settled							
Forward foreign exchange contracts/options							
- (inflow)	(320.2)	(18.7)	-	-	-	(338.9)	30.2
- outflow	324.8	18.6	-	-	-	343.4	
Gross currency interest rate swaps							
- (inflow)	(1.5)	(90.7)	(80.9)	(111.7)	-	(284.8)	17.8
- outflow	2.2	92.8	86.5	120.3	-	301.8	
Total derivatives	(9.2)	2.8	14.6	14.0	-	22.2	49.2

10. Financial risk management continued

(d) Credit risk

SEEK's exposure to credit risk arises from the potential default of SEEK's trade and other receivables as well as the institutions in which SEEK's cash and cash equivalents are deposited, and with whom derivative instruments are traded, with a maximum exposure equal to the carrying amounts of these assets.

Risk management policy

Credit risk in relation to trade and other receivables is managed in the following ways:

- The provision of credit is covered by a risk assessment process for all customers (e.g. appropriate credit history, credit limits, past experience); and
- Concentrations of credit risk are minimised by undertaking transactions with a large number of customers.

Credit risk arising from the deposit of SEEK's cash and cash equivalents is managed under SEEK's treasury policy which only authorises dealings with financial institutions that have an investment grade rating.

Material exposures

Cash and cash equivalents at 30 June 2021 were \$491.8m (2020: \$604.8m). All amounts are invested with financial institutions that have an investment grade rating.

Trade receivables at 30 June 2021 were \$76.5m (2020: \$52.2m). SEEK does not hold any credit derivatives or collateral to offset its credit exposure. Due to the short term nature of these receivables, their carrying amount is assumed to approximate their fair value. The exposure to credit risk is relatively low due to the credit terms provided and the large and diverse customer base.

Net trade receivables

During the year, a total expense of \$1.7m (2020: \$3.7m) was recognised in the Consolidated Income Statement in relation to the provision for doubtful debts and credit notes.

The following table shows the ageing of SEEK's net trade receivables at 30 June.

	2021 \$m	2020 \$m
Not past due	48.0	29.7
Past due less than 30 days	15.1	7.7
Past due 30 - 60 days	5.8	3.0
Past due 61 - 90 days	1.4	2.1
Past due 91 - 120 days	1.0	3.0
Past due 120+ days	0.8	1.1
Closing balance	72.1	46.6

Assets and liabilities

11. Trade and other receivables

Critical accounting estimates and assumptions

Expected credit losses (ECLs)

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is an estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions.

SEEK's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Accounting Policy

Trade receivables are recognised initially at the amount stated on the invoice and subsequently at the amount considered receivable from the customer (amortised cost using the effective interest method), less a provision for expected credit losses. These receivables are interest-free and are generally due for settlement within 30 days.

SEEK has applied a provision matrix to capture the ECLs for trade receivables for different customer segments, based on days past due. The ECL calculation is performed at each reporting period, with historical credit loss experience adjusted for forward-looking information that is anticipated to impact the ability of customers to settle their balances. Information on SEEK's credits risk exposure and ageing of trade receivables is disclosed in Note 10 (d).

Amounts recognised as revenue, which are not yet able to be invoiced to the customer, are recognised in the Consolidated Balance Sheet as contract assets.

Once the amount is unconditionally payable by the customer, it is invoiced and reclassified from contracts assets to trade receivables.

The creation or release of the provision for doubtful debts has been included in 'operations and administration' expenses in the Consolidated Income Statement and the creation or the release of the credit note provision has been included within sales revenue. Amounts charged to the provision are generally written off when there is no expectation of recovering additional cash.

	Notes	Current		Non-current	
		2021 \$m	2020 \$m	2021 \$m	2020 \$m
Trade receivables		76.5	52.2	-	-
Less: loss allowance		(4.4)	(5.6)	-	-
Net trade receivables		72.1	46.6	-	-
Contract assets		0.1	8.0	-	-
Other receivables (i)		677.9	17.2	-	-
Funds on deposit for entrusted loan facilities	7(e)	-	47.4	-	114.9
Prepayments		21.0	32.4	-	-
Total trade and other receivables		771.1	151.6	-	114.9

(i) Other receivable

The other receivables balance includes proceeds owing from investors (net of taxes) as a result of the Zhaopin disposal, with a related balance in other payables (refer to Note 2 Discontinued operations and Note 13 Trade and other payables).

12. Intangible assets

Critical accounting estimates and assumptions

Management has determined that some of the intangible assets (brands and licences) recognised as part of business combinations have indefinite useful lives. This means that the value of these assets do not reduce over time and therefore they are not amortised. These assets have no legal or contractual expiry date and are integral to future revenue generation. Management intends to continue to promote, maintain and defend the brands and licences to the extent necessary to maintain their values for the foreseeable future.

Management assesses the useful lives of SEEK's intangible assets at the end of each reporting period. If an intangible asset is no longer considered to have an indefinite useful life, this change is accounted for prospectively.

Configuration and customisation in cloud computing arrangements

Some customisation and configuration activities undertaken in implementing cloud computing arrangements entail the development of software code that enhances or modifies, or creates additional capacity to, existing on-premise systems. Judgement is applied in determining whether the benefits from these costs meet the definition of and recognition criteria for an intangible asset in AASB 138 *Intangible Assets*.

Cost that do not result in intangible assets are expensed as incurred, unless they are paid to the suppliers of the cloud computing arrangement to significantly customise the cloud-based software for SEEK, in which case the costs are recorded as a prepayment for services and amortised over the expected renewable term of the arrangement.

Accounting Policy

Intangible assets are non-physical assets held by SEEK in order to generate revenue and profit. These assets include goodwill, brands and licences, software and website development and work in progress. They are recognised either at the cost SEEK has paid for them or at their fair value if they are acquired as part of a business combination. They are amortised over their expected useful life unless they are considered to have an indefinite useful life.

Type of intangible asset	Valuation method	Amortisation method	Estimated useful life
Goodwill	Initially measured at cost. The excess of consideration paid and the amount of any non-controlling interest in a business combination over the fair value of the net identifiable assets acquired is recognised as goodwill	Not amortised, reviewed for impairment at least annually	n/a
Brands and licences	Initially at cost, or fair value if acquired as part of a business combination	Finite life brands, straight-line. Indefinite life brands not amortised, reviewed for impairment at least annually	Specific to circumstances
Customer relationships	Initially at fair value at date of business combination	Straight-line	1 to 5 years
Software and website development	Initially at cost, or fair value if acquired as part of a business combination, and subsequently at cost less accumulated amortisation	Straight-line	3 to 5 years
Work in progress	Cost	Not amortised as not ready for use	n/a

(i) Goodwill

Goodwill relates to the portion of amounts paid to acquire other entities which cannot be identified as separate assets but instead represents expected future economic benefits. Goodwill on acquisition of subsidiaries is included in intangible assets whilst goodwill on acquisitions of associates and joint ventures is included in the carrying amount of the investment. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(ii) Software and website development

Costs incurred in acquiring, developing and implementing new websites or software are recognised as intangible assets only when it is probable that future economic benefits associated with the item will flow to SEEK and the cost of the item can be measured reliably. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, licences and direct labour.

(iii) Work in progress

Work in progress (WIP) represents intangible assets of other classes not yet put into use. These assets are transferred to another class of assets, normally software and website development, on the date of completion.

Accounting policy continued

(iv) Cloud computing arrangements

The Group has a number of cloud computing arrangements that provide it with the right to access the cloud-based software over a contracted period. Costs incurred to configure or customise, and the ongoing fees to obtain access to such software, are recognised as operating expenses when the services are received.

Some additional costs are incurred for the development of software code that enhances or modifies, or creates additional capability to existing systems and meets the definition of and recognition criteria for an intangible asset, as a software and website development asset. Please refer to Note 29 Changes in accounting policies for the impact of the change from this new policy.

	Notes	Goodwill \$m	Brands and licences \$m	Customer relationships \$m	Software and website development \$m	Work in progress \$m	Total \$m
2020							
Cost							
Opening balance at 1 July 2019 ⁽¹⁾		2,312.9	376.4	99.4	389.8	29.6	3,208.1
Additions ⁽¹⁾		-	-	-	6.7	103.1	109.8
Acquisition of subsidiaries		0.6	-	-	-	-	0.6
Disposals		-	-	-	(1.2)	-	(1.2)
Exchange differences		(77.6)	(17.7)	(1.2)	(7.7)	(1.6)	(105.8)
Transfers		-	-	-	92.1	(92.1)	-
Closing balance at 30 June 2020 ⁽¹⁾		2,235.9	358.7	98.2	479.7	39.0	3,211.5
Amortisation⁽¹⁾							
Opening balance at 1 July 2019		(192.0)	(3.8)	(83.7)	(218.2)	-	(497.7)
Amortisation charge		-	(0.6)	(7.1)	(80.0)	-	(87.7)
Disposals		-	-	-	0.7	-	0.7
Impairment loss		(129.0)	(11.4)	-	-	-	(140.4)
Exchange differences		45.4	0.1	1.2	5.7	-	52.4
Closing balance at 30 June 2020 ⁽¹⁾		(275.6)	(15.7)	(89.6)	(291.8)	-	(672.7)
Carrying value at 30 June 2020⁽¹⁾		1,960.3	343.0	8.6	187.9	39.0	2,538.8
2021							
Cost							
Opening balance at 1 July 2020 ⁽¹⁾		2,235.9	358.7	98.2	479.7	39.0	3,211.5
Additions		-	-	-	4.4	101.7	106.1
Acquisition of subsidiaries		11.0	-	2.5	-	-	13.5
Disposals		-	-	-	(2.2)	-	(2.2)
Disposal of Zhaopin	2(b)	(508.6)	(146.6)	(11.0)	(95.1)	(0.8)	(762.1)
Exchange differences		(73.3)	(11.6)	(3.0)	(2.2)	(2.1)	(92.2)
Transfers		-	-	-	78.6	(78.6)	-
Transfer to assets held for sale	2(c)	(352.8)	-	(33.3)	(25.7)	(1.3)	(413.1)
Closing balance at 30 June 2021		1,312.2	200.5	53.4	437.5	57.9	2,061.5
Amortisation							
Opening balance at 1 July 2020 ⁽¹⁾		(275.6)	(15.7)	(89.6)	(291.8)	-	(672.7)
Amortisation charge		-	-	(7.3)	(83.5)	-	(90.8)
Disposals		-	-	-	2.2	-	2.2
Disposal of Zhaopin	2(b)	-	2.6	11.0	66.4	-	80.0
Impairment loss	12(a)(iii)	(12.7)	(27.1)	-	(3.9)	-	(43.7)
Exchange differences		(6.3)	-	3.1	2.4	-	(0.8)
Transfer to assets held for sale	2(c)	-	-	29.4	14.9	-	44.3
Closing balance at 30 June 2021		(294.6)	(40.2)	(53.4)	(293.3)	-	(681.5)
Carrying value at 30 June 2021		1,017.6	160.3	-	144.2	57.9	1,380.0

(1) See Note 29 Changes in accounting policies - SEEK revised its accounting policy regarding upfront configuration costs incurred in implementing cloud computing arrangements. Comparative information has been restated to account for the impact of the retrospectively.

