



16 August 2022

The Manager
ASX Market Announcements Office
Australian Securities Exchange

Dear Manager

SEEK Limited – FY22 Appendix 4E and Full Year Statutory Accounts

In accordance with the Listing Rules, I enclose SEEK's FY22 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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SEEK Limited

Appendix 4E and Statutory Accounts

ABN 46 080 075 314

Year ended 30 June 2022

(Previous corresponding period: year ended 30 June 2021)

Results for announcement to the market

		Percentage change		Amount \$m
Sales revenue from Continuing Operations	Up	47%	To	1,116.5
Profit from Continuing Operations (excluding significant items)	Up	81%	To	245.5
Significant items – Continuing Operations				(4.7)
Reported profit after tax from Continuing Operations	Up	130%	To	240.8
Profit from Discontinued Operations (excluding significant items)	Up	156%	To	14.1
Significant items – Discontinued Operations				(86.1)
Reported loss after tax from Discontinued Operations	Down	n/m	To	(72.0)
Total reported profit after tax attributable to the owners of SEEK Limited	Down	(78%)	To	168.8

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. Refer to the Directors' Report for further detail on what comprises the significant item amounts.

Dividends

Dividends/distributions	Amount per security	Franked amount per security
2021 dividend	20.0 cents	20.0 cents
2021 final dividend	20.0 cents	20.0 cents
2022 interim dividend	23.0 cents	23.0 cents
2022 final dividend (determined after balance date)	21.0 cents	21.0 cents

Record date for determining entitlements to the final dividend

8 September 2022

Payment date for final dividend

4 October 2022

SEEK did not pay a 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

	2022 cents per share	2021 cents per share
Net tangible assets per share	115.31	152.78
Net assets per share	536.08	544.15

Financial information

This report is based on the Financial Report for the year ended 30 June 2022 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 16 August 2022.

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Our purpose

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



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 16 August 2022. 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 Operating and Financial Review in the Directors' Report on pages 4 to 13.

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/.



ACKNOWLEDGEMENT OF COUNTRY

SEEK respectfully acknowledges the Traditional Owners of the lands on which it operates.

We acknowledge Australia's Aboriginal and Torres Strait Islander people as Australia's First Peoples, paying respects to their rich cultures, to their Elders past, present and future, and their continuing custodianship of the land, waterways and community on which we all rely. We extend that respect to all Aboriginal and Torres Strait Islander people.

We recognise and value the ongoing contribution of Aboriginal and Torres Strait Islander people and communities to Australian life and how this enriches us all.

Directors' Report

Your directors present their report on the consolidated entity consisting of SEEK Limited and the entities it controlled at the end of, or during, the year ended 30 June 2022 (referred to as 'the Company' or 'SEEK').

Forward-looking statements

This Directors' Report (Report) contains forward-looking statements. While these forward-looking statements reflect the Company's expectations at the date of this Report, they are not guarantees or predictions of future performance or statements of fact. They involve known and unknown risks and uncertainties, which may cause actual outcomes and developments to differ materially from those expressed in the statements contained in this Report.

The Company makes no representation, assurance or guarantee as to the accuracy, completeness or likelihood of fulfilment of any forward-looking statement, any outcomes expressed or implied in any forward-looking statement or any assumptions on which a forward-looking statement is based. Except as required by applicable laws or regulations, the Company does not undertake to publicly update or review any forward-looking statements, whether as a result of new information or future events. Past performance cannot be relied on as a guide to future performance.

Non-IFRS information

This Report and the Appendix 4E and Financial Report include certain non-IFRS financial measures, including measures of earnings before interest, tax, depreciation and amortisation (EBITDA), disclosure of effective tax rate information and a reconciliation of income tax expense to net current tax liabilities. Non-IFRS measures should not be considered as alternatives to an IFRS measure of profitability, financial performance or liquidity.

Directors' Report

Operating and Financial Review

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

Principal activities

SEEK's principal activities consist of online matching of hirers and candidates with career opportunities and other related services.

During the year, SEEK Growth Fund (the Fund) was established. SEEK transferred its holdings in Online Education Services (OES) and a portfolio of early-stage ventures (ESVs) to the Fund as seed assets in exchange for units in the Fund. SEEK's investment in the Fund continues to provide exposure to a portfolio of businesses in education and the human capital management market.

SEEK Continuing Operations

Continuing Operations includes SEEK's employment marketplaces and select portfolio investments that will continue to be owned by SEEK. During the year, SEEK's principal activities encompassed:



Business strategies and prospects

SEEK evolution

Focus on Australia and New Zealand (ANZ) online marketplace

SEEK was founded in Melbourne, Australia in 1997. It began as a disruptive, online employment marketplace at a time when internet access and usage levels, and access to data and technology, were on the incline. Leveraging these conditions, SEEK was built to become a low-cost, highly effective online employment marketplace. Over the years, SEEK's ANZ online marketplace has evolved to be a market leader on key metrics such as monthly visits, brand awareness and placement share.

Expansion into international online marketplaces

SEEK expanded into the international employment marketplace in 2005, with a focus on acquiring and operating international online employment marketplaces. SEEK has been successful in growing its footprint and creating value historically mainly via mergers and acquisitions (M&A) and strategic support. This includes the acquisition of JobsDB and JobStreet which were subsequently merged to form SEEK Asia.

Product and technology focus

SEEK has evolved its online employment marketplaces, with an increased focus on personalised data and technology, to deliver the most effective search and matching experience and outcomes for candidates and hirers. Investment in artificial intelligence – coupled with SEEK's strong brand, its ability

to establish deep relationships and generate unique data – has enabled the delivery of innovative products. These products connect candidates with relevant, personalised job opportunities, and help hirers to find candidates and streamline their recruitment processes.

New structure to enable growth

In August 2021 SEEK announced a change in structure, which included the establishment of SEEK Growth Fund. The new structure will enable SEEK to focus on the significant growth opportunities within its core businesses. The Fund will have greater independence and the ability to access external capital to invest more aggressively.

Platform Unification to underpin future growth

Following the structural changes (including the creation of the Fund), SEEK has committed to a large scale program to unify SEEK's core online employment marketplaces across APAC.

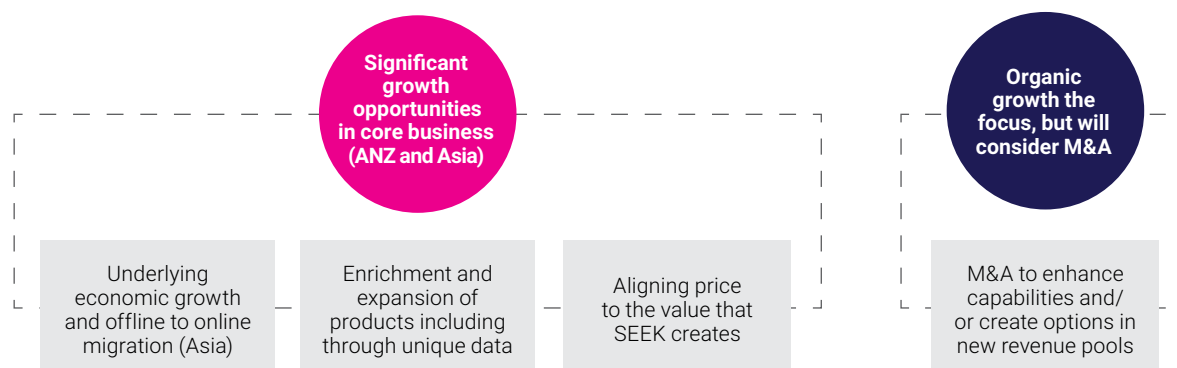
The unification of SEEK's APAC platforms is a core enabler to accelerating growth and unlocking a larger opportunity across the APAC region. The goal is to have one, unified platform across ANZ and Asia by the end of FY2024. This investment will enable new products and enhancements to be deployed at scale across all markets. It will also enable rapid innovation and will improve reliability and security.

Directors' Report

Business strategies and prospects

Growth strategies over the medium to long term

SEEK's new structure enables greater focus on capturing significant growth opportunities within the core online employment businesses and investment in the Company's key capabilities.



SEEK's strategic focus areas

In order to capture significant growth opportunities, SEEK is focused on investing in four core capabilities.

1. Scalable, reliable and safe platforms

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

2. Strong brand presence

Maintaining SEEK's brand strength in ANZ. Reinvigorating the brands in Asia to increase candidate reach and attention through brand building initiatives. 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 help to create a range of products and personalised experiences, including tools that inspire trust and confidence to claims made by hirers 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. An example of this is the new variable pricing model in ANZ.

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

SEEK Growth Fund

SEEK will continue to have an economic interest in the Fund which operates independently. This allows SEEK to retain exposure to a portfolio of businesses in education and the human capital management market. SEEK has the option, but not the obligation, to commit further capital to the Fund.

The Fund is focused on the areas listed below:

Investing in high growth human capital management (HCM) businesses

Investing in emerging businesses across the three key themes of Online Education, Contingent Labour and HR Software as a Service (HR SaaS). The Fund has wide global reach within its current portfolio, while also maintaining the flexibility to invest in businesses at different stages of their evolution (e.g. seed and scaling up stages).

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 financial gains (with a preference to hold for the long term and appetite to incur significant upfront losses). The Fund is open to value realisation where it aligns with the strategic objectives of the business.

Information on likely developments in SEEK's business strategies, prospects and operations for future financial years and the expected results that could result in unreasonable prejudice to SEEK (for example, information that is commercially sensitive, confidential or could give a third party a commercial advantage) has not been included in this Report. The categories of information omitted include forward-looking estimates and projections prepared for internal management purposes, and certain information regarding SEEK's operations and projects, which are developing and susceptible to change.

Directors' Report

Review of results and operations

	Reported currency			Constant currency ⁽¹⁾
	2022 \$m	2021 \$m	Growth %	Growth %
Sales revenue from Continuing Operations	1,116.5	760.3	47%	46%
Operating expenses	(607.4)	(428.3)	42%	41%
EBITDA from Continuing Operations ⁽²⁾	509.1	332.0	53%	53%
Profit from Continuing Operations (excluding significant items)	245.5	135.3	81%	
Significant items – Continuing Operations	(4.7)	(30.4)	n/m	
Reported profit from Continuing Operations	240.8	104.9	130%	
Profit from Discontinued Operations (excluding significant items)	14.1	5.5	156%	
Significant items – Discontinued Operations	(86.1)	641.8	n/m	
Reported (loss)/profit from Discontinued Operations	(72.0)	647.3	n/m	
Total reported profit attributable to owners of SEEK Limited	168.8	752.2	(78%)	

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

(2) 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.

Presentation of results

In FY2021 SEEK announced the creation of SEEK Growth Fund (the Fund). The Fund operates autonomously and focuses 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. Zhaopin's results have been deconsolidated from 30 April 2021. For statutory reporting purposes, these two events require SEEK's results to be presented on a Continuing Operations basis.

Continuing and Discontinued Operations

To aid in the understanding of SEEK's financial performance, the table above presents the results for Continuing Operations and Discontinued Operations for both FY2022 and FY2021.

Continuing Operations

- SEEK's employment marketplaces and select portfolio investments that will continue to be owned by SEEK.
- SEEK's share of profit after tax from the 23.5% retained interest in the equity accounted investment in Zhaopin for the 12 months to 30 June 2022. Comparative information for FY2021 includes two months (May and June 2021).

Discontinued Operations

- FY2022: results of consolidated assets which have transferred to the Fund, comprising Online Education Services (OES) and Sidekicker.

