



13 August 2024

The Manager
ASX Market Announcements Office
Australian Securities Exchange

Dear Manager

SEEK Limited – FY2024 Full Year Results Announcement

In accordance with the Listing Rules, I enclose SEEK's FY2024 Full Year Results Announcement for immediate release to the market.

Yours faithfully,

A handwritten signature in blue ink that reads "R. Agnew".

Rachel Agnew
Company Secretary

Authorised for release by the Board of Directors of SEEK Limited

For further information please contact:

Investors & Analysts

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ASX Announcement
13 August 2024

**Successful delivery of operational and strategic priorities
as volumes continue to decline from historical highs**

FY2024 Highlights

- Improved placement share in ANZ to highest in recent history
- Delivered double digit yield growth which provided some offset to the continued reduction in volumes from historical highs in the prior comparative period
- Completed Platform Unification ahead of time and under budget, and aligned organisational structure
- Total expenditure (operating and capital costs) in line with prior period as the reduction in incremental Platform Unification costs offset continued investment in product and AI
- Sold Latin American assets to focus on APAC geographies with unified product platform
- Recognised significant decline in Reported NPAT due to previously announced Zhaopin impairment and 9% reduction in valuation of the SEEK Growth Fund (up 26% since creation¹)

FY2024 Financial Results

A\$m	FY2024	FY2023 ²	Growth %
Continuing Operations			
Sales revenue	1,084.1	1,157.9	(6%)
Operating expenses	(615.2)	(611.9)	(1%)
EBITDA	468.9	546.0	(14%)
Adjusted NPAT³	177.4	265.5	(33%)
SEEK Growth Fund	(117.5)	(40.0)	n/m
Significant items ⁴	(119.8)	4.8	n/m
Reported NPAT	(59.9)	230.3	n/m
Discontinued Operations			
Sales revenue	76.1	248.1	(69%)
EBITDA	14.2	7.4	92%
Adjusted NPAT³	1.6	(7.4)	n/m
Significant items ⁵	(42.6)	822.7	n/m
Reported NPAT	(41.0)	815.3	n/m
Total Operations			
Sales revenue	1,160.2	1,406.0	(17%)
EBITDA	483.1	553.4	(13%)
Adjusted NPAT	179.0	258.1	(31%)
Reported NPAT	(100.9)	1,045.6	n/m

¹ The creation of the SEEK Growth Fund (the Fund) was announced in August 2021.

² FY2023 has been restated to reflect the sale of Latin American assets. The results are now reported in Discontinued Operations. FY2023 has also been restated for an adjustment related to the tax treatment of SEEK's uncalled committed capital in the Fund.

³ Adjusted NPAT is Reported NPAT excluding the Fund (for Continuing Operations only) and Significant items.

⁴ FY2024 Continuing Operations Significant items comprise: \$119.8m impairment of SEEK's equity accounted investment in Zhaopin.

⁵ FY2024 Discontinued Operations Significant items comprise: \$20.8m impairment of the net receivable outstanding from the Zhaopin sale in FY2021; \$27.4m after-tax loss on the sale of the Latin American assets; and \$5.6m total withholding tax benefits associated with Discontinued Operations.

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SEEK CEO and Managing Director, Ian Narev said:

“SEEK’s headline financial outcomes for the year were impacted by a significant reduction in job ad volumes across APAC relative to previous record highs, and the impairment of our investment in Zhaopin. Operational outcomes were pleasing. Beyond the completion of the ambitious Platform Unification project ahead of time and under budget, ANZ placement share was the highest in recent history, double-digit yield growth through the cycle reflected the benefits of ongoing investment, total expenditure was lower than previous guidance given to the market and our Latin American assets were sold to enable greater focus on the opportunities of the unified platform. Moreover, SEEK was recognised as one of Australia’s best places to work for the fourth consecutive year in the AFR BOSS Best Places to Work awards, this time as the best large company, and was also named a 5-Star Employer of Choice by HRD Asia in 2024.”

FY2024 Performance Overview

ANZ		Asia	
Revenue	EBITDA	Revenue	EBITDA
\$840m	\$455m	\$244m	\$46m
(-8% vs pcp)	(-9% vs pcp)	(-2% vs pcp constant currency)	(-51% vs pcp constant currency)
SEEK Growth Fund		Capital Management	
Portfolio value of \$2,108m⁶		Full year dividend of 35cps	
(down 9% vs 30 June 2023; up 26% since creation)		(47cps in pcp)	
		Record date 5 September 2024	
		Payment date 3 October 2024	

ANZ revenue declined following record volumes in FY2022 and FY2023. Volumes reduced by 20% which was consistent with a range of employment indicators such as the rise in unemployment, and the slowdown in job vacancies and mobility⁷. Volume reduction was partially offset by a 13% increase in yield as dynamic pricing responded to continued growth in wages and applications per job ad.

Asia revenue was largely in line with the prior year as a reduction in paid ad volumes of 21% offset yield growth of 24%. Some of this yield benefit came from lower yielding basic ads contributing more to volume declines than higher yielding ads. The balance came from a higher take-up of depth products, standardisation of the discount curve for all customers, and the introduction of dynamic pricing in Asia enabled by the unified platform. In the Philippines, the unified platform enabled the pilot of a new freemium model, designed to maintain and capture ad share, which has already helped strengthen our candidate franchise by increasing total ads on site with no loss of revenue.