12. Intangible assets continued

(a) Impairment

Critical accounting estimates and assumptions

Goodwill and intangible assets with indefinite useful lives are allocated to a cash-generating unit (CGU) or group of CGUs and tested annually for impairment.

The recoverable amounts of the CGU or group of CGUs is based on the higher of its value-in-use (expected future cash flows from operating the asset/CGU) and fair value less costs of disposal (expected net proceeds if the asset/CGU were sold). These calculations are performed based on cash flow projections and other supplementary information which, given their forward looking nature, require the adoption of assumptions and estimates. Impairment is recognised where the recoverable amount of an asset or CGU has fallen below the carrying amount.

For certain CGUs, the determination of recoverable amount requires the estimation and discounting of future cashflows. These estimates include establishing forecasts of future financial performance, terminal value growth rates and post-tax discount rates.

Each of these assumptions and estimates is based on a 'best estimate' at the time of performing the valuation and therefore, any changes to expected future financial performance, discount rates or terminal growth rates can alter the recoverable amount of a CGU or group of CGUs.

(i) Cash-generating units

Goodwill and other intangible assets are allocated to CGUs for the purpose of impairment testing.

	2021		2020	
	Goodwill	Intangible assets with indefinite useful lives \$m	Goodwill \$m	Intangible assets with indefinite useful lives \$m
Asia Pacific & Americas				
SEEK Australia (i)	14.7	1.4	-	-
SEEK New Zealand	5.7	-	5.7	-
SEEK Asia (ii)	974.4	136.2	1,055.4	146.9
WorkAbroad (iii)	-	-	n/a	n/a
Brasil Online	-	-	-	25.7
OCC	9.1	17.7	8.6	16.8
Jora	1.1	-	1.1	-
GradConnection (i)	n/a	n/a	14.7	1.4
SEEK Investments				
Zhaopin (iv)	n/a	n/a	520.4	147.2
OES (v)	n/a	n/a	336.1	-
JobAdder	12.6	5.0	12.6	5.0
Sidekicker (v)	n/a	n/a	5.7	-
Total intangibles assets from continuing operations	1,017.6	160.3	1,960.3	343.0
Assets held for sale				
SEEK Growth Fund disposal group (v)	352.8	-	n/a	n/a

(i) SEEK Australia

In 2019, SEEK acquired a 100% interest in GradConnection Holdings Pty Ltd (together with its consolidated subsidiaries, 'GradConnection') an Australian graduate recruitment job platform. The intention was for GradConnection to operate independently post acquisition and gradually integrate with the SEEK Australia platform over time. Given the degree of post-acquisition integration achieved as at 30 June 2021, management determined that GradConnection's cash flows were no longer largely independent of the cash flows of the SEEK Australia CGU. As such, GradConnection's goodwill and intangible assets with indefinite useful lives were assessed for impairment as part of the SEEK Australia CGU for the year ended 30 June 2021.

(ii) SEEK Asia

SEEK Asia is a leading provider of online employment marketplaces operating across seven countries throughout South East Asia and Hong Kong. The goodwill and intangible assets with indefinite useful lives relating to SEEK Asia are a significant component of the Consolidated Balance Sheet. The goodwill for this business is attributable to the strong market position it holds and the high growth potential in these emerging markets.

For the purpose of impairment testing, goodwill and intangible asset balances are assessed on the following basis:

- Goodwill is tested across the group of CGUs that comprise SEEK Asia as the goodwill balance contributes to the generation of cash flows across the whole business; and
- The JobsDB and JobStreet brands are tested across the group of CGUs that comprise SEEK Asia as a high level of integration has been achieved in the period post acquisition of JobStreet in November 2014, with management having exercised its ability to direct cash flows from one brand to the other.

(iii) WorkAbroad

In 2016, SEEK Asia acquired a 100% interest in an online employment marketplace, WorkAbroad. WorkAbroad is a Philippines based job site that specialises in placing Filipino candidates in overseas roles. The results of the operations of WorkAbroad are included within the SEEK Asia operating segment.

In FY2020, the carrying amount of goodwill and intangible assets with indefinite useful lives in WorkAbroad were assessed for impairment as part of the SEEK Asia CGU. In FY2021, management reassessed the composition of the SEEK Asia CGU with reference to the Platform Unification program of work where JobStreet and JobsDB businesses are being brought onto the ANZ technology platform. Whilst the operations of JobStreet and JobsDB will continue to be highly integrated once Platform Unification is complete, WorkAbroad is expected to operate more independently. As such, management identified WorkAbroad as a separate CGU for the purposes of its impairment assessment as at 30 June 2021.

(iv) Zhaopin

Following the disposal and deconsolidation of Zhaopin in FY2021, SEEK no longer recognises any goodwill or intangible assets with indefinite useful lives relating to this business as at 30 June 2021 (refer to Note 2 Discontinued Operations).

(v) SEEK Growth Fund disposal group

As at 30 June 2021, OES and Sidekicker formed part of the SEEK Growth Fund disposal group and were classified as Discontinued Operations, (refer to Note 2 Discontinued Operations). In accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*, management tested the goodwill in OES and Sidekicker for impairment with reference to the disposal group as a whole, the net assets for which are recognised at the lower of carrying value or fair value.

(ii) Impairment testing and key assumptions**Key assumptions**

Management determines the carrying value of certain CGUs/Groups of CGUs based on discounted future cash flow projections which include estimates relating to: revenue, operating costs, capital expenditure, working capital, leases and tax, in addition to the terminal growth rate and discount rates noted in the table below. Cash flow forecasts include next year's budgeted results, with the remaining years based on judgement and management's best estimates with reference to key structural and market factors, and have been derived under a consistent approach to the prior year impairment assessment, utilising past experience, external data and internal analysis. The key structural and market factors considered in relation to the online employment businesses comprise labour market growth, rising internet penetration, continued structural migration of advertising expenditure from print to online channels and GDP growth. Management also anticipates growth from market penetration and continued evolution of products and services.

CGU / Group of CGUs	Valuation method	Years of cash flow projection	Terminal growth rate %		Post-tax discount rate %	
			2021	2020	2021	2020
SEEK Australia (i)	Fair value less costs of disposal	n/a	n/a	n/a	n/a	n/a
SEEK New Zealand	Fair value less costs of disposal	5	1.8	1.8	9.5	9.5
SEEK Asia	Fair value less costs of disposal	10	2.4	2.4	11.5	11.5
WorkAbroad	Fair value less costs of disposal	10	2.4	n/a	11.5	n/a
Brasil Online	Fair value less costs of disposal	10	3.5	3.5	16.0	16.0
OCC	Fair value less costs of disposal	10	3.0	3.0	13.5	13.5
JobAdder (ii)	Fair value less costs of disposal	n/a	n/a	n/a	n/a	n/a
SEEK Growth Fund disposal group (iii)	Fair value less costs of disposal	n/a	n/a	n/a	n/a	n/a

12. Intangible assets continued

(i) SEEK Australia

As at 30 June 2021, the recoverable amount of SEEK Australia has been determined based on a 'sum-of-the-parts' approach with reference to SEEK's market capitalisation and reported net debt, adjusted for the aggregate recoverable amount of all other assets/CGU's.

(ii) JobAdder

As at 30 June 2021, the recoverable amount of JobAdder has been determined based on market based multiples and consideration of previous transactions in which SEEK has increased its ownership interest.

(iii) SEEK Growth Fund disposal group

In determining the estimated recoverable amount for the SEEK Growth Fund disposal group, management referenced an independently assessed fair value of the seed assets that will be transferred from SEEK to the Fund of \$1,215.0m. This valuation has subsequently been used by external parties in determining their level of subscription in the Fund as part of the Fund's first capital raise which is expected to be completed in September 2021.

(iii) Impairment losses recognised during the year

For the financial year ended 30 June 2021, SEEK recognised a total non-cash impairment loss of \$43.7m (2020: \$203.1m) in relation to Brasil Online and WorkAbroad. A further non-cash impairment of \$3.2m was recognised on SEEK's lease portfolio (refer to Note 14 Leases for more information).

The total impairment loss of \$46.9m recognised in the Consolidated Income Statement is before the unwind of deferred tax liabilities relating to impaired brand, software and website intangibles in Brasil Online (\$10.1m) and impaired right-of-use assets in SEEK Australia (\$1.0m).

Year ended 30 June 2021	Notes	Corporate Costs \$m	WorkAbroad (i) \$m	Brasil Online (ii) \$m	Total \$m
Goodwill		-	12.7	-	12.7
Brands and licences		-	1.4	25.7	27.1
Software and website		-	-	3.9	3.9
Leases	14(a)(i)	3.2	-	-	3.2
Total impairment loss (per Consolidated Income Statement)		3.2	14.1	29.6	46.9
Unwind of deferred tax liabilities		(1.0)	-	(10.1)	(11.1)
Net impairment charge (post-tax)		2.2	14.1	19.5	35.8

(i) WorkAbroad

As part of management's impairment testing for the year ended 30 June 2021, the carrying amount of the goodwill and other indefinite life intangible assets in WorkAbroad were compared to the recoverable amount using a fair value less cost of disposal (FVLCD) discounted cash flow (DCF) model. Due to ongoing COVID-19 restrictions, which have limited the ability for candidates to travel and work overseas, Workabroad's financial performance and outlook has declined significantly versus previous expectations. As a result, management determined that the carrying amount of WorkAbroad is no longer recoverable and an impairment charge (post-tax) of \$14.1m was recognised as at 30 June 2021. This impairment charge is included within the results of the SEEK Asia operating segment.