Discontinued Operations results for FY2022 includes the fair value uplift on the non-SEEK owned interest in the Fund of \$84.0m, which will reverse when SEEK deconsolidates the Fund and be reflected in the fair value gain or loss recognised at that time (refer to Note 2 Discontinued operations in the Financial Report for further detail).

- FY2021: all assets which have transferred to the Fund (OES and ESVs) and Zhaopin for 10 months only (July 2020 to April 2021).

SEEK results

For the year ended 30 June 2022, SEEK's sales revenue from Continuing Operations grew 47% (46% on a constant currency basis) and EBITDA grew by 53% (53% on a constant currency basis) compared to the year ended 30 June 2021.

Profit attributable to the owners of SEEK Limited was \$168.8m (30 June 2021: \$752.2m).

Directors' Report

Review of results and operations

Continuing Operations

Key drivers

- Revenue growth of 47% driven by higher job ad volumes and higher yield from increased depth adoption.
- Operating cost growth of 42% driven by restoration of the cost base following COVID-19, building organisational capability (mostly personnel in product and technology) and investment in strategic initiatives including Platform Unification.
- EBITDA growth of 53% driven by higher revenue whilst increasing investment including in the Platform Unification program.
- Profit (excluding significant items) grew by 81%, benefitting from higher EBITDA, partially offset by inaugural Fund management fees of approximately \$21m.

Significant items

FY2022 significant items net losses of \$4.7m comprise:

- write-off of prior period deferred tax assets of \$7.2m post-tax;
- write-off of borrowing costs associated with the refinancing of SEEK's debt facility of \$1.7m post-tax; and
- transaction costs associated with new investments of \$0.3m post-tax;
- partially offset by a tax benefit on a capital loss recognised on an investment of \$4.5m post-tax.

There was \$30.4m in post-tax significant items net losses in FY2021 (impairments of \$33.6m offset by gain on sale of Digitary of \$3.2m).

Discontinued Operations

Key drivers

- Profit (excluding significant items) increased 156% due to equity accounted ESV losses not being recognised in the current period, partially offset by Zhaopin results only being reflected in the comparative period.

Significant items

FY2022 significant items net losses of \$86.1m comprise:

- fair value adjustments related to the Fund of \$86.7m, including an \$84.0m uplift in the fair value of the non-SEEK owned interest in the Fund (refer to Note 2 Discontinued operations in the Financial Report for further detail); and
- transaction costs associated with the establishment of the Fund of \$11.2m post-tax;
- partially offset by tax adjustments relating to SEEK's sale of 37.6% of the equity of Zhaopin of \$11.8m post-tax.

There was \$641.8m of significant items net gains in FY2021, with the largest item being the gain on the selldown of SEEK's controlling interest in Zhaopin (\$628.9m post-tax).

Directors' Report

Continuing Operations

Continuing Operations comprise:

Employment marketplaces

The Australia and New Zealand (ANZ) business

SEEK Asia

The Latin America businesses of Brasil Online and OCC

Platform support

Investments

Portfolio investments

Includes equity-accounted investment in Zhaopin

	Reported currency			Constant currency ⁽¹⁾
	2022 \$m	2021 \$m	Growth %	Growth %
Sales revenue – Continuing Operations	1,116.5	760.3	47%	46%
Employment marketplaces				
ANZ	826.6	541.0	53%	53%
SEEK Asia	201.6	145.6	38%	37%
Brasil Online	28.0	30.5	(8%)	(13%)
OCC	27.7	19.2	44%	37%
Platform support ⁽²⁾	30.7	22.5	36%	36%
Investments				
Portfolio investments ⁽³⁾	1.9	1.5	27%	24%
EBITDA – Continuing Operations	509.1	332.0	53%	53%
Employment marketplaces				
ANZ	530.3	331.6	60%	60%
SEEK Asia	51.8	47.4	9%	9%
Brasil Online	(15.4)	(1.1)	n/m	n/m
OCC	6.2	2.4	158%	140%
Platform support	(25.7)	(10.4)	(147%)	(147%)
Corporate costs	(36.4)	(34.7)	(5%)	(5%)
Investments				
Portfolio investments	(1.7)	(3.2)	47%	46%
EBITDA margin (%) – Continuing Operations	46%	44%		
Employment marketplaces				
ANZ	64%	61%		
SEEK Asia	26%	33%		
Brasil Online	(55%)	(4%)		
OCC	22%	13%		
Platform support	(84%)	(46%)		
Investments				
Portfolio investments	(89%)	(213%)		
Share of results of equity accounted investments	5.3	4.1		
Zhaopin	5.9	5.6		
Portfolio investments	(0.6)	(1.5)		

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

(2) Comprises assets that support the core operations including Jora, JobAdder and Certsy.

(3) Comprises a small portfolio of ESVs that will continue to be managed by SEEK and will not be transferred to the Fund.

Directors' Report

Continuing Operations

Continuing Operations revenue growth of **47%** and EBITDA growth of **53%** compared to FY2021

Australia and New Zealand (ANZ)

- ANZ delivered revenue growth of 53% and EBITDA growth of 60%.
- Job ad volumes hit a record high of approximately 325k in March 2022 with corporates and small to medium enterprises (SMEs) leading the activity.
- Yields increased, driven by higher ad prices (net of higher volume discounts), customer mix (a higher proportion of SMEs and corporates) and increased depth product adoption. Depth revenue grew 71% compared to FY2021 and comprised 36% of revenue in FY2022 (32% in FY2021).
- EBITDA margins expanded to 64% benefitting from higher revenue, whilst enabling increased investment in product and technology, including Platform Unification. Marketing costs also increased after lower activity in FY2021 due to COVID-19.

Key strategic priorities progressed well during the period, including:

- Platform Unification program (ANZ and Asia) progressing well and scope expanded;
- enhanced AI across search and recommendations;
- launch of Talent Search Connect and Company Profiles;
- integration of recruiter reputation platform (Sourcr); and
- expansion of Certsy credential verifications to education, trades and services and vaccination status.

SEEK continues to hold market leadership on key metrics despite strong competition, including a 30% share of placements and 89% brand awareness.

SEEK Asia

- On a constant currency basis, SEEK Asia revenue increased 37% and EBITDA increased 9% compared to FY2021.
- Revenue growth was driven by higher job ad volumes with all markets delivering similar increases compared to FY2021.
- Yield decreased due to customers shifting to larger, longer-term ad packs, largely offset by an increase in depth product adoption. Depth revenue grew 93% and comprised 27% of revenue in FY2022 (19% in FY2021).
- EBITDA margins decreased to 26% due to significant investment in marketing and additional personnel in sales, strategy and service. Investment in technology also increased to support unification and grow candidate engagement.

Key strategic priorities progressed well during the period, including:

- Platform Unification program (ANZ and Asia) progressing well and scope expanded;
- launch of a large-scale rebranding campaign across the region;
- release of job recommendation push notifications in all Asian markets;

- establishment of a budget-based contract structure for roll-out across all SEEK Asia markets in HY2023; and
- acquisition of a minority interest in JobKorea, a leading jobs platform in Korea.

SEEK Asia continues to hold market leadership on key metrics despite strong competition, including a weighted average placement share of 23%⁽¹⁾.

Latin America

Brasil Online

- On a constant currency basis, revenue declined 13%, impacted by weak macroeconomic conditions and candidate business model transition (paid only to freemium).
- EBITDA declined due to a transition year for the business which drove increased investment.
- There are encouraging signs from the new business model however it is too early to assess outcomes.

OCC

- On a constant currency basis, revenue grew 37% due to higher volumes and increased yield through depth adoption.
- EBITDA grew 140% due to higher revenue, which enabled investment in marketing and personnel (mainly product and technology).

Platform support

Platform support comprises businesses that complement and/or have synergies with the core operating businesses, including:

- Jora, an online employment marketplace which plays a key role in growing ad scale and supporting new product development, and has a presence in 36 countries;
- JobAdder, a talent acquisition suite that simplifies the hiring process for recruiter and corporate talent acquisition teams; and
- Certsy, a platform to securely verify and share work credentials and to complete compliance checks.

Zhaopin (equity accounted investment)

- On a 100% underlying basis for the full 12 months of FY2022, Zhaopin's revenue decreased 5% and EBITDA declined 50% compared to FY2021.
- Online revenue increased 2%, impacted by significant COVID-19 restrictions in several regions.
- Adjacent services revenue decreased 14%. Excluding Business Process Outsourcing, adjacent services revenue increased 5%.
- EBITDA decline reflects significant investment across marketing and product and technology as a result of intense competition. Ongoing reinvestment is required.

(1) Weighted average across markets based on revenue contribution.

Directors' Report

Discontinued Operations

Discontinued Operations comprise:

SEEK Growth Fund

Includes 80% controlling interest in OES and a portfolio of ESVs

	Reported currency		Growth %
	2022 \$m	2021 \$m	
Profit from Discontinued Operations (excluding significant items)	14.1	5.5	156%
Zhaopin ⁽¹⁾	–	28.5	n/m
SEEK Growth Fund – ESVs ⁽²⁾	(5.9)	(41.5)	86%
SEEK Growth Fund – OES	20.0	18.5	8%

(1) SEEK disposed of 37.6% of the equity of Zhaopin on 30 April 2021. The amount in FY2021 therefore comprises the results of Zhaopin from when it was a consolidated subsidiary of SEEK. The results of the equity accounted investment in Zhaopin are disclosed in Continuing Operations.

(2) In line with accounting standards, SEEK did not recognise its share of the FY2022 results from equity accounted ESVs held by the Fund, as these were deemed to be held for sale at 30 June 2021. These unrecognised results will form part of any fair value gains or losses calculated and recognised at the time of deconsolidation of the Fund. These amounts therefore comprise SEEK's share of the results arising from consolidated ESVs only for the year ending 30 June 2022, and include the results of equity accounted ESVs for the comparative period.

SEEK Growth Fund

The commentary below relates to the portfolio of assets within the Fund. Refer to footnote 2 above which outlines the accounting treatment for these assets in the period ended 30 June 2022 and the comparative period.

The portfolio of assets comprises investments exposed to high-growth structural trends across three key themes comprising Online Education, Contingent Labour and HR Software as a Service (HR SaaS). The Fund actively partners with its investments to leverage its deep online human capital market expertise to accelerate their growth.

Online Education: a portfolio of businesses which offer technology solutions to either deliver or facilitate online education across a range of education disciplines (e.g. from short courses through to degrees).

- Investments include OES, FutureLearn, Coursera, Utel, Alura, MyTutor, Cialfo and Avenu.
- On a 100% underlying basis, OES revenue grew 14% and EBITDA declined by 16% compared to FY2021 due to higher cost of student enrolments (reversal of COVID-19 trends) and investment.
- Across the ESV portfolio (excluding Coursera), look-through revenue grew 50% compared to FY2021⁽³⁾.

HR SaaS: a portfolio of businesses that deliver cloud-based solutions to businesses (mainly SMEs) across a wide range of HR processes.

- Investments include Go1, Employment Hero, HiBob and Talespin.
- In aggregate, these assets delivered look-through revenue growth of 120% compared to FY2021⁽³⁾.

Contingent Labour: a portfolio of technology-driven businesses which connect hirers and candidates in the growing temporary labour market.

- Investments include Sidekicker, Jobandtalent, Florence, Hireup and Workana.
- In aggregate, these assets delivered look-through revenue growth of 76% compared to FY2021⁽³⁾.

(3) Look-through share represents net revenue of investments multiplied by SEEK's ownership interest (based on comparable ownership interest across FY2022 and FY2021).