Total expenditure across the Group was in line with the prior period. Incremental Platform Unification costs have come out of the business as planned. Focus has since shifted to accelerating product development after an extended period of lower activity due to the focus on Platform Unification, which has required some catch-up. A number of monetisation initiatives are underway with experimentation of outcome-based offerings and pay per hire models in both ANZ and Asia, which can now be easily scaled across the unified platform if proved successful.

In China, as a result of challenging macroeconomic conditions and an increasingly competitive environment, SEEK previously announced an impairment charge related to our investment in Zhaopin of A\$141m. This environment also resulted in a lower share of earnings during the period.

The SEEK Growth Fund valuation is 26% higher than it was at the time the Fund was created. Within the Fund, assets in the HR SaaS sector have performed well to deliver look-through revenue growth of 31%, leading to look-through revenue growth of 12% across the portfolio. This performance comes despite challenging conditions, which have impacted assets in the Online Education and Contingent Labour sectors. The macroeconomic environment coupled with subdued private market activity, which led to the absence of significant capital events in recent months, has resulted in a slight decline in portfolio valuation this period.

⁶ Portfolio valuation of A\$2,108m represents 100% valuation. SEEK’s legal ownership in the Fund is 83.8%. Audited valuation provided by the Fund’s manager at 30 June 2024.

⁷ Source: ABS.

The Board has declared a final dividend of 16 cents per share fully franked, representing 100% of Cash NPAT less capex. This takes the FY2024 dividend to 35 cents fully franked.

FY2025 Guidance

FY2025 guidance (excluding the Fund and significant items)

- Revenue of approximately A\$1.02bn to A\$1.14bn
- Total expenditure of A\$740m to A\$810m
 - Operating expenses of approximately A\$590m to A\$640m
 - Capital expenditure of approximately A\$150m to A\$170m
- EBITDA of approximately A\$430m to A\$500m
- Adjusted NPAT of approximately A\$130m to A\$180m

Please refer to SEEK's FY2024 results presentation lodged with the ASX on 13 August 2024 for detail on SEEK's FY2025 guidance including key assumptions, which are applicable to the guidance stated above.

Ian Narev concluded:

"We remain committed to our strategic goals of \$2bn in revenue by FY2028 and delivering operating leverage. As a result of a great deal of focus over the last three years, the foundations are now in place for continued growth. We are already seeing clear benefits from the Platform Unification investment in customer experience (such as the significant increase in applications above what would be expected due to economic conditions), pricing and operating efficiency. The changes to our organisational structure that we announced near the end of the financial year will help us capture the innovation and efficiency benefits of the unified platform, through faster development and deployment of AI-enriched products, and removal of duplication and low value-add activity. We have now reached the point where we can continue to invest for the future whilst ensuring that total costs grow more slowly than revenue each year, other than in the most challenging years where there are short-term cyclical revenue declines, but we would want to maintain the investment needed to enhance market-leading capability.

For FY2025, economists are forecasting weaker macroeconomic conditions in most of our markets. Based on our historical experience of similar conditions, we have assumed that paid ad volumes in ANZ will continue to decline throughout FY2025. For Asia, we have seen early signs that the slowdown is moderating and we expect a partial recovery in the second half. As we benefit from continued yield growth, we expect to maintain revenue at levels similar to the prior year.

Against that flat revenue outlook, we will keep total expenditure for FY2025 at the same level as last year, meaning that EBITDA should also be largely in line with last year. This is enabled in part by the non-recurrence of Platform Unification spend. Should revenue be higher or lower than our base case assumption, total expenditure will vary accordingly. We will moderate discretionary expenditure within certain limits if conditions weaken, or increase strategic investment if conditions allow. This flexible approach is enabled by the foundations we now have in place, and will be continued into the future."

Annual General Meeting

SEEK's Annual General Meeting will be held in Cremorne, Victoria on 19 November 2024.

Authorised for release by SEEK's Board of Directors.

For further information or to arrange an interview please contact:

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Forward-looking statements

This announcement contains certain "forward-looking statements". Forward looking words such as, "expect", "should", "could", "may", "predict", "plan", "will", "believe", "forecast", "estimate", "target", "continue", "anticipate", "guidance", "outlook", "aim" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This announcement contains such statements that are subject to risk factors associated with the markets in which SEEK operates. SEEK believes the expectations reflected in these statements are reasonable, but they may be affected by a range of uncertainties and variables, many of which are beyond the control of SEEK, which could cause results, trends or circumstances to differ materially. Such forward-looking statements only speak as to the date of this announcement and SEEK assumes no obligation to update such information. No representation or warranty is or will be made by any legal or natural person in relation to the currency, accuracy, reliability or completeness of all or part of this document, or the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects or returns contained in, or implied by, the information or any part of it. To the full extent permitted by law, SEEK disclaims any obligation or undertaking to release any updates or revisions to the information contained in this document to reflect any change in expectations or assumptions.

You are cautioned not to place undue reliance on any forward-looking statements regarding our belief, intent or expectations with respect to SEEK's businesses, market conditions and/or results of operations (particularly in light of the current economic uncertainties and volatility).

Not advice

Information in this announcement, including forecast financial information, should not be considered as investment, legal, tax or other advice. You should make your own assessment and seek independent professional advice in connection with any investment decision.

Non-IFRS Financial Information

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

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

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

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