(ii) Brasil Online

In FY2020, a net impairment loss of \$96.8m was recorded in relation to Brasil Online with the business severely impacted by COVID-19. During FY2021, the significant impacts of COVID-19 have continued resulting in depressed economic and employment conditions. Despite this, SEEK remains committed to the business and the execution of the new business model.

The remaining carrying amount of indefinite life intangible assets in Brasil Online are tested across the aggregate Brasil Online CGU, as they contribute to the generation of cash flows across the whole of the business. As part of management's impairment testing for the year ended 30 June 2021, these carrying amounts were compared to the recoverable amount using a FVLCD DCF model. As a result of the combination of weak economic and employment conditions, and the early stages of the current business model transformation, management has determined that the carrying value exceeded the recoverable amount. Management has also written down the value of software and website intangibles. An aggregate impairment charge (post-tax) of \$19.5m was recognised as at 30 June 2021.

13. Trade and other payables

	2021 \$m	2020 \$m
Trade payables	8.6	16.4
Accruals	102.7	221.7
Dividend payable (i)	-	45.8
GST and other value added taxes payable	6.6	5.5
Other payables (ii)	713.2	17.9
Total trade and other payables	831.1	307.3

(i) Dividend payable

In the prior year, on 6 April 2020, SEEK announced that it had deferred payment of the 2020 interim dividend until 23 July 2020.

(ii) Other payables

The other payables balance includes consideration owing to the non-controlling interest, transaction costs payable to third parties, and taxes, as a result of the Zhaopin disposal, with a related balance in other receivables (refer to Note 2 Discontinued operations and Note 11 Trade and other receivables). These payables are expected to be settled following the receipt of proceeds.

14. Leases

Critical accounting estimates and assumptions

Incremental borrowing rate (IBR)

Lease payments are discounted using the IBR, being the rate of interest that SEEK 'would have to pay' to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment. The IBR therefore requires estimation, and SEEK uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by SEEK, and makes adjustments specific to the lease (i.e Term, country, currency and security).

Extension and termination options

SEEK has several lease contracts that include extension and termination options. SEEK determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised (or not terminated), at the commencement date of the lease. Significant judgement is required in determining if it is reasonably certain that the extension options will be exercised or not. After the commencement date, SEEK reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

14. Leases continued

Accounting Policy

At inception of a contract, SEEK assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

SEEK separates the lease and non-lease components of the contract and accounts for these separately. The consideration in the contract is then allocated to each component on the basis of their relative stand-alone prices.

Leases as a lessee

SEEK recognises a right-of-use asset and a lease liability at the commencement date of the lease. The asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, an estimate of make-good costs, and initial direct costs incurred, less any lease incentives received.

Subsequently, the asset is depreciated using the straight-line method from commencement date to the earlier of the end of its useful life and the lease term.

Periodically, the asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable; and
- Variable lease payments that are based on an index or rate, initially measured using the index or rate as at the commencement date.

Subsequently, the lease liability is increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate or a change in the assessment of whether renewal or termination options contained within the contract are reasonably certain to be exercised. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset. Any excess is recorded in the Consolidated Income Statement.

Lease payments are allocated between principal and finance cost. The finance cost is recorded in the Consolidated Income Statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

SEEK does not recognise right-of-use assets and lease liabilities for low-value assets (<\$5,000). These leases are recognised as incurred and treated as an expense in the Consolidated Income Statement.

(a) Amounts recognised in the Consolidated Balance sheet

(i) Right-of-use assets

SEEK leases various offices under non-cancellable agreements which primarily expire within one to five years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the lease are negotiated. The following movements in the right-of-use asset have been recorded to 30 June:

	Property leases	
	2021 \$m	2020 \$m
Balance recognised on date of transition to AASB 16	-	56.7
Opening balance	55.5	-
Additions to right-of-use assets ⁽¹⁾	206.2	30.7
Disposals of right-of-use assets	(13.8)	(3.6)
Depreciation charge for the year - continuing operations	(14.3)	(9.1)
Depreciation charge for the year - discontinued operations	(13.3)	(17.4)
Disposal of interest in subsidiary	(21.5)	-
Impairment of right-of-use assets ⁽²⁾	(3.2)	-
Transfer to assets held for sale	(2.2)	-
Foreign exchange movements	(0.5)	(1.8)
Total right-of-use assets	192.9	55.5

(1) The additions to right-of-use assets in current year largely relates to the lease signed for SEEK's new global headquarters in Melbourne. SEEK has also incurred \$49.9m in fit out costs in relation to this lease, which are classified within WIP in the plant and equipment balance at 30 June 2021.

(2) Impairment expense of \$3.2m has been recognised as a result of an agreement to sub-lease of a portion of an office for an amount less than the rent being paid to the head lessor.

(ii) Lease liabilities

	2021 \$m	2020 \$m
Current	17.1	28.0
Non-current	188.1	36.0
Total lease liabilities	205.2	64.0

Extension options

As at 30 June 2021, potential future undiscounted cash outflows of \$236.9m (2020: \$6.5m) have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated).

SEEK reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control. During the current financial year, the financial effect of revising lease terms to reflect the effect of exercising extension and termination options was an increase in recognised lease liabilities and right-of-use assets of \$3.4m (2020: \$13.4m).

(b) Amounts recognised in the Consolidated Income Statement

The following amounts relating to leases were recognised in the Consolidated Income Statement during the year ended 30 June:

	2021 \$m	Restated 2020 ⁽¹⁾ \$m
Depreciation - right-of-use assets	14.3	9.1
Interest expense on lease liabilities - (in 'finance costs')	3.5	1.2

(1) See Note 2 Discontinued operations - comparative information has been restated due to the discontinued operations of Zhaopin and SEEK Growth Fund.

Impact of COVID-19

SEEK has adopted the practical expedient in paragraph 46A of AASB 16 *Leases* and elected not to account for any rent concessions granted as a result of the COVID-19 pandemic as a lease modification. The amount recognised in profit or loss due to changes in lease payments arising from such concessions was \$0.1m (2020: \$0.9m).

(c) Amounts recognised in the Consolidated Statement of Cash Flows

The following amounts relating to cash outflows for leases were recognised in the Consolidated Statement of Cash Flows during the year ended 30 June:

	2021 \$m	Restated 2020 ⁽¹⁾ \$m
Interest expense on lease liabilities - (in 'operating activities')	3.5	1.2
Principal elements of lease liabilities - (in 'financing activities')	7.0	9.7
Total cash outflow for lease liabilities	10.5	10.9

(1) See Note 2 Discontinued operations - comparative information has been restated due to the discontinued operations of Zhaopin and SEEK Growth Fund.

The future cash outflows relating to leases that have not yet commenced are disclosed in Note 22 Commitments for expenditure.

15. Provisions

Critical accounting estimates and assumptions

Following the guidance in AASB 3 *Business Combinations*, SEEK has recognised a provision for contingent liabilities acquired in various business combinations. At acquisition, the provisions were measured at the fair value of the contingent liabilities, which reflected the range of possible outcomes across the portfolio of contingent liabilities and is adjusted for risk.

The carrying amount of the provision has been reassessed in each subsequent reporting period.

The settlement of these contingent liabilities is uncertain and the difference between the settlement amounts and the amounts provided for may be material.

Accounting Policy

Provisions are recognised when:

- SEEK has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources (usually cash or other assets) will be required to settle the obligation; and
- the amount can be reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering those similar obligations together. A provision is recognised in aggregate even if the likelihood of an outflow with respect to any one item is small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

	Current		Non-current	
	2021 \$m	2020 \$m	2021 \$m	2020 \$m
Employee benefits provision	26.5	27.1	10.7	15.9
Other provisions	3.0	9.4	10.2	11.6
Total provisions	29.5	36.5	20.9	27.5

The movement in other provisions during the financial year is set out below:

	Make good provision \$m	Acquired contingent liabilities \$m	Tax cases provision (i) \$m	Other \$m	Total \$m
Balance at 1 July 2020	2.7	6.5	7.2	4.6	21.0
Additional provision recognised in the year	0.1	-	0.7	4.4	5.2
Credited to the Consolidated Income Statement	(0.1)	(2.8)	-	-	(2.9)
Utilisation during the year	(0.4)	-	(0.7)	(6.3)	(7.4)
Effect of movement in foreign exchange	(0.1)	(0.1)	-	-	(0.2)
Transfer to liabilities directly associated with assets held for sale	-	(0.6)	-	(1.9)	(2.5)
Balance at 30 June 2021	2.2	3.0	7.2	0.8	13.2
Current	2.0	1.0	-	-	3.0
Non-current	0.2	2.0	7.2	0.8	10.2

(i) Tax cases provision

Brasil Online is subject to a number of tax infraction notices from Brazilian tax authorities. These tax infractions are either open, subject to legal proceedings, or under appeal. Based on advice from leading Brazilian external legal counsel, Brasil Online has estimated the most likely amounts payable including penalties and interest and has recognised this amount as a provision. Unrecognised contingent liabilities relating to uncertain tax positions applicable to Brasil Online are discussed further in Note 23 Contingent liabilities.

Equity

16. Share capital

	Ordinary shares (excluding Treasury shares)	Treasury shares	Total Share capital	
Movement of shares on issue	No. of Shares	No. of Shares	No. of Shares	\$m
Balance at 30 June 2019	350,731,425	1,279,457	352,010,882	269.2
Issue of shares to satisfy future rights exercises	-	1,019,308	1,019,308	-
Exercise of rights	662,215	(662,215)	-	-
Release of restricted shares	389,832	(389,832)	-	-
Balance at 30 June 2020	351,783,472	1,246,718	353,030,190	269.2
Issue of shares to satisfy future rights exercises	-	540,000	540,000	-
Exercise of rights	369,573	(369,573)	-	-
Release of restricted shares	450,825	(450,825)	-	-
Balance at 30 June 2021	352,603,870	966,320	353,570,190	269.2

Ordinary shares have no par value and entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Treasury shares are shares in the Company that are held by the Employee Share Trust for the purpose of future allocation to employees under the SEEK Equity Plan, and shares held by the Employee Share Trust that have been allocated to employees but are subject to a disposal restriction.

17. Reserves

Nature and purpose of reserves

Cash flow hedge reserve

The Cash flow hedge reserve is used to record gains or losses on a hedging instrument in a cash flow hedge that is recognised directly in equity, as described in Note 9 Financial instruments and fair value measurement.

Net investment hedge reserve

The Net investment hedge reserve is used to record gains or losses on a hedging instrument in a net investment hedge that is recognised directly in equity, as described in Note 9 Financial instruments and fair value measurement.