Directors' Report

Financial position

	2022 \$m	2021 \$m
Cash and cash equivalents	325.1	491.8
Other current assets	646.9	781.7
Intangible assets	1,486.9	1,380.0
Equity accounted investments	593.4	562.4
Other non-current assets	347.2	320.2
Total assets excluding assets held for sale	3,399.5	3,536.1
Assets held for sale	1,313.7	1,064.5
Total assets	4,713.2	4,600.6
Current borrowings	8.9	77.3
Non-current borrowings	1,362.1	1,029.9
Unearned income	166.8	129.9
Lease liabilities	195.8	205.2
Current creditors and provisions	542.0	990.7
Non-current creditors and provisions	124.3	179.8
Shareholders' equity	1,894.4	1,918.7
Total liabilities and equity excluding liabilities directly associated with the assets held for sale	4,294.3	4,600.6
Liabilities directly associated with the assets held for sale	418.9	69.1
Total liabilities and equity	4,713.2	4,600.6

At 30 June 2022, SEEK had:

- total assets of \$4,713.2m of which 28% were held for sale, 26% 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 \$2,818.8m of which 15% were associated with the assets held for sale, 49% related to borrowings, with the remainder primarily comprised of trade and other payables, lease liabilities and unearned income.

At 30 June 2022, SEEK is in a net asset position of \$1,894.4m. Excluding net assets held for sale of \$894.8m, SEEK is in a net asset position of \$999.6m. Excluding net assets held for sale, SEEK's current assets exceed its current liabilities by \$235.3m.

The differences in SEEK's financial position comparing FY2022 to FY2021, but excluding assets held for sale and liabilities directly associated with the assets held for sale, are primarily the result of the following:

- net proceeds received in relation to the Zhaopin disposal, reducing both other receivables and other payables balances that were included in SEEK's Consolidated Balance Sheet at 30 June 2021. SEEK's remaining share of proceeds from the disposal after the net distributions outstanding is \$199.0m; and
- refinancing activity that occurred in December 2021, which included the extension of the maturity dates of all tranches of SEEK's bank facilities by two years and an increase in the US Dollar term loan tranches by a total of US\$100.0m (refer to Note 7 Net debt in the Financial Report for further detail).

The increase in assets held for sale related to the Fund disposal group of \$249.2m is primarily the result of investment activity by the Fund following receipt of capital commitments and an increase in receivables balances related to partly paid units in the Fund. Liabilities directly associated with the assets held for sale has increased by \$349.8m primarily due to the recognition of the non-SEEK owned interest in the Fund as a liability held at fair value. This amount will reverse when SEEK deconsolidates the Fund and will be reflected in the fair value gain or loss recognised at that time.

Net debt

Net debt at 30 June 2022 was \$1,053.1m (\$1,045.8m 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 funding across SEEK Limited and Zhaopin Limited:

- SEEK Limited has an unsecured syndicated bank facility with limits of A\$612.5m and US\$652.5m. At 30 June 2022, A\$1,144.4m of the total available facilities were drawn down, with A\$414.2m available in undrawn capacity;
- SEEK Limited has issued A\$225.0m of subordinated notes under SEEK's Euro Medium Term Note Program; and
- Zhaopin Limited has entrusted loan facilities of US\$6.2m which are expected to be repaid following further receipt of proceeds as a result of the Zhaopin disposal.

Directors' Report

Cash flow

	2022 \$m	2021 \$m
Cash generated from Continuing Operations	572.6	313.6
Transaction costs	(18.7)	(2.0)
Finance costs and taxes paid	(147.6)	(87.5)
Net cash from operating activities attributable to Continuing Operations	406.3	224.1
Capital contributions for SEEK Growth Fund	(128.3)	–
Payments for managing SEEK Growth Fund	(20.2)	–
Proceeds from disposal of interest in Zhaopin, net of cash disposed	–	124.1
(Net proceeds distributed)/proceeds to be paid out from disposal of Zhaopin	(252.3)	308.7
Payments for acquisition of subsidiary, net of acquired cash	(6.1)	(1.2)
Payments for acquisition of equity accounted investments	(2.7)	–
Proceeds from disposal of equity accounted investment	–	6.1
Capital expenditure (intangible assets and plant and equipment)	(132.9)	(137.9)
Other investing activities	(71.1)	0.6
Net cash (used in)/from investing activities attributable to Continuing Operations	(613.6)	300.4
Net change in borrowings	209.8	(400.8)
Dividends paid to shareholders of SEEK Limited	(152.2)	(116.4)
Payments of lease liabilities	(11.9)	(7.1)
Payments for additional interest in subsidiary	(1.9)	(14.2)
Other financing activities	(35.9)	(30.5)
Net cash from/(used in) financing activities attributable to Continuing Operations	7.9	(569.0)
Net cash from/(used) attributable to Discontinued Operations	21.0	(22.5)
Net decrease in cash and cash equivalents	(178.4)	(67.0)
Cash and cash equivalents at the beginning of the year	525.4	604.8
Effect of exchange rate changes on cash and cash equivalents	10.3	(12.4)
Cash and cash equivalents at the end of the year	357.3	525.4
Less cash and cash equivalents at the end of the year attributable to assets held for sale	(32.2)	(33.6)
Cash and cash equivalents at the end of the year attributable to Continuing Operations	325.1	491.8

Key cash flow movements

Cash generated from Continuing Operations increased to \$572.6m and represented an EBITDA conversion of 112%. The increase in EBITDA conversion from 94% in FY2021 reflects working capital benefits.

Net cash outflow from investing activities of \$613.6m includes \$252.3m of net proceeds paid to non-controlling interests and transaction costs paid to third parties in relation to the disposal of Zhaopin and \$128.3m in capital contributions to the Fund, coupled with capital expenditure of \$132.9m and investment in JobKorea of \$66.9m.

Net cash inflows from financing activities of \$7.9m were primarily driven by refinancing activity in December 2021 and other facility activity resulting in a net drawdown of debt of \$209.8m, partially offset by payment of the FY2021 final and FY2022 interim dividends totaling \$152.2m.

Directors' Report

Principal risks

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

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. This could 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 monitors 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. This could impact SEEK's ability to 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. Loss of critical people could leave SEEK vulnerable to leadership and capability gaps.	SEEK invests in its people and culture. This enables attraction and retention of key talent and maintains 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. Anticipated business benefits may not be realised within the desired timeline or at increased costs.	Detailed planning processes underpin adjustments to the operating model, which is 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, including interdependencies between programs.
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 due to severe economic downturn impacting employment markets in one or more of SEEK's countries of operation.	SEEK monitors and forecasts its cashflow 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 arising opportunities.
Environment and community	SEEK's policies, or the implementation and governance of them, 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. This could have a significant, negative impact on reputation and lead to 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.

Directors' Report

Board of Directors



Graham Goldsmith

Independent 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 and Chairman-elect with effect from 14 October 2022

Board committee memberships

- Member 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

Managing Director and Chief Executive Officer since 1 July 2021

Skills and experience

Ian has been the MD and CEO of the Company since 1 July 2021. Ian joined SEEK in April 2019 in the dual role of Chief Operating Officer and CEO of Asia Pacific and Americas. Prior to joining SEEK, Ian 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

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

Skills and experience

Andrew Bassat is the former MD and CEO of the Company. He co-founded the Company in 1997 and, from its inception, was involved in all stages of SEEK's business development until stepping down as CEO on 30 June 2021. 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

Independent Non-Executive Director since July 2014

Skills and experience

Julie Fahey has over 30 years' 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
- Vocus Group Limited from February 2018 to July 2021
- IRESS Ltd since October 2017

Board committee memberships

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

Qualifications

BAppSc (RMIT)



Leigh Jasper

Independent 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 the Chair of LaunchVic and SecondQuarter Management Pty Ltd and a director of Salta Properties Pty Ltd and The Burnet Institute Ltd.

Other listed company directorships

None

Board committee memberships

- Chairman of Remuneration Committee
- Member of Nomination Committee

Qualifications

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

Directors' Report

Board of Directors



Linda Kristjanson

Independent 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

Independent 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. Through his Future Fund Board role, he also has experience in global markets, geopolitical and monetary policy trends. 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

Independent 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. She founded MF Advisory to serve business in Japan, and the digital health business Drop Bio Pty Ltd. Vanessa is also a member of the University of New South Wales' Business Advisory Council.

Other listed company directorships

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

Company Secretary



Rachel Agnew

The Company Secretary during the year ended 30 June 2022 was Rachel Agnew. Rachel was previously a Company Secretary of BHP Group Limited and BHP Group Plc. She holds a Bachelor of Laws (Honours) and Bachelor of Commerce from the University of Wollongong and is a Graduate of the Australian Institute of Company Directors (GAICD).

Directors' Report

Directors and meetings of directors

All persons listed below were directors of the Company during the year ended 30 June 2022 and up to the date of this Report, unless otherwise stated.

The qualifications, experience and key outside responsibilities of each director, including current and recent directorships, are detailed on pages 14 to 15 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 2022.

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
MD and CEO														
I M Narev	10	10			8			4			3	4	4	1
Non-executive directors														
A R Bassat	10	9			3			4	3	3				1
G B Goldsmith	10	10	8	8		4	4		3	3		5	5	
J A Fahey	10	10	8	8				3	3	3				1
L M Jasper	10	9			8	4	4		3	3				1
L J Kristjanson	10	10			8	4	4		3	3				1
M H Wachtel	10	10	8	8				4	3	3		5	5	
V M Wallace	10	10	8	7		4	4		3	3		1	1	

A – Number of meetings while member held office and was eligible to attend as a member

B – Meetings attended

C – Meetings attended by invitation

(1) Ad hoc Board committee meetings were convened during the year in relation to financial results, AGM Guidance approval, the establishment of the Fund and the refresh of the Euro Medium-Term Note program.

Indemnification and insurance of officers

The Company's 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. The Company has entered a Deed of Indemnity with each director and the Company Secretary of the Company and senior executives who are directors of subsidiary companies within SEEK. Under the Deed, the Company indemnifies the relevant officer against certain liabilities and legal costs to the extent permitted by law. During the year, the Company 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 this Report, the directors held the following interests in shares and options:

	Shares in the Company	Options over shares in the Company ⁽¹⁾
G B Goldsmith	50,000	–
I M Narev	151,084	1,374,297
A R Bassat	13,698,918	305,611
J A Fahey	8,888	–
L M Jasper	68,133	–
L J Kristjanson	2,637	–
M H Wachtel	8,000	–
V M Wallace	17,000	–

(1) Includes Wealth Sharing Plan Options/Rights (refer to section 6.2 on page 34).

Dividends

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

Directors' 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 (Cth)* (Corporations Act).

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 financial due diligence reporting on acquisitions.

Fees paid or payable during the financial year for non-audit services provided by the auditor and its related practices are disclosed in Note 26 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 the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act.

The directors are satisfied that the provision of non-audit services did not compromise the auditor independence requirements of the Corporations Act 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, is set out on page 37 and forms part of this Directors' Report.

Environmental regulation

SEEK's operations 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.

Significant changes in the state of affairs

In the opinion of the directors, other than the establishment of SEEK Growth Fund as explained in the operating and financial review of this Report, there were no significant changes in SEEK's state of affairs during the financial year.

Matters subsequent to the end of the financial year

SEEK Growth Fund

On 11 July 2022, SEEK Growth Fund issued a further capital call to SEEK for \$32.6m. This was paid on 25 July 2022.

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, SEEK's operations, the results of those operations, or SEEK's state of affairs in subsequent financial periods.