Fair value hedge reserve

The Fair value hedge reserve is used to record gains or losses on a hedging instrument in a fair value hedge that is recognised directly in equity, as described in Note 9 Financial instruments and fair value measurement.

Cost of hedging reserve

The Cost of hedging reserve is used to record gains or losses on the forward element of a hedging instrument where the cost of hedging approach is applied.

Share-based payments reserve

The Share-based payments reserve is used to recognise the grant date fair value of shares issued to employees.

Put option reserve

This reserve relates to a put option over the remaining shares held by a non-controlling interest in JobAdder. SEEK has recognised a financial liability for the estimated exercise value of that option, as described in Note 9 Financial instruments and fair value measurement.

Equity instruments revaluation reserve

The Equity instruments revaluation reserve is used to record changes in the fair value of investments in equity instruments that are not held for trading, for which SEEK elected, at initial recognition, to present gains and losses in other comprehensive income.

Transactions with non-controlling interests reserve

This reserve is used to record differences arising as a result of transactions with a non-controlling interest that do not result in a loss of control. Upon disposal of interests in that entity this reserve would be transferred to retained earnings.

Transfers under common control reserve

The Transfers under common control reserve is used to record the net impact on the equity attributable to the shareholders of SEEK in the event of a transfer of an entity under common control. Upon disposal of all interests in that entity this reserve would be transferred to retained earnings.

Foreign currency translation reserve

Exchange differences arising on the translation of foreign controlled entities and associates are recognised in the Foreign currency translation reserve, as described in Note 28 Other significant accounting policies.

(a) Hedging reserves

	2021 \$m	2020 \$m
Cash flow hedge reserve	(11.5)	(11.1)
Net investment hedge reserve (i)	(46.3)	(145.2)
Fair value hedge reserve	1.7	(0.8)
Cost of hedging reserve	0.4	(0.9)
Total hedging reserve	(55.7)	(158.0)

SEEK's approach to hedging is described in Note 9 Financial instruments and fair value measurement.

(i) Net investment hedge reserve

The movement of \$98.9m (2020: \$33.2m) in the Net investment hedge reserve for the year was mainly due to reserves recycled through other comprehensive income on disposal of its interest in Zhaopin. Please refer to Note 2 Discontinued operations for further information.

(b) Other reserves

	2021 \$m	2020 \$m
Share-based payments reserve	121.9	110.8
Put option reserve (i)	(1.4)	(18.3)
Equity instruments revaluation reserve (ii)	78.0	21.4
Transactions with non-controlling interests reserve (iii)	(50.4)	(93.2)
Transfers under common control reserve	-	(4.6)
Other reserves	(0.3)	-
Total other reserves	147.8	16.1

(i) Put option reserve

SEEK acquired a further 36.2% interest in JobAdder, resulting in a partial utilisation of the Put option reserve and a related movement in the Transactions with non-controlling interest reserve.

(ii) Equity instruments revaluation reserve

The movement of \$56.6m in the Equity instruments revaluation reserve is primarily due to changes in the fair value of financial assets at fair value through other comprehensive income (FVOCI).

(iii) Transactions with non-controlling interest reserve

During the period SEEK disposed of its interest in Zhaopin resulting in a transfer from the Transaction with non-controlling interest reserve to retained earnings.

18. Dividends

	Payment date	Amount per share	Franked amount per share	Total dividend
2020				
2019 final dividend	3 October 2019	22.0 cents	22.0 cents	\$77.4m
2020 interim dividend ⁽¹⁾	23 July 2020	13.0 cents	13.0 cents	\$45.8m
Total dividends provided for or paid for the year ending 30 June 2020				\$123.2m
2021				
2021 dividend ⁽²⁾	24 May 2021	20.0 cents	20.0 cents	\$70.6m
Total dividend paid for the year ending 30 June 2021				\$70.6m

Dividends determined by the Board of the Company after the financial year (to be paid out of retained profits at 30 June 2021):

2021 final dividend	5 October 2021	20.0 cents	20.0 cents	\$70.7m
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(1) On 6th April 2020, SEEK announced that it had deferred payment of the 2020 interim dividend until 23 July 2020.

(2) SEEK did not pay a 2021 interim dividend, due to the macroeconomic challenges across its key markets arising from COVID-19. Instead, the Board determined that SEEK would pay a dividend as per the details above, following signing and completion of the Zhaopin transaction.

The balance of the franking account of the SEEK Australian income tax consolidated group, adjusted for franking credits that will arise from the payment of its current tax liability, is \$111.1m at 30 June 2021 (2020: \$48.0m) based on a tax rate of 30% (2020: 30%).

The dividend payment on 5 October 2021 will be fully franked using this balance, and will reduce the franking credits available by \$30.3m for the SEEK Australian income tax consolidated group.

Group structure

19. Interests in controlled entities

(a) Material subsidiaries

Critical accounting estimates and assumptions

SEEK has fully consolidated a number of entities in the SEEK Asia group despite not holding the majority of equity. A list of these entities is shown below in section (b).

Unless otherwise stated, the following subsidiaries have share capital consisting solely of ordinary shares that are held by SEEK, and the proportion of ownership interests held equals the voting rights of SEEK.

Name of entity	Country of incorporation	Equity holding 2021 %	Equity holding 2020 %
SEEK (NZ) Limited	New Zealand	100	100
SEEK Learning Pty Ltd	Australia	100	100
SEEKAsia Ltd ⁽¹⁾ (together with its consolidated subsidiaries, 'SEEK Asia')	Cayman Islands	100	100
Jobs DB Hong Kong Limited	Hong Kong	100	100
Jobs DB Singapore Pte Limited	Singapore	100	100
Jobs DB Malaysia Sdn. Bhd.	Malaysia	100	100
Jobs DB Recruitment (Thailand) Limited	Thailand	100	100
PT. Jobs DB Indonesia	Indonesia	100	100
Jobs DB Philippines Inc.	Philippines	100	100
SEEK Asia Investments Pte. Ltd.	Singapore	100	100
JobStreet.com Pte Ltd	Singapore	100	100
JobStreet.com Shared Services Sdn. Bhd.	Malaysia	100	100
JobStreet.com Philippines, Inc	Philippines	100	100
PT. JobStreet Indonesia	Indonesia	100	100
JobStreet Company Limited	Vietnam	100	100
Catho Online, Ltda (together with its parent and other subsidiaries, 'Brasil Online')	Brazil	100	100
Online Career Center Mexico, S.A.P.I de CV (OCC)	Mexico	98.2	98.2
Zhaopin Limited ⁽²⁾	Cayman Islands	61.1	61.1
Job Adder Operations Pty Ltd	Australia	96.2	60

(1) Certain entities in these groups are fully consolidated despite not holding the majority of equity. See section (b) for further details.

(2) The operations of Zhaopin were deconsolidated from SEEK from 1 May 2021 (see Note 2 Discontinued operations). At 30 June 2021, SEEK retains a 61.1% interest in the parent, Zhaopin Limited, which holds the 23.5% interest in the Zhaopin equity accounted investment, with the results of each of these included in continuing operations. The non-controlling interest related to Zhaopin has also been derecognised to reflect SEEK's economic interest in its operations, and therefore no summarised financial information relating to this has been disclosed.

(b) Entities fully consolidated despite not holding majority of equity

SEEK has fully consolidated a number of entities in the SEEK Asia group despite not holding the majority of equity or direct ownership interest. Through existing contractual agreements, SEEK is able to exercise effective control over the financial and operating policies of these businesses and receive substantially all of the economic benefits and returns

SEEK Asia entities

88 Karat Sdn. Bhd.	Jobs DB Assets (Thailand) Ltd	Agensi Pekerjaan JobStreet.com Sdn. Bhd.
Agensi Pekerjaan JS Staffing Services Sdn. Bhd.		

(c) Transactions with non-controlling interests

On 1 May 2021, SEEK disposed of 37.6% of the equity of Zhaopin (the Zhaopin discontinued operation), retaining a 23.5% equity accounted investment, as well as a 61.1% interest in the holding company, Zhaopin Limited (together referred to as the Zhaopin continuing operations). Please refer to Note 2(b) for details of this disposal during the period.

During the period, the Group acquired a further 36.2% interest in JobAdder for cash consideration of \$14.2m.

(d) Summarised financial information for subsidiaries with non-controlling interests

As at 30 June 2021, the carrying amount of non-controlling interests from continuing operations was \$1.0m (2020: \$5.4m). Loss from continuing operations allocated to non-controlling interests for the year ended 30 June 2021 was \$0.5m (2020: \$2.1m).

The closing balances of non-controlling interests no longer represent a material balance to SEEK's continuing operations and accordingly, no summarised financial information has been presented.

20. Interests in equity accounted investments

Critical accounting estimates and assumptions

SEEK's investment in its associates are reviewed for impairment on an annual basis or when events or circumstances indicate that the carrying amount of the investment may not be recoverable. As required by current Accounting Standards, SEEK has evaluated, among other factors, the financial health of and business outlook of its associates and has assessed the carrying value of its investments against current estimated fair value.

(a) Interests in associates

Set out below is the additional information about some of SEEK's material interests in associates as at 30 June 2021.

Name of entity	Principal activity	Country of Incorporation	Nature of relationship	Ownership interest	
				2021 %	2020 %
Beijing Wangpin Consulting Co. Ltd (Zhaopin) ⁽¹⁾	Online job/education platform in China	China	Associate	23.5	n/a
BDJOBS.com Limited (BDjobs)	Online employment focused business that helps job seekers manage their career more efficiently, including job search, training and assessment	Bangladesh	Associate	35.0	35.0

(1) This represents the continuing operations of SEEK's retained equity accounted investment in Zhaopin.

20. Interests in equity accounted investments continued

(b) Movement in carrying amount of equity accounted investments

The carrying amount of equity accounted investments has changed as follows for the year ended 30 June 2021:

	SEEK Investments			AP&A	
	Zhaopin \$m	Other \$m	Sub-total \$m	Other \$m	Total \$m
For the year ended 30 June 2021					
Carrying amount at 1 July 2020	-	261.3	261.3	7.0	268.3
Acquisition of interest	-	143.0	143.0	-	143.0
Disposal of interest and/or transfer to equity instruments	-	(73.2)	(73.2)	(6.0)	(79.2)
Fair value of equity accounted investment retained upon disposal of subsidiary	521.1	-	521.1	-	521.1
Share of results - continuing operations	5.6	(0.4)	5.2	(1.1)	4.1
Share of results - discontinued operations	-	(8.7)	(8.7)	-	(8.7)
Share of other comprehensive income - continuing operations	15.4	(1.0)	14.4	-	14.4
Share of other comprehensive income - discontinued operations	-	(6.5)	(6.5)	-	(6.5)
Dividends received or declared	-	(0.3)	(0.3)	-	(0.3)
Share of movement in other reserves	-	1.7	1.7	0.1	1.8
Transfer to assets held for sale	-	(295.6)	(295.6)	-	(295.6)
Carrying amount at 30 June 2021	542.1	20.3	562.4	-	562.4

(c) Summarised financial information for equity accounted investments

Summarised financial information has been presented for continuing operations only.

	SEEK Investments			AP&A	
	Zhaopin \$m	Other \$m	Sub-total \$m	Other \$m	Total \$m
For the year ended 30 June 2021					
Summarised balance sheet (100%)					
Current assets	432.5	18.6	451.1	-	451.1
Non-current assets	283.3	1.4	284.7	-	284.7
Current liabilities	(611.7)	(4.5)	(616.2)	-	(616.2)
Non-current liabilities	(12.5)	(0.1)	(12.6)	-	(12.6)
NCI share of net assets	(3.4)	-	(3.4)	-	(3.4)
Net assets	88.2	15.4	103.6	-	103.6
SEEK interest					
SEEK's share of net assets	20.7	3.1	23.8	-	23.8
Goodwill	521.4	17.2	538.6	-	538.6
Carrying amount	542.1	20.3	562.4	-	562.4
Summarised statement of comprehensive income (100%)					
Gross revenue	132.7	7.5	140.2	-	140.2
Interest income	0.5	0.2	0.7	-	0.7
Depreciation and amortisation	(6.1)	(0.1)	(6.2)	-	(6.2)
Other operating costs	(99.3)	(13.3)	(112.6)	-	(112.6)
Interest expense	-	(0.2)	(0.2)	-	(0.2)
Income tax expense	(3.7)	(0.3)	(4.0)	-	(4.0)
Non-controlling interest	(0.2)	-	(0.2)	-	(0.2)
Profit/(loss) for the period	23.9	(6.2)	17.7	-	17.7
Other comprehensive income	-	0.9	0.9	-	0.9
Total comprehensive income/(loss)	23.9	(5.3)	18.6	-	18.6

21. Parent entity financial information

Accounting Policy

The financial information for the parent entity, SEEK Limited, has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the financial statements of SEEK Limited. Dividends received from associates are recognised in the parent entity's profit or loss when its right to receive the dividend is established, rather than being deducted from the carrying amount of these investments.

(ii) Income tax consolidation legislation

SEEK Limited and its wholly-owned Australian subsidiaries have elected to form an Australian income tax consolidated group.

The entities in the arrangement each account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the arrangement continues to be a standalone taxpayer in its own right.

In addition to its own current and deferred tax amounts, SEEK Limited also recognises the current tax assets/liabilities and the

deferred tax assets arising from unused tax losses and unused tax credits assumed from the other entities in the arrangement. As a result, the entities in the Australian income tax consolidated group have entered into a tax funding agreement under which they:

- fully compensate SEEK Limited for any current tax liabilities assumed; and
- are compensated by SEEK Limited for any current tax assets and deferred tax assets relating to unused tax losses or unused tax credits that are assumed by SEEK Limited under the Australian income tax consolidation legislation.

The funding amounts are determined by reference to the amounts recognised in each entity's financial statements. Assets or liabilities arising under the tax funding agreement are recognised as current amounts receivable from or payable to SEEK Limited.

(iii) Financial guarantees

Where SEEK Limited has provided financial guarantees in relation to loans and payables of subsidiaries for no compensation, the fair values of these guarantees are accounted for as contributions and recognised as part of the cost of the investment.

(a) Summary financial information

The individual financial statements for the parent entity, SEEK Limited, show the following aggregate amounts:

	2021 \$m	Restated 2020 ⁽¹⁾ \$m
Balance sheet		
Current assets	115.5	252.6
Total assets ⁽²⁾	2,274.9	2,405.6
Current liabilities	(262.1)	(222.2)
Total liabilities	(1,473.9)	(1,700.9)
Net assets	801.0	704.7
Equity		
Issued capital	269.2	269.2
Reserves		
Cash flow hedge reserve	(11.5)	(11.1)
Put option reserve	-	(18.3)
Share-based payments reserve	118.7	96.1
Retained earnings ⁽²⁾	424.6	368.8
Total equity	801.0	704.7
Profit for the year⁽²⁾	124.2	217.5
Total comprehensive income⁽²⁾	164.7	226.9

(1) See Note 2 Discontinued operations - comparative information has been restated due to the discontinued operations of Zhaopin and SEEK Growth Fund.

(2) See Note 29 Changes in accounting policies - SEEK revised its accounting policy regarding upfront configuration costs incurred in implementing cloud computing arrangements. Comparative information has been restated to account for the impact of the retrospectively.

21. Parent entity financial information continued

(b) Significant transactions during the financial year

As disclosed in Note 14 Leases, SEEK recognised an impairment of \$3.2m against right-of-use assets at 30 June 2021 as a result of an agreement to sub-lease a portion of an office for an amount less than the rent being paid to the lessor.

(c) Guarantees entered into by the parent entity

The parent entity and certain subsidiaries have given unsecured guarantees in respect of the syndicated loan facility of A\$612.5m and US\$552.5m. As at 30 June 2021, A\$813.2m principal had been drawn down against the facility, comprising A\$345.0m and US\$351.0m (2020: \$1,156.7m, comprising A\$467.5m and US\$475.3m). Refer to Note 7 Net debt.

The parent entity and certain subsidiaries have also given unsecured guarantees in respect of any debt issued under the EMTN Programme by Jobstreet.com Pte Ltd (Singapore) and Job DB Hong Kong Limited. As at 30 June 2021, no such debt has been issued.

The parent entity has provided an unsecured guarantee in respect of a working capital facility to Lend Me A Hand Pty Ltd, a subsidiary of the Sidekicker Group.

The parent entity is also the guarantor in respect of a number of subsidiaries' operating leases.

(d) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 30 June 2021 (2020: nil).

(e) Contractual commitments

Other commitments for the payment of IT and professional services, car parks under long-term contracts in existence totalled \$1.9m (2020: \$3.2m).

Unrecognised Items

22. Commitments for expenditure

	2021 \$m	2020 \$m
Within one year	6.0	4.3
Later than one year but not later than five years	1.8	2.2
More than five years	-	0.1
Total	7.8	6.6

SEEK has commitments for the payment of IT and professional services, and car parks under long-term contracts in existence at the reporting date but not recognised as liabilities payable.

23. Contingent liabilities

Unrecognised contingent liabilities represent the possible (but not probable) cash outflow in excess of any provision. They do not represent management's expectation of likely outflow and are not recognised on the balance sheet.

Uncertain tax positions

As mentioned in Note 15 Provisions, Brasil Online is subject to a number of tax infraction notices from Brazilian tax authorities. Based on advice from leading Brazilian external legal counsel, Brasil Online has estimated the most likely amounts payable including penalties and interest and has recognised this amount as a provision.

For tax infraction notices where it is not probable that an outflow of resources will be required, a provision has not been raised. Unrecognised contingent liabilities at 30 June 2021 amounted to BRL 145.1m (A\$38.8m) (2020: BRL 148.9m (A\$39.8m)) including penalties and interest.

Other matters

From time to time, SEEK is subject to legal claims. The majority of these are subsequently proven to be without merit and resolved with no cash outflow. At 30 June 2021, in addition to the provisions recognised in Note 15 Provisions, SEEK has unrecognised contingent liabilities of \$3.6m (2020: \$2.2m) which relate to labour and civil cases in Brasil Online.

24. Events occurring after balance sheet date

(a) SEEK Growth Fund

On 11 August 2021, SEEK announced the creation of SEEK Growth Fund following the completion of a strategic review. SEEK's current holdings in OES and 14 ESVs will be transferred to the Fund as seed assets in exchange for units in the Fund, based on an independently assessed fair value of A\$1,215.0m. A management company will be formed to manage the Fund, led by Andrew Bassat and a team of investment professionals from SEEK. The Fund will operate autonomously from SEEK, with greater access to third party capital, allowing it to focus on being an investor and business builder, enabling SEEK to focus on growth opportunities in AP&A whilst retaining its economic exposure to the investment portfolio.

On 6 August 2021, SEEK acquired a 26.3% undiluted interest in Hireup Holdings Pty Ltd (Hireup), a provider of online disability support services which connects workers with participants, and a 38.4% undiluted interest in MyTutorWeb Limited (MyTutor), a UK based online tutoring marketplace. SEEK will subsequently sell its interests in Hireup and MyTutor to the Fund.

(b) Remittance of proceeds from the sale of Zhaopin to SEEK's co-investors

In June 2021, Zhaopin Limited, the holding entity for the Zhaopin operations, received AUD\$308.7m of proceeds related to the disposal of Zhaopin. These proceeds had not been distributed to shareholders at balance date and the amount is recorded in Cash and cash equivalents at 30 June 2021.

On 5 July 2021, the amount was remitted to SEEK's co-investors in Zhaopin.

Other information

25. Share-based payments

Critical accounting estimates and assumptions

Calculating the fair value

SEEK estimates the fair value of its share-based payment arrangements at grant date, with the assistance of independent consultants, using the Monte-Carlo simulation or similar option pricing models to value options and rights. The estimations include any market performance conditions and the impact of non-vesting conditions.

The impact of any service conditions and non-market vesting conditions is excluded from the estimation of fair value, and instead included in assumptions about the number of options that are expected to vest. These assumptions are reviewed at the end of each reporting period.

Accounting Policy

The cost of share-based payments is recognised by expensing the fair value of options or rights granted, over the period during which the employees become unconditionally entitled to these benefits.

Where the plan will be settled by:

- issuing equity, the corresponding entry is an increase in the share-based payment reserve; and
- a payment in cash, the corresponding entry is a liability.

(a) Types of share-based payments

- **SEEK Limited:** Share-based benefits are provided to SEEK Limited Executives and certain employees via Performance Rights, Equity Rights, Restricted Rights and/or Wealth Sharing Plan Options/Rights.
- **OCC:** The options are held over the ordinary share capital of Online Career Centre Mexico, S.A.P.I de CV.
- **JobAdder:** The options are held over the ordinary share capital of JobAdder Operations Pty Ltd.