Rounding of amounts

The Company is an entity to which Australian Securities and Investments Commission Corporations (Rounding in Financial/ Directors' Reports) Instrument 2016/191 (ASIC Instrument 2016/191), which relates to 'rounding off' of amounts applied. Amounts in this Report and the Financial Report have been rounded off in accordance with ASIC Instrument 2016/191 to the nearest hundred thousand dollars, or in certain cases, the nearest dollar, unless stated otherwise.

Remuneration Report

Letter from Remuneration Committee Chairman



Leigh Jasper, Chairman of the Remuneration Committee

Dear Shareholders,

On behalf of the Board, I am pleased to present SEEK's FY2022 Remuneration Report (Report). This letter, and the Q&A which follows, summarises SEEK's remuneration outcomes for FY2022, executive remuneration framework for FY2023 and increases to executive and non-executive remuneration for FY2023.

Despite the ongoing challenges associated with the pandemic, growth across the APAC markets in which SEEK operates continued to accelerate compared to FY2021 levels. At the same time, the global landscape for attracting and retaining key talent remained highly competitive, with our customers relying on SEEK's products and insights more than ever. This environment has enabled SEEK to further progress its purpose, by working closely with hirers and candidates to support them in navigating the challenging external talent market. SEEK also delivered strong financial performance and improved operating metrics through to the end of FY2022 and is starting FY2023 in a good position.

New leadership, business structural changes and FY2022 remuneration outcomes

In FY2022, SEEK's core and investment businesses separated to achieve a greater degree of independence. After executing a multi-year succession plan, FY2022 was also Ian Narev's first year as Managing Director and CEO (MD and CEO) of SEEK Limited. During this time, Ian focused firmly on leading our core employment marketplaces, building out the medium and longer-term business strategy and has made excellent progress towards our objective of doubling revenue by FY2026. He continues to advance SEEK's growth strategy through his focus on people, innovation and technology; and is making important progress towards the critical investment priority of marketplace technology unification.

It is against the context of SEEK's strong financial performance, delivered by the new leadership team, that the FY2020 Wealth Sharing Plan (WSP) fully vested as the SEEK 60-day volume weighted average price (VWAP) to 30 June 2022 of \$23.75, exceeded the three-year WSP share price hurdle of \$23.18. Participants cannot realise any value from the FY2020 WSP until the commencement of the exercise period (being one year following vesting for ongoing employees). Moreover, for vested FY2020 WSP Options, their realisable value is the difference between the SEEK share price at the time of exercise and their exercise price (noting, the current share price of \$24.25 as at 12 August 2022 is above the \$23.18 exercise price).

The remuneration for both the MD and CEO and the Chief Financial Officer (CFO) remained unchanged during FY2022 from their appointment arrangements on 1 July 2021

(see section 1.1 of this Report for further details). Fees for our non-executive directors received a modest increase from FY2019 levels, to align them closer to external market rates for similar sized organisations (see section 5.1 of this Report for further details).

FY2023 executive remuneration framework and remuneration increases

SEEK's executive remuneration framework is structured such that, aside from Base Salary and Superannuation, executives and other senior leaders receive their remuneration in equity rather than cash. This approach encourages leaders at SEEK to build a sustainable business over the long term and aims to achieve wealth creation for leaders and shareholders alike, through ongoing share price growth. Our variable remuneration components have been designed to encourage an ownership mindset and align executive reward with shareholder returns. There are no changes to the executive remuneration framework for FY2023.

A core component of the executive remuneration framework is the WSP. The Board is grateful for investor support in relation to changes to the WSP introduced in FY2021, which were maintained in FY2022. The overall approach to the WSP will remain the same for FY2023, with two changes being introduced: alignment of the exercise price for Options to the starting 60-day SEEK VWAP in order to better reflect market practice and encourage the choice of Options; and the Board exercising its discretion in setting a more challenging threshold share price hurdle than would otherwise have been the case given market volatility in recent years. The Q&A section and section 3.5 provide further details of these changes.

For the MD and CEO specifically, his FY2023 WSP award will continue to be granted with a 50%:50% mix: that is, half as Options and half as Rights.

Sections 1.1 and 5.1 detail the FY2023 increases for executive key management personnel (KMP) and non-executive director fees respectively (being 4.0% for the MD and CEO, 7.5% for the CFO and averaging 2.7% for individual non-executive directors).

Given the ongoing volatility in the market and the separation of the investment business from SEEK during FY2022, the Board will review SEEK's executive remuneration framework, in particular the WSP. The review will be comprehensive, looking at key WSP design features including the performance condition, vesting schedule and allocation methodology. The Board's intent is to ensure that the executive remuneration framework and WSP continue to support the sustainable growth of SEEK's business. We will share our thinking with you as it evolves and, as always, we welcome your feedback.

A personal note

FY2022 marks the first period in my new role as Chairman of the Remuneration Committee. I would like to pay tribute to Graham Goldsmith for his significant contribution in this role since January 2019 and thank him for his mentoring and support. I would also like to thank you, our shareholders, for this opportunity and I look forward to engaging with you in FY2023.

Thank you for your ongoing support of SEEK.

A handwritten signature in black ink, appearing to read 'Leigh Jasper', written over a light blue horizontal line.

Leigh Jasper
Chairman of the Remuneration Committee

Remuneration Report

Q&A

This section addresses questions relating to SEEK's executive remuneration framework and changes to the Wealth Sharing Plan (WSP) for FY2023.

1) What are the key design features of the WSP for FY2022?

The key design features of the FY2022 WSP are listed below (as outlined in SEEK's 2021 Remuneration Report).

i. Choice of Options and/or Rights – the MD and CEO's award is set at 50% Options and 50% Rights, consistent with his previous voluntary choices and contractual arrangements. More broadly, executives are 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. Approximately 40% of participants, including the MD and CEO and CFO, received their FY2022 WSP award as 50% Options and 50% Rights, while the remaining participants chose 100% Rights. These different elections demonstrate to the Board that choice is valued by participants, and worth retaining, as it allows individuals to receive the award that best aligns with their risk profile and personal circumstances.

ii. Graduated vesting – originally introduced in FY2021, 50% vesting occurs at a threshold share price hurdle (Threshold Price), 100% vesting occurs at a stretch share price hurdle (Stretch Price) and pro-rata vesting on a straight-line basis takes place between these points. This ensures that vesting closely mirrors the experience of our shareholders rather than an 'all or nothing' cliff-vesting approach.

iii. Share price hurdle – the requirement for absolute share price growth during the three-year vesting period ensures a clear link to the value created for shareholders. For the FY2022 WSP, the Threshold Price was based on the 15-year average growth in the ASX All Ordinaries Index (being 3.8%). This was applied on a compound annual growth rate (CAGR) basis to SEEK's 60-day volume weighted average price (VWAP) to 30 June 2021 (being \$30.76) resulting in a Threshold Price of \$34.40. This approach is consistent with the methodology previously used to set the 100% vesting price, when cliff vesting was a feature of the WSP design. At the Threshold Price, 50% vesting occurs. For the FY2022 WSP, the Board set the Stretch Price based on a more challenging target of 6.0% CAGR, resulting in a Stretch Price of \$36.64 at which 100% vesting occurs.

2) What changes to the key design features will be made to the WSP for FY2023?

While the overall approach to the WSP will remain the same for FY2023, two changes are being introduced.

i. Alignment of the exercise price for Options to the starting VWAP – the exercise price for Options has previously been based on the Threshold Price. This means, even if vesting is achieved, the Options only have value above and beyond the Threshold Price. This design discourages participants from electing Options and does not reward them for any share price growth between the starting VWAP and the Threshold Price.

For FY2023, the Board has decided that the exercise price for Options will be aligned to the starting VWAP to better reflect market practice and encourage the choice of Options.

Importantly:

- whether or not the FY2023 WSP vests is still subject to the achievement of the Threshold Price; and
- the fair value of Options will increase slightly (because of the lower exercise to be paid) and, as a result, participants will receive correspondingly fewer Options.

ii. The Board exercising its discretion in setting a more challenging Threshold Price – the methodology for setting the share price hurdles previously has been as follows.

- Threshold Price – the 15-year average growth in the ASX All Ordinaries Index, applied on a CAGR to the 60-day starting VWAP to 30 June. This approach has been consistently applied since the introduction of the WSP in FY2013.
- Stretch Price – a more challenging target of 6.0%, also applied on a CAGR basis to the 60-day starting VWAP to 30 June. The 6.0% target has been applied since FY2021 when the Stretch Price hurdle was first introduced.

Applying this methodology to the FY2023 WSP, the 15-year average growth in the ASX All Ordinaries Index would be 1.4%. This result includes the recent impact of the COVID-19 pandemic on the market with two of the last three years showing negative growth (FY2022: -11.1% and FY2020: -10.4%).

On balance, the Board considers it reasonable to exercise its discretion and set a more challenging Threshold Price of 3.0% applied on a CAGR basis. This will be the first time since FY2013 that the Board has departed from applying the 15-year average growth methodology as described above.

In doing so, the Board is cognisant of the need for alignment with shareholders, the principle of fairness for participants in light of the FY2022 WSP potentially being set at a cyclical high-point and the challenge of setting any target in a volatile market.

Accordingly, for FY2023, the Board has decided that:

- a 3.0% CAGR target will be applied to set the Threshold Price of \$25.95 – at which 50% vesting will occur;
- a 6.0% CAGR target (no change from the FY2022 WSP) will be applied to set the Stretch Price of \$28.29 – at which 100% vesting will occur; and
- between \$25.95 and \$28.29 pro-rata vesting on a straight-line basis will apply.

Given the positive investor feedback in relation to the changes to the WSP introduced in FY2021, and retained for FY2022, the Board has decided that the FY2023 WSP will reflect the key design features outlined above.

Remuneration Report

Introduction and contents

This Remuneration Report (Report) sets out SEEK's executive remuneration framework, as well as the remuneration arrangements for SEEK's key management personnel (KMP) for the year ended 30 June 2022.

References to executives in this Report are to both executive KMP and other non-KMP executives who report to the Managing Director and CEO (MD and CEO).

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

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2 FY2022 executive remuneration outcomes and alignment with SEEK's performance	22
3 Executive remuneration framework, contractual terms and FY2022 statutory remuneration	24
4 Remuneration governance framework and related policies	31
5 Non-executive director fees	32
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Remuneration Report

1. Key management personnel (KMP)

The KMP roles covered in this report are SEEK's non-executive directors, the MD and CEO and the Chief Financial Officer (CFO). Each of the KMP held their position for the whole of FY2022.