If the options granted by OCC or JobAdder were to be exercised and satisfied by issuing new shares, SEEK's interest in the respective businesses would be diluted.

(b) Financial impact of share-based payment transactions

The table below summarises the share-based payment expense recognised during the year as part of the employee benefits:

	2021				2020 ⁽¹⁾			
	AP&A	ESVs	Corporate Costs	Total	AP&A	ESVs	Corporate Costs	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
SEEK Limited options and rights	9.7	-	7.9	17.6	8.4	-	4.9	13.3
Subsidiary plans	0.2	0.3	-	0.5	-	-	-	-
Cash-settled share-based payments	0.8	-	-	0.8	0.4	-	-	0.4
Other associated costs	1.0	-	0.7	1.7	0.6	-	0.5	1.1
Total share-based payments expense	11.7	0.3	8.6	20.6	9.4	-	5.4	14.8

(1) See Note 2 Discontinued operations - comparative information has been restated due to the discontinued operations of Zhaopin and SEEK Growth Fund.

(c) Options and rights - SEEK Limited

SEEK Limited Executives and selected senior level employees receive one Equity Right or one Performance Right as part of their Total Remuneration Opportunity each year. Equity Rights and Performance Rights vest and convert into a number of shares following the end of the financial year based on a pre-determined allocation price which references the SEEK Limited share price. For Performance Rights, vesting is also linked to the performance of the individual over the relevant financial year. Shares allocated are subject to a 12-month disposal restriction following vesting.

A limited number of senior level employees may receive a one-off grant of Restricted Rights. Vesting of Restricted Rights is subject to the performance of the individual and continued employment over the vesting period. Upon vesting, each Restricted Right converts into one share and the resulting shares are not subject to a disposal restriction period.

SEEK Limited Executives and a small number of selected senior level employees also receive Wealth Sharing Plan Options and/or Rights at their election. Vesting of Wealth Sharing Plan Options and Rights is subject to the achievement of a three year share price hurdle performance condition. Vested Wealth Sharing Plan Options and Rights are subject to a 12-month exercise restriction, following which they can be exercised (Rights at nil cost; Options upon payment of an exercise price equivalent to the share price hurdle) and convert into an equivalent number of shares.

2021			Number of options or rights							
Grant date	Expiry date (years)	Exercise price	Opening balance	Granted during the year	Exercised during the year	Lapsed during the year	Forfeited during the year	Closing balance	Vested and exercisable at 30 June	
Wealth Sharing Plan Options										
11 June 2019	5	\$20.95	536,013	-	-	-	-	536,013	-	
Sep 2019 - Nov 2019	5	\$23.18	468,216	-	-	-	(94,374)	373,842	-	
2 November 2020	5	\$20.51	-	234,651	-	-	(13,793)	220,858	-	
25 November 2020	5	\$20.51	-	216,649	-	-	(144,433)	72,216	-	
12 March 2021	5	\$20.51	-	14,612	-	-	-	14,612	-	
Total			1,004,229	465,912	-	-	(252,600)	1,217,541	-	
Wealth Sharing Plan Rights										
Oct 2016 - Dec 2016	5	\$0.00	369,082	-	(369,082)	-	-	-	-	
Oct 2017 - Dec 2017	5	\$0.00	598,107	-	-	(598,107)	-	-	-	
Oct 2018 - Jun 2019	5	\$0.00	627,325	-	-	-	(4,309)	623,016	-	
Sep 2019 - Mar 2020	5	\$0.00	546,112	-	-	-	(74,100)	472,012	-	
2 November 2020	5	\$0.00	-	579,999	-	-	(54,142)	525,857	-	
25 November 2020	5	\$0.00	-	71,558	-	-	(47,705)	23,853	-	
Total			2,140,626	651,557	(369,082)	(598,107)	(180,256)	1,644,738	-	
Restricted Rights										
25 February 2021	1	\$0.00	-	3,094	-	-	-	3,094	-	
25 February 2021	2	\$0.00	-	3,094	-	-	-	3,094	-	
Total			-	6,188	-	-	-	6,188	-	
Equity Rights										
Oct 2019 - Mar 2020	2	\$0.00	7	-	(7)	-	-	-	-	
2 November 2020	2	\$0.00	-	7	-	-	-	7	-	
25 November 2020	2	\$0.00	-	1	-	-	-	1	-	
Total			7	8	(7)	-	-	8	-	
Performance Rights										
Oct 2019 - Apr 2020	2	\$0.00	69	-	(69)	-	-	-	-	
2 November 2020	2	\$0.00	-	66	-	-	(5)	61	-	
25 February 2021	2	\$0.00	-	2	-	-	-	2	-	
12 March 2021	2	\$0.00	-	2	-	-	-	2	-	
Total			69	70	(69)	-	(5)	65	-	
Total All Plans			3,144,931	1,123,735	(369,158)	(598,107)	(432,861)	2,868,540	-	

25. Share-based payments continued

2020			Number of options or rights						
Grant date	Expiry date (years)	Exercise price	Opening balance	Granted during the year	Exercised during the year	Lapsed during the year	Forfeited during the year	Closing balance	Vested and exercisable at 30 June
Wealth Sharing Plan Options									
11 June 2019	5	\$20.95	536,013	-	-	-	-	536,013	-
Sep 2019 - Nov 2019	5	\$23.18	-	468,216	-	-	-	468,216	-
Total			536,013	468,216	-	-	-	1,004,229	-
Wealth Sharing Plan Rights									
Oct 2015 - May 2016	5	\$0.00	488,034	-	(488,034)	-	-	-	-
Oct 2016 - Dec 2016	5	\$0.00	543,263	-	(174,181)	-	-	369,082	-
Oct 2017 - Dec 2017	5	\$0.00	616,292	-	-	-	(18,185)	598,107	-
Oct 2018 - Jun 2019	5	\$0.00	691,182	-	-	-	(63,857)	627,325	-
Sept 2019 - Mar 2020	5	\$0.00	-	555,100	-	-	(8,988)	546,112	-
Total			2,338,771	555,100	(662,215)	-	(91,030)	2,140,626	-
Equity Rights									
Oct 2018 - Jun 2019	2	\$0.00	9	-	(9)	-	-	-	-
Oct 2019 - Mar 2020	2	\$0.00	-	7	-	-	-	7	-
Total			9	7	(9)	-	-	7	-
Performance Rights									
Oct 2018 - Jun 2019	2	\$0.00	58	-	(58)	-	-	-	-
Oct 2019 - Apr 2020	2	\$0.00	-	73	-	-	(4)	69	-
Total			58	73	(58)	-	(4)	69	-
Total All Plans			2,874,851	1,023,396	(662,282)	-	(91,034)	3,144,931	-

The following table summarises the weighted average exercise price for the SEEK Limited plans:

	Opening balance	Granted during the year	Exercised during the year	Lapsed during the year	Forfeited during the year	Closing balance	Vested and exercisable at 30 June
2021 - SEEK Limited							
Weighted average exercise price	\$7.02	\$8.50	-	-	\$12.55	\$9.14	-
2020 - SEEK Limited							
Weighted average exercise price	\$3.91	\$10.61	-	-	-	\$7.02	-

The weighted average share price at the date of exercise of options exercised during the year ended 30 June 2021 was \$27.94 (2020: \$19.39).

The weighted average remaining contractual life of share options outstanding at the end of the year was 3.1 years (2020: 3.1 years)

The following table shows the inputs for Wealth Sharing Plan Rights and Options granted during the year:

Grant date	Expiry date	Share price at grant date	Expected price volatility of the company's shares	Expected dividend yield	Risk-free interest rate	
					Rights	Options
2021						
2 November 2020	30 June 2025	\$21.33	29%	1.2%	0.17%	0.21%
25 November 2020	30 June 2025	\$26.18	29%	0.9%	0.17%	0.22%
12 March 2021	30 June 2025	\$27.25	29%	1.0%	n/a	0.39%
2020						
23 September 2019	30 June 2024	\$21.69	25%	1.7%	0.74%	0.76%
29 November 2019	30 June 2024	\$23.19	25%	1.7%	0.67%	0.69%
6 March 2020	30 June 2024	\$20.31	25%	1.7%	0.38%	n/a

(d) Share option plans - OCC

The table below summarises the movements in options over shares of Online Career Centre Mexico, S.A.P.I de CV.

2021 - OCC			Number of options					
Grant date	Expiry date (years)	Exercise price (US\$)	Opening balance	Granted during the year	Exercised during the year	Lapsed during the year	Closing balance	Vested and exercisable at balance date
Schemes issued prior to FY2014			6,460	-	-	(4,422)	2,038	2,038
12 May 2014	10	\$145.00	2,951			(2,951)	-	-
Balance at 30 June 2021			9,411	-	-	(7,373)	2,038	2,038
Weighted average exercise price			\$124.44	n/a	n/a	\$118.88	\$144.56	\$144.56
2020 - OCC								
Schemes issued prior to FY2014			6,460	-	-	-	6,460	6,460
12 May 2014	10	\$145.00	2,951				2,951	2,951
Balance at 30 June 2020			9,411	-	-	-	9,411	9,411
Weighted average exercise price			\$124.44	n/a	n/a	n/a	\$124.44	\$124.44

The weighted average remaining contractual life of share options outstanding at the end of the year was 1.0 years (2020: 1.9 years).

(e) Share option plans - JobAdder

The table below summarises the movements in options over shares of JobAdder Operations Pty Ltd.

2021 - JobAdder			Number of options					
Grant date	Expiry date (years)	Exercise price (AUD\$)	Opening balance	Granted during the year	Exercised during the year	Expired/ lapsed during the year	Closing balance	Vested and exercisable at balance date
1 July 2020	4	\$1,208.50	-	521	-	-	521	-
Balance at 30 June 2021			-	521	-		521	-
Weighted average exercise price			n/a	\$1,208.50	n/a	n/a	\$1,208.50	n/a

The weighted average remaining contractual life of share options outstanding at the end of the year was 3.0 years.

26. Related party transactions

SEEK has identified the parties it considers to be related and the transactions conducted with those parties. Other than those disclosed below, no other related party transactions have been identified.

(a) Transactions with equity accounted investments

	2021 \$	Restated 2020 ⁽¹⁾ \$
Dividends and distributions received from equity accounted investments	447,473	610,380
Convertible loans advanced to equity accounted investments (i)	439,629	1,141,579
Convertible loans repaid or converted to equity	1,641,794	10,074,862
Revenue generated from equity accounted investments	1,546,840	970,380
Interest expense from equity accounted investments	-	78,213
Interest income from equity accounted investments	131,219	15,744

(1) See Note 2 Discontinued operations - comparative information has been restated due to the discontinued operations of Zhaopin and SEEK Growth Fund.

(i) Convertible loans advanced to equity accounted investments

Convertible loans have been advanced to certain equity accounted investments in SEEK. These loans are interest-bearing and, if converted, would convert to additional equity interests in existing investments.

(b) Amounts outstanding from equity accounted investments

	2021 \$	Restated 2020 ⁽¹⁾ \$
Amounts receivable from equity accounted investments	1,489,033	1,803,848
Provision for doubtful debts related to amounts receivable from equity accounted investments	61,374	-
Amounts payable to equity accounted investments	1,123,618	1,380,722

(1) See Note 2 Discontinued operations - comparative information has been restated due to the discontinued operations of Zhaopin and SEEK Growth Fund.

(c) Transactions with key management personnel

	2021 \$	2020 \$
Short-term employee benefits	6,715,370	6,600,930
Post-employment benefits	164,382	172,630
Share-based employee benefits	7,114,111	6,277,142
Other long-term benefits	499,847	278,383
	14,493,710	13,329,085

(d) Transactions with Director related parties

Some of the Non-Executive Directors hold directorships or positions in other companies or organisations. From time to time, SEEK may provide or receive services from these companies or organisations on arm's length terms. None of the Non-Executive Directors were, or are, involved in any procurement or Board decision-making regarding the companies or organisations with which they have an association.

27. Remuneration of auditors

During the year the following fees were paid or payable for services provided by the Auditor, its related practices and non-related audit firms:

	2021 \$	2020 \$
Audit services		
Audit services		
PricewaterhouseCoopers Australia	1,709,703	1,329,060
Network firms of PricewaterhouseCoopers Australia	1,059,883	1,806,011
Total remuneration for audit services	2,769,586	3,135,071
Non-audit services		
Other assurance services		
PricewaterhouseCoopers Australia	29,600	216,804
Total remuneration for other assurance services	29,600	216,804
Taxation services		
PricewaterhouseCoopers Australia - compliance services	2,250	11,618
Network firms of PricewaterhouseCoopers Australia - compliance services	63,638	63,363
Network firms of PricewaterhouseCoopers Australia - due diligence services	76,874	-
Total remuneration for taxation services	142,762	74,981
Other services⁽¹⁾		
PricewaterhouseCoopers Australia	280,500	203,000
Network firms of PricewaterhouseCoopers Australia	226,575	-
Total remuneration for other services	507,075	203,000
Total remuneration for non-audit services	679,437	494,785
Total remuneration of Auditor	3,449,023	3,629,856
Non-PwC audit firms - services provided to Online Education Services Pty Ltd		
Audit services	-	-
Other non-audit services	-	3,600
Total remuneration of non-PwC audit firms⁽²⁾	-	3,600

(1) Other services provided by PwC comprises mainly due diligence services.

(2) During the year the auditor of Online Education Services Pty Ltd was also engaged to provide non-audit services to other SEEK Group companies.

28. Other significant accounting policies

(a) Principles of consolidation

Subsidiaries are all entities (including structured entities) over which SEEK has control. SEEK controls an entity when SEEK is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to SEEK. They are deconsolidated from the date that control ceases.

Joint ventures are all entities over which SEEK has joint control with one or more other investors. Joint control exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Investments in joint ventures are accounted for using the equity method of accounting, after initially being recognised at cost. Under the equity method, the investment is shown in one line on the balance sheet, with SEEK's share of post-acquisition profits or losses recognised in profit or loss.

Associates are all entities over which SEEK has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are also accounted for using the equity method.

Accounting policies of subsidiaries, associates and joint ventures have been changed where necessary to ensure consistency with the policies adopted by SEEK.

28. Other significant accounting policies continued

(b) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of SEEK's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Australian dollars, which is SEEK Limited's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate on that day. Non-monetary assets and liabilities are maintained at the exchange rate on the date of the transaction. Monetary assets and liabilities are translated into the functional currency at the year end exchange rate.

Where there is a movement in the exchange rate between the date of the transaction and the date of settlement or the year end, a foreign exchange gain or loss may arise. This is recognised in the Consolidated Income Statement (within finance costs), unless the asset or liability is a qualifying cash flow hedge or net investment hedge, in which case it is deferred in equity.

(iii) Group companies

The results and financial position of all SEEK entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented (including goodwill and other fair value adjustments arising on acquisition) are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement and statement of comprehensive income are translated using monthly average exchange rates; and
- all resulting exchange differences are recognised in other comprehensive income.

When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

(c) Goods and Services Tax (GST) and Value Added Tax (VAT)

Revenues, expenses and assets are recognised net of the amount of associated GST and VAT, unless the GST and VAT incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST and VAT receivable or payable. The net amount of GST and VAT recoverable from, or payable to, the taxation authority is included within 'trade and other receivables' or 'trade and other payables' in the Consolidated Balance Sheet.

(d) Impairment of assets

Assets other than goodwill and intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the asset's fair value less costs of disposal and value in use).

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

(e) New and amended Accounting Standards and Interpretations

(i) New and amended Accounting Standards and Interpretations issued and effective

Refer to Note 29 Changes in accounting policies for the new Accounting Standards and Interpretations which became effective from 1 July 2020 and the corresponding impact of those changes on SEEK's financial results.

Apart from these changes, SEEK has not adopted any new or amended Accounting Standards and Interpretations this year that have had a material impact on the Company.

(ii) Accounting Standards and Interpretations issued but not yet effective

A number of new accounting standards, amendments to standards and interpretations, have also been issued and will be applicable in future periods. While these remain subject to ongoing assessment, no significant impacts on the financial statements of the Company have been identified to date. These standards have not been applied in the preparation of these Financial Statements.

29. Changes in accounting policies

(a) Capitalisation of customisation and configuration costs incurred in implementing cloud computing arrangements

During the year, the Group revised its accounting policy in relation to upfront configuration and customisation costs incurred in implementing cloud computing arrangements, in response to the International Accounting Standards Board (IASB) agenda decision clarifying its interpretation of AASB 138 *Intangible Assets*. The new accounting policy is presented in Note 12 Intangible assets. Historical financial information has been restated to account for the impact of the change retrospectively.

(i) Consolidated Balance sheet as at 30 June 2020

	Published \$m	Adjustments \$m	Restated \$m
Intangible assets	2,550.0	(2.1)	2,547.9
Deferred tax asset	58.7	0.7	59.4
Net assets	1,383.5	(1.4)	1,382.1
Retained profits	894.4	(1.4)	893.0
Total equity	1,383.5	(1.4)	1,382.1

(ii) Consolidated Balance sheet as at 30 June 2019

	Published \$m	Adjustments \$m	Restated \$m
Intangible assets	2,719.5	(9.1)	2,710.4
Deferred tax asset	46.0	2.8	48.8
Net assets	1,694.4	(6.3)	1,688.1
Retained profits	1,133.3	(6.3)	1,127.0
Total equity	1,694.4	(6.3)	1,688.1

(iii) Consolidated Income Statement/ Statement of Comprehensive Income as at 30 June 2020

	Published \$m	Adjustments \$m	Restated \$m
Total operating expenses	(1,416.3)	(2.1)	(1,418.4)
Loss before income tax expenses	(46.2)	(2.1)	(48.3)
Income tax expense	(44.6)	0.7	(43.9)
Loss for the year	(90.8)	(1.4)	(92.2)

(iv) Earnings per share at 30 June 2020

	Published \$m	Adjustments \$m	Restated \$m
Basic earnings per share	(31.7)	(0.4)	(32.1)
Diluted earnings per share	(32.6)	(0.4)	(33.0)

(v) Consolidated Statement of Cash Flows as at 30 June 2020

	Published \$m	Adjustments \$m	Restated \$m
Payments to suppliers and employees (inclusive of goods and services tax)	(1,259.9)	(4.3)	(1,264.2)
Net cash inflow from operating activities	304.3	(4.3)	300.0
Payment for intangible assets	(114.3)	4.3	(110.0)
Net cash outflow from investing activities	(260.9)	4.3	(256.6)

29. Changes in accounting policies continued

The financial statements have been prepared on the basis of accounting consistent with those applied in the 30 June 2020 Annual Report, with the exception of the following new standards and amendments, which became effective from 1 July 2020:

- AASB 2018-7 *Amendments to Australian Accounting Standards – Definition of Material (AASB 101 and AASB 108)*
- AASB 2018-6 *Amendments to Australian Accounting Standards – Definition of a Business (AASB 3)*
- AASB 2019-3 *Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform (AASB 9, AASB 139 and AASB 7)*
- AASB 2019-5 *Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet issued in Australia (AASB 1054)*
- *Conceptual Framework for Financial Reporting and AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework.*

Apart from as disclosed below, amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Interest Rate Benchmark Reform

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (IBORs) with alternative nearly risk-free rates (referred to as 'IBOR reform'). SEEK has exposures to IBORs on its financial instruments that will be replaced or reformed as part of these marketwide initiatives. There is uncertainty over the timing and the methods of transition in some jurisdictions that SEEK operates in. SEEK anticipates that IBOR reform will impact its risk management and hedge accounting.

SEEK Treasury is managing SEEK's IBOR transition plan. The greatest change will be amendments to the contractual terms of SEEK's syndicated debt facility, which contains AUD BBSW and USD LIBOR-referenced floating-rate debt, and the associated interest rate swaps and corresponding update of hedge designations. SEEK expects that change to the interest rate benchmarks will not result in any significant modification gains or losses. However, the changed reference rate may also affect other systems, processes, risk and valuation models, as well as having tax and accounting implications.

Relief applied

SEEK has applied the following reliefs that were introduced by the amendments made to AASB 9 *Financial Instruments* in October 2019:

- When considering the 'highly probable' requirement, SEEK has assumed that the IBOR interest rates on which SEEK's hedged debt is based do not change as a result of IBOR reform.
- In assessing whether the hedge is expected to be highly effective on a forward-looking basis, SEEK has assumed that the interest rates on which the cash flows of the hedged debt and the interest rate swaps that hedge it are based are not altered by IBOR reforms.
- SEEK has not recycled the cash flow hedge reserve relating to the period after the reforms are expected to take effect.