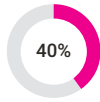
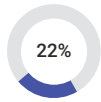
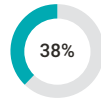
Name	Position
Non-executive directors	
G B Goldsmith	Non-Executive Chairman
A R Bassat	Non-Executive Director, appointed 1 July 2021 (previously CEO and Co-Founder)
J A Fahey	Non-Executive Director
L M Jasper	Non-Executive Director
L J Kristjanson	Non-Executive Director
M H Wachtel	Non-Executive Director
V M Wallace	Non-Executive Director
Executive KMP	
I M Narev	MD and CEO, appointed 1 July 2021 (previously Group Chief Operating Officer and Asia Pacific & Americas CEO (Group COO and AP&A CEO))
K T Koch	CFO, appointed 1 July 2021 (after a period of handover upon joining SEEK on 10 June 2021)

1.1 Executive KMP remuneration arrangements for FY2023

MD and CEO

For FY2023, the Board has determined to apply a 4.0% increase to Ian Narev's total remuneration opportunity (TRO). Ian's Base Salary and Superannuation will remain unchanged at \$1,900,000, effectively absorbing the 0.5% increase in the Superannuation Guarantee (SG) from 1 July 2022. The 4.0% increase in TRO will be applied proportionally to the variable equity-based components of Ian's TRO, resulting in a remuneration mix of approximately 40%/22%/38%. His FY2023 TRO will be as follows:

Remuneration mix for FY2023 (FY2022: 42%/21%/37%)

		
Base Salary and Superannuation	Executive Equity Plan (EEP) Equity Right	Wealth Sharing Plan (WSP) Options and Rights⁽¹⁾
\$1,900,000 (FY2022: \$1,900,000)	\$1,015,737 (FY2022: \$950,000)	\$1,767,383 (FY2022: \$1,653,000)
Total remuneration opportunity		\$4,683,120 (FY2022: \$4,503,000) ⁽²⁾

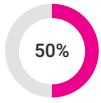
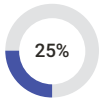
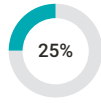
- (1) The value of WSP Options and Rights represents the fair value opportunity for FY2023, with 50% to be awarded as Options and 50% to be awarded as Rights.
- (2) During FY2022, the WSP component of Ian Narev's one-off, sign-on equity award (granted in FY2019 upon his commencement at SEEK) vested. The 60-day volume weighted average price (VWAP) to 28 April 2022 (\$28.42) exceeded the share price hurdle (\$20.95). The vested WSP Options and Rights are now subject to a one-year exercise restriction to 28 April 2023. See section 6.3 for further details.

At the 2022 Annual General Meeting (AGM) on 17 November 2022, shareholders will be asked to approve the granting of one Equity Right and WSP Options and Rights to Ian Narev (50% of the WSP award as Options and 50% of the WSP award as Rights).

CFO

For FY2023, on the MD and CEO's recommendation, the Board has determined to apply a 7.5% increase to Kate Koch's total remuneration opportunity (TRO), inclusive of the 0.5% SG increase. Kate's remuneration mix remains unchanged. Kate's FY2023 TRO, will be as follows:

Remuneration mix for FY2023 (consistent with FY2022)

		
Base Salary and Superannuation	Executive Equity Plan (EEP) Equity Right	Wealth Sharing Plan (WSP) Options and Rights⁽¹⁾
\$809,829 (FY2022: \$753,425)	\$404,914 (FY2022: \$376,712)	\$404,914 (FY2022: \$376,712)
Total remuneration opportunity		\$1,619,658 (FY2022: \$1,506,849)

- (1) The value of WSP Options/Rights represents the fair value opportunity for FY2023. There is a choice to receive the award as Options and/or Rights.

The Board considers the above increase to be appropriate given the relativity of Kate Koch's remuneration to internal and external benchmarks (see section 3.2 for details on the FY2022 benchmarking approach).

Remuneration Report

2. FY2022 executive remuneration outcomes and alignment with SEEK's performance

Outlined below is a summary of the FY2022 salary and equity plan vesting outcomes and the extent to which the equity plan outcomes are aligned with SEEK's performance. Analysis is presented to show the benefit that executives have effectively 'realised' through the Executive Equity Plan (EEP) and Wealth Sharing Plan (WSP) versus the corresponding shareholder returns delivered from FY2013 to FY2022.

Executive remuneration outcomes

Component ⁽¹⁾	Base Salary & Superannuation	FY2022 Executive Equity Plan (EEP)	FY2020 Wealth Sharing Plan (WSP)
Overall FY2022 salary/equity plan vesting outcomes	The salaries for the MD and CEO and CFO for FY2022, reflected the remuneration arrangements upon appointment to their respective roles effective 1 July 2021. Further details regarding the salary for FY2022, and relevant increases for FY2023, are provided in section 1.1 for Ian Narev and Kate Koch. The FY2022 fees for non-executive directors reflected modest increases of up to 3.9% effective 1 July 2021. Further details regarding the fees for FY2022 and relevant increases for FY2023, are provided in section 5.1 for non-executive directors.	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 FY2022 financial results, the following number of Deferred Shares will be allocated to each executive KMP: - I M Narev – 30,884; and - K T Koch – 12,246. The allocated Deferred Shares are subject to a further one-year disposal restriction from 1 July 2022 to 30 June 2023 – during which the value of each executive's EEP award remains unrealised and variable based on SEEK's share price.⁽²⁾ 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 FY2023 financial results.	Under the FY2020 WSP, executives were given the choice to receive 100% Options, 100% Rights or a 50%:50% combination of Options and Rights, with Ian Narev (in his prior role as Group COO and AP&A CEO) and several other participants electing to receive the 50%:50% mix, and all others choosing 100% Rights. The FY2020 WSP award was tested following the end of the vesting period on 30 June 2022. In accordance with the plan terms, a 60-day volume weighted average price (VWAP), up to and including 30 June 2022, was used for testing purposes. The 60-day VWAP was \$23.75, which was above the share price hurdle of \$23.18. As a result, the FY2020 WSP fully vested on 1 July 2022 and remains subject to an exercise restriction period until 30 June 2023 – meaning the value of each executive's WSP award also remains unrealised and variable based on SEEK's share price. Once exercised, the following number of shares will be allocated to each executive KMP: - I M Narev – 237,478 (based on 184,108 Options⁽³⁾ and 53,370 Rights); and - K T Koch – n/a – not employed at the time of offer. Further details have been provided in section 6.3 of this Report.

- (1) Note, the FY2022 EEP and FY2020 WSP outcomes are shown in this table. The end of the relevant qualifying/vesting periods for these awards is 30 June 2022, with vesting on 1 July 2022. Details of the FY2021 EEP and FY2019 WSP awards that vested and lapsed on 1 July 2021 were provided in the FY2021 Remuneration Report and in section 6 of this Report.
- (2) FY2022 EEP allocations were based on a SEEK share price of \$30.76. Based on the current SEEK share price of \$24.25 as at 12 August 2022, the Deferred Shares have decreased in value by 21%. Their actual value will not be determined until they are realised following the one-year disposal restriction period.
- (3) While both the FY20 WSP Options and Rights have vested, the realisable value of the Options is the difference between the SEEK share price at the time of exercise and their exercise price (noting, the current share price of \$24.25 as at 12 August 2022 is above the \$23.18 exercise price).

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 eight 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 10-year period from 1 July 2012.

Link between SEEK's performance with equity outcomes

SEEK vs ASX 200 TSR since 1 July 2012

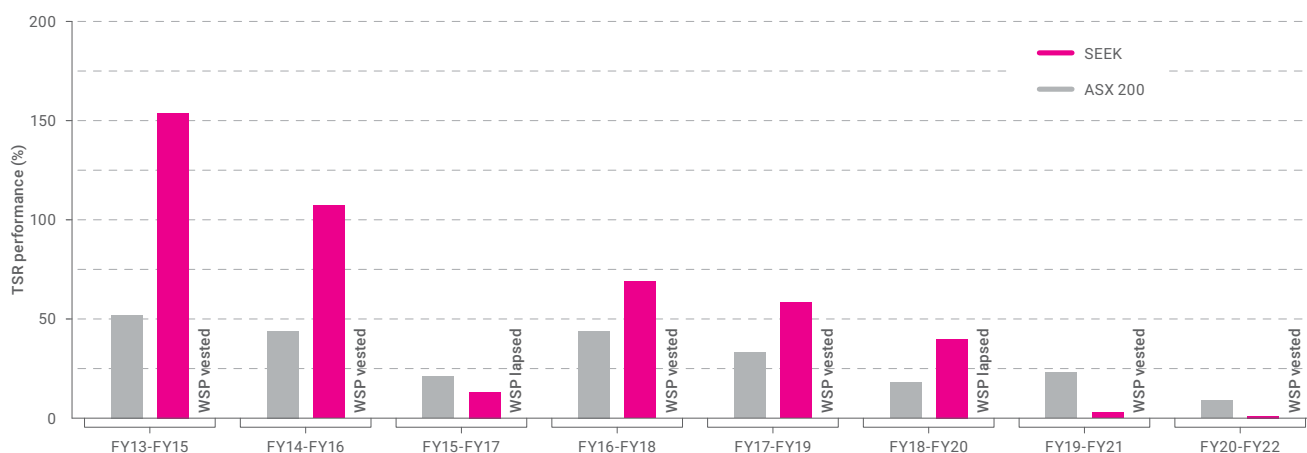


SEEK's TSR growth of 290% since 1 July 2012, when the WSP was first introduced, more than doubles the ASX 200 index growth of 140% over the same period. During this time, SEEK's share price also increased from \$6.53 to \$20.73.

Assuming an executive received all eight WSP awards granted since 1 July 2012, the combination of six having vested and two having lapsed has led to the benefit received by an executive in totality being correlated to the TSR growth experienced by SEEK shareholders. This is an outcome the Board considers to be fair and reasonable from the perspective of executive reward and shareholder alignment.

Remuneration Report

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. For the most recently vested award (being the FY20 WSP), measurement is based over a three-year period (to 1 July 2022). Lapsed awards were measured over their three-year performance period only to reflect the time at which lapsing occurred.

For each WSP award period, vesting generally occurred when the SEEK TSR significantly outperformed the ASX200 TSR, with the FY2019 and FY2020 WSP being the exceptions due to market volatility in FY2022. For the FY2019 WSP it should be noted that when measuring over the three-year performance period to 1 July 2021, the SEEK TSR outperforms the ASX 200 TSR as indicated in the 2021 Report (61% versus 31%). Since then, the 36% decline in the SEEK TSR over FY2022 – which is consistent with the 35% decline in the S&P/ASX All Technology Index – has seen the value of the FY19 WSP vested Options and Rights similarly decrease. The Board remains confident that equity outcomes are aligned to sustainable results and wealth creation for SEEK shareholders over the long term.

2.1 SEEK's five-year financial performance

The following table sets out information about SEEK's earnings and movements in shareholder wealth for the past five financial years up to and including FY2022.

	FY2018	FY2019	FY2020	FY2021	FY2022
Share price at year end (\$) ⁽¹⁾	21.81	21.16	21.89	33.14	21.00
Weighted 12-month average share price (\$)	18.73	19.13	19.76	25.68	29.06
Cumulative total shareholder return (TSR) – indexed (%) ⁽²⁾	133.96	133.08	140.50	214.12	137.54
Total dividend (cents per share)	46.0	46.0	13.0	40.0 ⁽⁴⁾	44.0
Sales revenue (excl. significant items) (\$m) ⁽³⁾	1,299.5	1,537.3	1,577.4	760.3	1,116.5
EBITDA (excl. significant items) (\$m) ⁽³⁾	431.2	455.0	410.6	332.0	509.1
NPAT (excl. significant items) attributable to SEEK (\$m) ⁽³⁾	212.1	207.5	139.3	135.3	245.5
Basic EPS (excl. significant items) (cents) ⁽³⁾	60.5	59.1	39.6	38.3	69.4

(1) The closing share price at the end of FY2017 was \$16.91.

(2) Cumulative TSR includes dividends and share price appreciation and is indexed from 3 July 2017 (3 July 2017 = 100.00).

(3) SEEK's financial performance for FY2022 and FY2021 is reflective of the results from Continuing Operations only. This difference in presentation when compared to prior years is the result of SEEK's disposal of Zhaopin and the recognition of a disposal group for the assets transferred to the SEEK Growth Fund, which, for accounting purposes, are considered to be Discontinued Operations. Results in all years exclude significant items, as removal of items that are once-off in nature provides a more representative view of SEEK's underlying operational performance.

(4) The FY2021 total dividend includes a dividend of 20.0 cents following receipt of Zhaopin transaction funds.

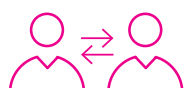
Remuneration Report

3. Executive remuneration framework, contractual terms and FY2022 statutory remuneration

3.1 Executive remuneration framework snapshot

SEEK's success as a global, people-centric business relies on the ability to attract, motivate, and retain world-class talent and appropriately reward them for behaviours and actions that result in sustainable, long-term shareholder wealth creation (rather than those focused on short-term gains). SEEK's overall executive remuneration framework for FY2023 remains the same as FY2022 as outlined below. The two changes being introduced for FY2023 relate to design features of the WSP, specifically, the alignment of the exercise price for Options to the starting VWAP and the setting of a more challenging threshold share price hurdle (see section 3.5 for further details).

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



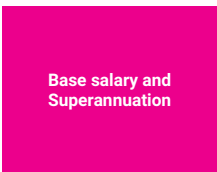
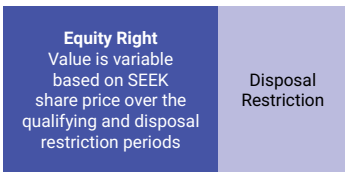
Is simple, easy to explain and delivers transparent remuneration outcomes that make sense internally and to SEEK shareholders

These principles are reviewed regularly to ensure they remain fit-for-purpose and are used by the Remuneration Committee in assessing 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 TRO, are designed to 'see through' the ups and down of the economic cycle. This encourages 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 (EEP)	Wealth Sharing Plan (WSP)
Purpose and how we achieve this	Guaranteed pay Base Salaries are set at a level that result in executives' TROs being positioned between the 50th and 80th percentiles of local companies of comparable size Refer section 3.2 for SEEK's FY2022 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 FY2022 EEP Offer details	Performance-based equity (long-term equity component) Annual grant of 'at-risk' equity, 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 FY2022 WSP Offer details
Remuneration mix (% of TRO)	 MD and CEO 42% CFO 50% Other executives 50%–60%	 MD and CEO 21% CFO 25% Other executives 20%–25%	 MD and CEO 37% CFO 25% Other executives 20%–25%
The above reflects the remuneration mix for FY2022. For FY2023, the MD and CEO's mix is 40%/22%/38% and the mix for other executives varies between 50%/25%/25% and 57.5%/21.25%/21.25%.			
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 (for the MD and CEO the WSP award is fixed as a 50%:50% mix of Options and Rights)
Timeframe before reward is realised	Immediate  1 year	Two years  1 Year +1 Year	Four years  3 Years +1 Year

Remuneration Report

3.2 SEEK's approach to determining remuneration

The highly competitive global landscape for talent – particularly for those with the skills and specific experience of SEEK's senior leaders – persists. Recognising the critical need to attract, retain and motivate the talent that SEEK needs to succeed, the Board's objective is to position executives' TROs within a target range of the 50th to 80th percentiles of a primary benchmarking comparator group comprising 20 similarly sized ASX-listed companies.

FY2022 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 is external benchmarking. Other inputs include the competitive landscape for executive talent, internal relativities and the individual's experience and performance. During FY2022, the Board engaged Ernst & Young to benchmark the quantum of TRO for executive remuneration with the aim of identifying SEEK's competitive positioning. Consistent with prior years, three ASX-listed, size-based comparator groups were used, as outlined below.

> Primary data sources

For consistency with prior years and reflecting proxy advisor feedback that a smaller, more targeted comparator group is generally preferred, SEEK's FY2022 primary comparator group comprised 20 ASX-listed companies: 10 companies immediately either side of SEEK based on a 12-month average market capitalisation to 30 April 2022 of \$10,964m.

+ 10 Companies	Suncorp Group Limited
	WiseTech Global Limited
	Reece Limited
	Insurance Australia Group Limited
	Dexus
	Computershare Limited
	TPG Telecom Limited
	APA Group
	Tabcorp Holdings Limited
	Mirvac Group
SEEK	
- 10 Companies	BlueScope Steel Limited
	Stockland
	Auckland International Airport Limited
	Domino's Pizza Enterprises Limited
	Mineral Resources Limited
	GPT Group
	Qantas Airways Limited
	Washington H. Soul Pattinson and Co. Limited
	Medibank Private Limited
	Origin Energy Limited

> Secondary data sources

Two additional comparator groups supplemented the FY2022 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 30 April 2022; 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 30 April 2022.

> Application of benchmarking data

Executives' TROs are determined by the Board with reference to the following.

- 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.
- Availability of similar skills and experience in the domestic and international marketplace.

Based on the FY2022 benchmarking outcomes, and as described in section 1.1, the Board has decided to increase the MD and CEO's TRO by 4.0% for FY2023, with his Base Salary and Superannuation to remain at its current level and the increase to be applied proportionally to the variable equity-based components.

On the MD and CEO's recommendation, the Board also determined to increase the CFO's TRO by 7.5% for FY2023, inclusive of the 0.5% SG increase. The CFO's remuneration mix will remain unchanged. The Board considers this increase to be appropriate given the relativity of Kate Koch's remuneration to internal and external benchmarks.

The Board is satisfied that the TRO for the MD and CEO, CFO and other executives are positioned appropriately against the primary comparator group in light of their individual performance, experience and nature of their role and accountability. 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 SEEK's significant global footprint, and its associated demands, ongoing monitoring of market positioning against multi-national and global technology companies will continue to be a focus.

Remuneration Report

3.3 Base Salary and Superannuation

Provision of a competitive Base Salary (one that appropriately reflects the opportunities and challenges an executive faces 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 confidence in being 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 short-term incentive (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 FY2022 EEP are outlined below.

- 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 (DRP) (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).
- 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 FY2022 Equity Rights award are set out below. There were no design changes from the prior financial year and there are no changes for FY2023.

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.
Description	Each Equity Right is a right to receive an agreed number of SEEK Limited Shares, subject to vesting conditions.
Effective date	1 July 2021
Grant date (accounting)	MD and CEO: 18 November 2021 Executives: 20 September 2021
Fair value at grant date (accounting value)	MD and CEO: \$34.98 Executives: \$29.07
Qualifying period	1 July 2021 to 30 June 2022
Lapsing condition	Equity Rights generally lapse when 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 received will be adjusted to account for 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 FY2022 EEP award opportunity by the 60-day SEEK VWAP, up to and including 30 June 2021, being \$30.76.
Exercise price	\$nil. No amount is payable, on grant of the Equity Right or on allocation of the Deferred Shares, by the executive.
Disposal restriction period (DRP)	1 July 2022 to 30 June 2023 During the DRP, the shares allocated following vesting of an Equity Right are referred to as 'Deferred Shares'. Deferred Shares are automatically allocated on vesting of Equity Rights. As such, there is no expiry date. Executives are entitled to retain their Deferred Shares if employment ceases during the DRP (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.

Remuneration Report

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 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 FY2022 WSP are outlined below.

- The MD and CEO's award is fixed at 50% Options and 50% Rights, consistent with his previous voluntary choices and his contractual arrangement upon appointment as MD and CEO. Other executives are offered the choice to receive a grant of Options and/or Rights with the number of awards granted to each executive dependent on their choice: fewer Rights are offered compared to Options, reflecting the lower allocation value of an Option due to the payment of an exercise price. Around 40% of participants (including the MD and CEO and CFO) received their FY2022 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.
- Graduated vesting of Options and Rights, subject to continued employment and the achievement of the threshold share price hurdle (Threshold Price), was introduced in FY2021. If the Threshold Price is not met, no vesting occurs and all Options and Rights lapse. For the FY2022 WSP, the Threshold Price requires the SEEK share price to outperform the historical 15-year average of the Australian market applied on a compound annual growth rate (CAGR) basis for vesting to occur. For the FY2022 WSP, the Threshold Price also serves as the exercise price for Options. For the FY2023 WSP, changes will apply to both the exercise price for Options and the setting of the Threshold Price and these are described below.
- 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 on a straight-line basis between the 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).

Changes to the key design features for the FY2023 WSP

While the overall approach to the WSP will remain the same for FY2023 as outlined above, two changes are being introduced as outlined below.

(i) Alignment of the exercise price for Options to the starting VWAP

– since the current WSP design was introduced in FY2013, the exercise price has been aligned to the Threshold Price. This means, even if vesting is achieved, Options only have value above and beyond this share price. This design discourages participants from electing Options and does not reward them for any share price growth between the starting VWAP and the Threshold Price. For FY2023, the Board has decided that the exercise price for Options will be aligned to the starting VWAP to better reflect market practice and encourage the choice of Options.

Importantly:

- whether or not the FY2023 WSP vests is still subject to the achievement of the Threshold Price, and
- the fair value of Options will increase slightly (because of the lower exercise price to be paid) and, as a result, participants will receive correspondingly fewer Options.

(ii) The Board exercising its discretion in setting a more challenging Threshold Price

– since FY2021, the methodology for setting the Threshold and Stretch Price is per the approach described above for the FY2022 WSP. Applying this methodology, the 15-year average growth in the ASX All Ordinaries Index would be 1.4% for the FY2023 WSP. This result includes the recent impact of the COVID-19 pandemic on the market, with two of the last three years showing negative growth (FY2022: -11.1% and FY2020: -10.4%).

On balance, for FY2023 the Board considers it reasonable to exercise its discretion and set a more challenging Threshold Price of 3.0% applied on a CAGR basis.

In doing so, the Board is cognisant of the need for alignment with shareholders, the principle of fairness for participants in light of the FY2022 WSP potentially being set at a cyclical high-point and the challenge of setting any target in a volatile market.

Accordingly, for FY2023, the Board has decided that:

- a 3.0% CAGR target will be applied to set the Threshold Price of \$25.95 – at which 50% vesting will occur;
- a 6.0% CAGR target (no change from the FY2022 WSP) will be applied to set the Stretch Price of \$28.29 – at which 100% vesting will occur; and
- between \$25.95 and \$28.29 pro-rata vesting on a straight-line basis will apply.

Remuneration Report

3.5 Wealth Sharing Plan Options/Rights continued

Terms and duration

The terms of the FY2022 WSP award are set out below. There were no design changes from the prior financial year and the overall approach remains the same for FY2023. The two changes to apply for FY2023 relate to the alignment of the exercise price for Options to the starting VWAP and the setting of a more challenging Threshold Price as described above.