In calculating the change in fair value attributable to the hedged risk of floating-rate debt, SEEK has made the following assumptions that reflect its current expectations:

- The floating-rate debt will move to the new IBOR rates during 2022 and the spread will be similar to the spread included in the interest rate swap used as the hedging instrument.
- No other changes to the terms of the floating-rate debt are anticipated.
- SEEK has incorporated the uncertainty over when the floating-rate debt will move to the IBOR reform rates, the resulting adjustment to the spread, and the other aspects of the reform that have not yet been finalised by adding an additional spread to the discount rate used in the calculation.

No other changes were required to any of the amounts recognised in the current or prior period as a result of these amendments.

DIRECTORS' DECLARATION

In the directors' opinion:

- a. the financial statements and notes set out on pages 42 to 106 are in accordance with the *Corporations Act 2001*, including:
 - i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and
 - b. there are reasonable grounds to believe that SEEK Limited will be able to pay its debts as and when they become due and payable.
- Page 42 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the directors.



Graham Goldsmith

Chairman

Melbourne

24 August 2021

INDEPENDENT AUDITOR'S REPORT



Independent auditor's report

To the members of SEEK Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of SEEK Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The Group financial report comprises:

- the consolidated balance sheet as at 30 June 2021
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the consolidated income statement for the year then ended
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.



Materiality

- For the purpose of our audit we used overall Group materiality of \$9 million. This represents approximately 5% of the Group's continuing operations adjusted profit before tax, adjusted for significant infrequently occurring items such as impairment charges.
- We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial report as a whole.
- We utilised a 5% threshold based on our professional judgement, noting it is within the range of commonly acceptable thresholds. We chose Group continuing operations adjusted profit before tax because, in our view, it is the benchmark against which the performance of the Group is most commonly measured and best reflects the expected size and scale of the Group going forward.

Audit Scope

- Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.
- Audits of the most financially significant operations being, SEEK Employment Australia, Zhaopin, SEEK Asia and Online Education Services, were conducted.
- Specified audit procedures over Brasil Online, OCC, Go1 and FutureLearn were conducted.
- The audit of Zhaopin for the period up to disposal was performed by auditors operating under our instruction (component auditors).
- Where audit work was performed by component auditors, we determined the level of involvement we needed to have in their audit work to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion. This included active dialogue throughout the year through phone calls, discussions and written instructions. We tailored our audit approach accordingly, considering factors



such as differing regulations, compliance and tax regimes and sovereign risks in relation to foreign ownership.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit and Risk Committee.

Key audit matter	How our audit addressed the key audit matter
<p>Accounting for the partial disposal of Zhaopin (Refer to note 1 and 2 – segment information and discontinued operations)</p> <p>On 1 May, the Group disposed of 37.6% of its interests in Zhaopin, reducing its previously held controlling stake of 61.1% and retaining an interest of 23.5%. Zhaopin has been presented in the financial report as a discontinued operation up to the point of disposal.</p> <p>The Group has recognised a gain on sale of \$628.9m which has been recorded in the Consolidated Income Statement, within discontinued operations. At the time of disposal, the Group's retained interest in Zhaopin of 23.5% has been recorded at fair value of \$521.1m as an equity accounted investment.</p> <p>The partial disposal was a key audit matter because of the transaction being non-routine and having significant impact to the financial statements.</p>	<p>We performed the following procedures amongst others:</p> <ul style="list-style-type: none"> • Read the terms of the sale and purchase agreements. • Agreed the proceeds on sale to the bank statement and completion documents. • Assessed the carrying value of assets and liabilities sold. • With assistance from PwC tax specialists, considered the Group's assessment of the taxation impact of the sale by evaluating the appropriateness of tax liabilities on the gain. • Evaluated the adequacy of the disclosures made in the financial statements in accordance with the requirements of Australian Accounting Standards.
<p>Classification of Assets held for sale and discontinued operations for SEEK Growth Fund disposal group (Refer to note 2)</p> <p>The investments expected to be subject to disposal into SEEK Growth Fund have been classified as held for sale. At this time the portfolio of assets are treated as a disposal group and measured at their carrying value. The financial results of these investments have</p>	<p>We performed the following procedures amongst others:</p> <ul style="list-style-type: none"> • Read the relevant business plans and board minutes to develop an understanding of the Group's future intentions and probabilities of a disposal as at the date of assessment. • Evaluated the Group's assessment criteria of classification as held for sale against the applicable Australian Accounting Standards.



Key audit matter

been presented in the financial report as discontinued operations for the year.

This was considered a key audit matter because of the judgement required by the Group in determining the appropriateness of classifying the disposal group as held for sale. This assessment is complex due to the plans and intentions of the Group to deconsolidate the Fund in the future. There is judgement involved in determining the passing of control from SEEK to the Fund given the Fund is expected to run autonomously and hold key decision making rights, despite retaining the majority of financial interest in the Fund.

Valuation of goodwill and indefinite lived intangible assets

(Refer to note 12 - intangible assets) \$1,017.6m Goodwill and \$160.3m of indefinite lived intangible assets

The year end Consolidated Balance Sheet includes \$1,017.6m of goodwill and \$160.3m of indefinite lived intangible assets that are subject to an annual impairment assessment by the Group. During the year, the Group recognised total impairment charges of \$43.7m in relation to indefinite lived intangible assets.

The Group's annual impairment assessment is performed at the lowest level at which the Group could allocate the goodwill of an asset which generates cash flows that are largely independent of cash flows from other assets, which is referred to as a cash generating unit (CGU). The annual impairment assessment is also carried out on indefinite lived intangible assets.

The valuation models used by the Group to perform the impairment assessment are based on cash flow forecasts that use key assumptions including, revenue, operating costs, capital expenditure assumptions, discount rates and terminal growth rates. Future cash flows are discounted using a post-tax discount rate specific to the individual CGU. The cash flow forecast

How our audit addressed the key audit matter

- Evaluated the adequacy of the disclosures made in the financial statements in accordance with the requirements of Australian Accounting Standards.

We evaluated whether the allocation of the Group into CGUs was consistent with our knowledge of the Group's operations and internal Group reporting.

For the significant CGUs of Brasil Online, OCC and SEEK Asia, which are valued by the Group using fair value less costs of disposal models (the models), our audit procedures included, amongst others:

- Testing the mathematical accuracy and integrity of the calculations in the models.
- Considering the historical accuracy of the Group's forecasts by comparing the forecasts used in the prior year models to the actual performance.
- Assessing the forecasted cash flow growth assumptions including considering historic and current performance and the historic growth performance of similar established businesses within the SEEK portfolio.
- Together with PwC valuation experts, comparing the forecast terminal growth rates (used to estimate future cash flows) and the post-tax discount rates used in the models to external market data.
- Comparing the Group's valuations to external data sources including broker reports.



Key audit matter

has been derived from approved budgets and the Group's long term forecasting.

We considered the valuation of goodwill and indefinite lived intangible assets to be a key audit matter due to the size of the balances and because subjective changes in key assumptions can have a material impact on the valuation.

Valuation of, and accounting for, equity accounted investments and equity instruments

(Refer to note 2 – discontinued operations, note 9 – financial instruments and fair value measurement and note 20 – interests in equity accounted investments)

As at 30 June 2021 the Consolidated Balance Sheet includes investments accounted for under the equity method amounting to \$562.4m, and investments in equity instruments amounting to \$10.3m. Further to this, the Consolidated Balance Sheet includes Assets held for sale for SEEK Growth Fund disposal group. This includes other financial assets of \$324.4m which are predominately made up of investment in equity instruments and \$295.5m of investments accounted for under the equity method (see note 2(b)iii).

The Zhaopin partial disposal (see Key Audit Matter above) has resulted in the recognition of an equity accounted investment of \$521.1m (see note 2(b)iv).

We considered the valuation of, and accounting for, equity accounted investments and other unlisted equity instruments a key audit matter due to the:

- Large number of investments held by the Group, each with varying terms, which creates complexity in determining the appropriate accounting treatment.
- Subjectivity and judgement required by the Group in determining the carrying value for equity

How our audit addressed the key audit matter

- Evaluating the reasonableness of disclosures in the financial report in light of the requirements of Australian Accounting Standards. In particular, we considered the adequacy of the disclosures made in note 12 to the financial statements which explain that there is significant estimation uncertainty in relation to the valuation of goodwill and indefinite lived intangible assets.

Our audit procedures over the valuation of, and accounting for, investments in unlisted equity instruments and equity accounted investments included:

- Inspecting a sample of signed shareholder agreements to develop an understanding of the underlying terms, arrangements and the appropriate accounting treatment.
- Assessing, for a sample of additions to new or existing equity accounted investments during the year, the Group's determination of whether it has significant influence, joint control or control.
- For equity accounted investments, considering the appropriateness of the Group's impairment assessment against the requirements of Australian Accounting Standards.
- For investments in equity instruments, considering the appropriateness of the Group's valuation methodology against the requirements of Australian Accounting Standards.
- Evaluating the reasonableness of disclosures in the financial report in light of the requirements of Australian Accounting Standards.



Key audit matter

How our audit addressed the key audit matter

accounted investments and the fair value for equity instruments.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:



https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in pages 23 to 40 of the directors' report for the year ended 30 June 2021.

In our opinion, the remuneration report of SEEK Limited for the year ended 30 June 2021 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

A stylized signature of PricewaterhouseCoopers in a cursive script.

PricewaterhouseCoopers

A stylized signature of Chris Dodd in a cursive script.

Chris Dodd
Partner

Melbourne
24 August 2021

Directors

Graham B Goldsmith
Chairman

Ian M Narev
*Managing Director and
Chief Executive Officer*

Andrew R Bassat

Julie A Fahey

Leigh M Jasper

Linda J Kristjanson

Michael H Wachtel

Vanessa M Wallace

Rachel Agnew
Secretary

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AUSTRALIA
Ph: +61 3 8517 4100

Share register

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Services Pty Ltd
452 Johnston Street
ABBOTSFORD VIC 3067
Ph: +61 3 9415 4000

Auditor

PricewaterhouseCoopers
2 Riverside Quay
SOUTHBANK VIC 3006

Stock exchange listing

SEEK Limited shares are
listed on the Australian
Securities Exchange
(Listing code: SEK)

Website

www.seek.com.au

ABN

46 080 075 314



ABN 46 080 075 314