	Wealth Sharing Plan Options/Rights										
Objective	Ensuring executives focus on sustainable, absolute increases in shareholder value over the long term.										
Description	Options/Rights are rights to receive SEEK Limited shares, subject to vesting conditions and in the case of Options, payment of an exercise price. Executives receive one share for each Right or Option that vests and is exercised.										
Effective date	1 July 2021										
Grant date (accounting)	MD and CEO: 18 November 2021 Executives: 27 September 2021										
Vesting period	1 July 2021 to 30 June 2024										
Testing date	30 June 2024										
Exercise restriction period	1 July 2024 to 30 June 2025										
Exercise period	1 July 2025 to 30 June 2026										
Expiry date	30 June 2026										
Fair value at effective date (allocation value)⁽¹⁾	Option: \$4.84; Right: \$13.93										
Fair value at grant date (accounting value)⁽²⁾	MD and CEO: Option: \$7.46 and Right: \$20.50 at 18 November 2021 Executives: Option: \$4.66 and Right: \$13.84 at 27 September 2021										
Closing share price at accounting grant date⁽²⁾	MD and CEO: \$35.51 at 18 November 2021 Executives: \$30.98 at 27 September 2021										
Exercise price	Option: \$34.40; Right: \$nil For the FY2022 WSP, the exercise price for Options is aligned to the Threshold Price. No amount is payable on grant of the Options/Rights by the executive.										
Performance conditions	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. For FY2022 the share price hurdles have been determined as outlined below. Threshold Price is \$34.40 calculated by applying the CAGR of ASX All Ordinaries Index 15-year average growth (3.80% for FY2022) to the 60-day SEEK VWAP, up to and including 30 June 2021 (\$30.76 for FY2022), over the three-year vesting period. Calculation: $(1+0.038)^{3\text{-year period}} \times \$30.76 = \$34.40$. Stretch Price is \$36.64 calculated by applying a CAGR of 6.00% to SEEK's VWAP for the 60 trading days up to and including 30 June 2021, over the three-year vesting period. Calculation: $(1+0.060)^{3\text{-year period}} \times \$30.76 = \$36.64$. The Testing Date Price is the 60-day SEEK VWAP, up to and including 30 June 2024.										
Lapsing condition	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. 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.										
Vesting schedule	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. <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 (FY2022: \$34.40, 3.80% 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 (FY2022: \$36.64, 6.00% CAGR)</td><td>100%</td></tr> </table> Prior to the FY2021 award, cliff vesting rather than the above graduated vesting applied. Options/Rights vested where the share price hurdle, calculated based on the methodology referenced above for the Threshold Price, was achieved.	If the Testing Date Price is	Proportion of award that vests	Less than the Threshold Price	0%	At the Threshold Price (FY2022: \$34.40, 3.80% CAGR)	50%	Between Threshold Price and Stretch Price	Pro-rata vesting on a straight-line basis	At or above the Stretch Price (FY2022: \$36.64, 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 (FY2022: \$34.40, 3.80% CAGR)	50%										
Between Threshold Price and Stretch Price	Pro-rata vesting on a straight-line basis										
At or above the Stretch Price (FY2022: \$36.64, 6.00% CAGR)	100%										
Allocation methodology	The number of Options/Rights granted to an executive was determined by dividing the executive's FY2022 WSP award opportunity by the fair value of the Options/Rights as at the effective date. For the FY2022 award, the fair value was based on a 60-day VWAP, up to and including 30 June 2021, 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.										
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 2021, for the purposes of calculating the number of Options/Rights to be allocated to the MD and CEO and other executives.

(2) For accounting purposes, WSP Options/Rights were granted to executives on 27 September 2021, and to the MD and CEO on 18 November 2021 following shareholder approval of his FY2022 EEP and WSP awards at SEEK's 2021 AGM. See section 6.3 for details of the fair values at grant date attributed to the MD and CEO and executives' FY2022 WSP Options/Rights for accounting purposes.

Remuneration Report

Value of the MD and CEO's FY2022 Wealth Sharing Plan award

The Board acknowledges that some shareholders and proxy advisors have a preference to convert the fair value of the MD and CEO's WSP award into an equivalent face-value amount. The MD and CEO's FY2022 WSP award was fixed at 50% Options and 50% Rights per his contractual arrangement upon appointment. 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
Ian Narev	59,332	\$826,495	\$1,825,052

The MD and CEO's FY2022 WSP award was equal to 37% of his TRO. Following shareholder approval at SEEK's 2021 AGM, this resulted in 170,764 Options being granted at a fair value for allocation purposes of \$4.84 (determined by Ernst & Young at the start of the performance period, 1 July 2021) and 59,332 Rights being granted at a fair value of \$13.93. The equivalent face value of the WSP Rights, based on SEEK's 60-day VWAP, up to and including 30 June 2021, was \$30.76.

The difference between the fair and face value of WSP Rights reflects the degree of difficulty associated with achieving full vesting under the plan. This is 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 accounts for 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 MD and CEO, is assessed annually, with quality feedback conversations conducted on an ongoing basis throughout the year. The MD and CEO's performance assessment is conducted by the Board, followed by a one-on-one discussion between the Chairman and the MD and 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 MD and CEO and presented to the Board for discussion and review. Discussions about the MD and CEO and executive performance also occurs at Board and committee meetings on a regular basis throughout the year.⁽¹⁾

Performance assessments for all SEEK employees are undertaken primarily against SEEK's performance framework. The framework considers both the individual and collective outcomes achieved, along with how well individuals demonstrate the SEEK values and attributes when achieving these. For the MD and 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.

(1) Note the performance assessments for the MD and CEO and executives were completed in accordance with this process for FY2022.

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 annually.

The table below outlines contractual arrangements for the MD and CEO and executives.

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

Prior to an executive's appointment, SEEK undertakes reference 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. SEEK may terminate employment immediately for cause, in which case the executive is not entitled to any payment in lieu of notice.

Remuneration Report

3.8 Executive statutory remuneration for FY2022 and FY2021

The following table provides the statutory remuneration disclosures for executive KMP for FY2022, prepared in accordance with Australian Accounting Standards. As such, the amounts in this table may differ from the executive KMPs' FY2022 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 shown in the following table.

		Short-term benefits		Post-employment benefits	Long-term benefits	One-off share-based payment	Ongoing share-based payments			Total	
		Cash salary ⁽¹⁾	Non-monetary benefits ⁽²⁾	Superannuation ⁽³⁾	Leave ⁽⁴⁾	One-off equity award ⁽⁵⁾	Equity Rights ⁽⁶⁾	WSP Options ⁽⁷⁾	WSP Rights ⁽⁷⁾		Performance-based equity component ⁽⁸⁾
		\$	\$	\$	\$	\$	\$	\$	\$	\$	%
Executive KMP											
I M Narev	2022	1,872,500	14,251	27,500	58,121	964,673	1,080,467	835,190	798,302	5,651,004	46%
	2021	1,875,000	17,737	25,000	112,904	1,157,608	1,158,891	410,557	392,867	5,150,564	38%
K T Koch	2022	725,925	2,683	27,500	18,469	–	355,942	60,450	62,377	1,253,346	10%
	2021	–	–	–	–	–	–	–	–	–	–
Former Executive KMP											
A R Bassat ⁽⁹⁾	2022	–	–	–	–	–	–	–	–	–	–
	2021	2,488,130	8,614	25,000	335,311	–	1,681,626	845,499	909,336	6,293,516	28%
G I Roberts ⁽¹⁰⁾	2022	–	–	–	–	–	–	–	–	–	–
	2021	1,146,207	5,792	25,000	51,632	–	714,378	–	606,076	2,549,085	24%
Total	2022	2,598,425	16,934	55,000	76,590	964,673	1,436,409	895,640	860,679	6,904,350	
	2021	5,509,337	32,143	75,000	499,847	1,157,608	3,554,895	1,256,056	1,908,279	13,993,165	

(1) Amounts disclosed include base salary and any Superannuation amount over the general concessional contributions cap of \$27,500 for the 2021-22 income year.

(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 FY2021 and FY2022 due to amortisation of the WSP Options and Rights over their three-year vesting period.

(6) Amounts disclosed reflect the accounting expense for the Equity Rights. The 2021 comparatives have been restated to reflect an amendment to the methodology applied to calculate the fair value and grant date assumptions for the 2021 Equity Rights.

(7) Amounts disclosed reflect the accounting expense for the WSP Options and WSP Rights. Ian Narev and Kate Koch received their WSP award as 50% Options and 50% Rights in FY2022 (and FY2021 for Ian Narev).

(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.

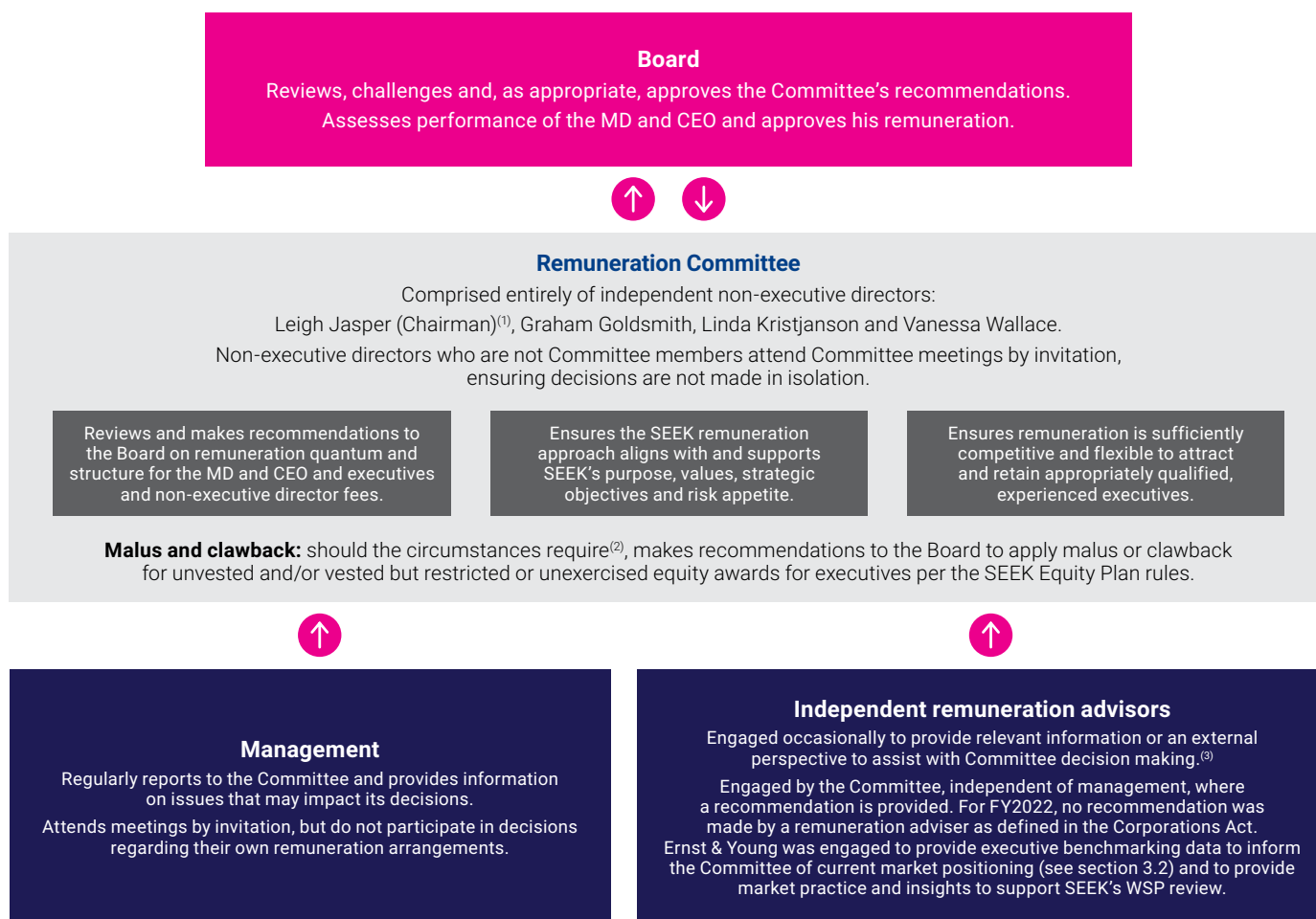
(9) Andrew Bassat stepped down as CEO and Co-Founder effective 30 June 2021. He was appointed Non-Executive Director effective 1 July 2021 and his director fees are disclosed for the first time in section 5.2.

(10) Geoff Roberts, the former Group CFO, retired and ceased as KMP effective 30 June 2021.

Remuneration Report

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 that 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 FY2022 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
MD and 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 FY2022, the MD and CEO, executives and non-executive directors met, or are on track to meet, their minimum shareholding requirements as outlined above.

(1) Appointed Committee Chairman effective 18 November 2021. Role was previously held by Graham Goldsmith.

(2) 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.

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

Remuneration Report

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 FY2022.

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. The Board will propose an increase to the aggregate fee limit to \$2,100,000 per annum for shareholder approval at the 2022 AGM. The proposed increase is intended to accommodate any new Non-Executive Director appointment in FY2023 and any future adjustments to fees. The proposed fee limit would position SEEK just below the median of the external benchmarks, whilst SEEK's anticipated number of non-executive directors (eight) would be above the median of the external benchmarks.																																						
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, an independent remuneration adviser (Ernst & Young) provided the 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 modest increases to director fees from their FY2019 levels of between 3.2% to 3.9% (except for the Audit and Risk Committee members where no increases were made), effective 1 July 2021.																																						
Non-executive director fees in FY2022 and FY2023	In light of the comprehensive external review conducted last year, the Committee decided not to undertake a detailed review of non-executive director fees in FY2022. Instead, taking into consideration market movements, the positioning of SEEK's fees against the 2021 Ernst & Young benchmarks, and the continued growth of SEEK's market capitalisation, the Board has applied the following increases for FY2023, effective 1 July 2022. <table> <tr> <th></th><th>FY2022</th><th>FY2023</th><th>Increase</th></tr> <tr> <td>Chairman of the Board⁽¹⁾</td><td>\$424,000</td><td>435,000</td><td>2.6%</td></tr> <tr> <td>Non-executive directors</td><td>\$160,000</td><td>164,000</td><td>2.5%</td></tr> <tr> <td colspan="4">Additional fees are paid for the following roles:</td></tr> <tr> <td>Chairman of the Audit and Risk Management Committee</td><td>\$39,500</td><td>40,000</td><td>1.3%</td></tr> <tr> <td>Member of the Audit and Risk Management Committee</td><td>\$19,500</td><td>20,000</td><td>2.6%</td></tr> <tr> <td>Chairman of the Remuneration Committee</td><td>\$32,000</td><td>33,000</td><td>3.1%</td></tr> <tr> <td>Member of the Remuneration Committee</td><td>\$16,000</td><td>18,000</td><td>12.5%</td></tr> <tr> <td>Member of the Nomination Committee</td><td>\$0</td><td>\$0</td><td></td></tr> </table> The objective of the increases was to ensure director fees are positioned at, or just above, the 25th percentile of the benchmarks provided by Ernst & Young in FY2021. The larger fee increase applied to Remuneration Committee members reflects the fact that this role continued to have the largest gap to market even after the increases effective FY2022 and to ensure there is no inadvertent gender pay gap given the two Remuneration Committee members (who are paid committee fees) are female. The increase now positions the fee at the 25th percentile of the primary comparator group.				FY2022	FY2023	Increase	Chairman of the Board ⁽¹⁾	\$424,000	435,000	2.6%	Non-executive directors	\$160,000	164,000	2.5%	Additional fees are paid for the following roles:				Chairman of the Audit and Risk Management Committee	\$39,500	40,000	1.3%	Member of the Audit and Risk Management Committee	\$19,500	20,000	2.6%	Chairman of the Remuneration Committee	\$32,000	33,000	3.1%	Member of the Remuneration Committee	\$16,000	18,000	12.5%	Member of the Nomination Committee	\$0	\$0	
	FY2022	FY2023	Increase																																				
Chairman of the Board ⁽¹⁾	\$424,000	435,000	2.6%																																				
Non-executive directors	\$160,000	164,000	2.5%																																				
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Chairman of the Audit and Risk Management Committee	\$39,500	40,000	1.3%																																				
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Chairman of the Remuneration Committee	\$32,000	33,000	3.1%																																				
Member of the Remuneration Committee	\$16,000	18,000	12.5%																																				
Member of the Nomination Committee	\$0	\$0																																					
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.

Remuneration Report

5.2 Non-executive director fees

Details of the actual fees paid to each Non-Executive Director of SEEK Limited for FY2022 and FY2021 are set out in the following table. The total non-executive director fees paid for FY2022 were \$1,520,964 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	2022	396,633	577	27,367	424,577
	2021	384,339	5,792	25,661	415,792
A R Bassat ⁽²⁾	2022	145,455	–	14,545	160,000
	2021	–	–	–	–
J A Fahey	2022	163,182	–	16,318	179,500
	2021	158,448	–	15,052	173,500
L M Jasper ⁽³⁾	2022	168,988	–	16,899	185,887
	2021	154,795	–	14,705	169,500
L J Kristjanson	2022	176,000	–	–	176,000
	2021	122,571	–	909	123,480
M H Wachtel	2022	191,943	–	7,557	199,500
	2021	175,342	–	16,658	192,000
V M Wallace	2022	177,727	–	17,773	195,500
	2021	172,603	–	16,397	189,000
Total	2022	1,419,928	577	100,459	1,520,964
	2021	1,168,098	5,792	89,382	1,263,272

(1) Non-monetary benefits relate to car parking benefits. During FY2022, Graham Goldsmith was only provided a car park for two months.

(2) Andrew Bassat was appointed as a Non-Executive Director effective 1 July 2022.

(3) Leigh Jasper was a member of the Remuneration Committee until his appointment as Chairman of the Remuneration Committee effective 18 November 2021.

6. Other KMP disclosures

6.1 Ordinary shareholdings – SEEK Limited

The number of ordinary shares in SEEK Limited held during FY2022 by each KMP, including their personally related parties, is set out below. No shares were granted during the reporting period as compensation.

FY2022 – SEEK Limited shares	Balance at the start of the year	Granted as remuneration during the year	Received during the year on exercise of WSP Rights ⁽¹⁾	Received during the year on exercise of Equity Rights ⁽²⁾	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
A R Bassat	15,001,722	–	129,676	67,520	–	(1,500,000)	–	13,698,918
J A Fahey	8,888	–	–	–	–	–	–	8,888
L M Jasper	68,133	–	–	–	–	–	–	68,133
L J Kristjanson	1,137	–	–	–	1,500	–	–	2,637
M H Wachtel	4,000	–	–	–	4,000	–	–	8,000
V M Wallace	17,000	–	–	–	–	–	–	17,000
Executive KMP								
I M Narev	116,037	–	–	51,047	–	(16,000)	–	151,084
K T Koch ⁽³⁾	–	–	–	–	–	–	–	–

(1) Relates to the FY2019 WSP, which vested following the end of the performance period to 30 June 2021. For Andrew Bassat this award relates to his previous role as an executive KMP – the Former CEO and Co-Founder, prior to 1 July 2022.

(2) Relates to the FY2021 EEP award, which vested following the end of the qualifying period on 30 June 2021. The shares allocated during FY2022 on 30 August 2021 remained subject to a disposal restriction until 30 June 2022. For Andrew Bassat this award relates to his previous role as an executive KMP – the Former CEO and Co-Founder, prior to 1 July 2022.

(3) Kate Koch was appointed KMP effective 1 July 2021.

Remuneration Report

6.2 Other equity holdings

The number of Options and Rights over ordinary shares in SEEK Limited held during FY2022 by each KMP (as a result of Equity Rights grants or awards made under the WSP), including their personally related parties, are set out below.

FY2022	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 ⁽¹⁾	Unvested at the end of the year
WSP Rights⁽²⁾								
I M Narev	260,287	59,332	–	–	319,619	–	152,817	166,802
K T Koch	–	13,521	–	–	13,521	–	–	13,521
A R Bassat	200,621	–	(129,676) ⁽³⁾	–	70,945	–	–	70,945
WSP Options⁽²⁾								
I M Narev	883,914	170,764	–	–	1,054,678	–	536,013	518,665
K T Koch	–	38,916	–	–	38,916	–	–	38,916
A R Bassat	234,666	–	–	–	234,666	–	–	234,666
Equity Rights								
I M Narev	1	1	(1)	–	1	–	–	1
K T Koch	–	1	–	–	1	–	–	1
A R Bassat	1	–	(1)	–	–	–	–	–

(1) The WSP component of Ian Narev's sign-on award vested in FY2022 and is subject to an exercise restriction until 28 April 2023.

(2) For FY2022, Ian Narev and Kate Koch received their WSP award as 50% WSP Options and 50% WSP Rights.

(3) The value of the WSP Rights exercised by Andrew Bassat based on the closing share price on the exercise date is \$4,104,245.

6.3 Equity grants on foot during FY2022

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 ⁽²⁾ %	Vested ⁽²⁾ %	Forfeited/lapsed %
Executive KMP								
I M Narev ⁽³⁾	29 Apr 2019 – 28 Apr 2022 ⁽⁴⁾	11 Jun 2019	536,013	\$20.95	\$1,801,004	100%	536,013	0%
	29 Apr 2019 – 28 Apr 2022 ⁽⁴⁾	11 Jun 2019	152,817	\$0.00	\$1,671,818	100%	152,817	0%
	1 Jul 2019 – 30 Jun 2020 ⁽⁵⁾	23 Sep 2019	1	\$0.00	\$950,000	100%	1	0%
	1 Jul 2019 – 30 Jun 2022 ⁽⁶⁾	23 Sep 2019	184,108	\$23.18	\$533,913	100%	184,108	n/a
	1 Jul 2019 – 30 Jun 2022 ⁽⁶⁾	23 Sep 2019	53,370	\$0.00	\$531,565	100%	53,370	n/a
	1 Jul 2020 – 30 Jun 2021 ⁽⁷⁾	15 Oct 2020	1	\$0.00	\$1,158,891	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
	1 Jul 2021 – 30 Jun 2022 ⁽⁹⁾	18 Nov 2021	1	\$0.00	\$1,080,467	100%	1	0%
	1 Jul 2021 – 30 Jun 2024 ⁽⁸⁾	18 Nov 2021	170,764	\$34.40	\$1,273,899	n/a	n/a	n/a
K T Koch	1 Jul 2021 – 30 Jun 2022 ⁽⁹⁾	18 Nov 2021	59,332	\$0.00	\$1,216,306	n/a	n/a	n/a
	1 Jul 2021 – 30 Jun 2022 ⁽⁹⁾	20 Sep 2021	1	\$0.00	\$355,942	100%	1	0%
	1 Jul 2021 – 30 Jun 2024 ⁽⁸⁾	27 Sep 2021	38,916	\$34.40	\$181,349	n/a	n/a	n/a
	1 Jul 2021 – 30 Jun 2024 ⁽⁸⁾	27 Sep 2021	13,521	\$0.00	\$187,131	n/a	n/a	n/a
Non-executive KMP								
A R Bassat ⁽¹⁰⁾	1 Jul 2018 – 30 Jun 2021 ⁽¹¹⁾	6 Dec 2018	129,676	\$0.00	\$510,923	100%	129,676	0%
	1 Jul 2019 – 30 Jun 2020 ⁽⁵⁾	29 Nov 2019	1	\$0.00	\$1,256,565	100%	1	0%
	1 Jul 2019 – 30 Jun 2022 ⁽⁶⁾	29 Nov 2019	243,520	\$23.18	\$869,366	67%	162,450	33%
	1 Jul 2019 – 30 Jun 2022 ⁽⁶⁾	29 Nov 2019	70,593	\$0.00	\$849,940	67%	47,092	33%
	1 Jul 2020 – 30 Jun 2021 ⁽⁷⁾	20 Nov 2020	1	\$0.00	\$1,681,626	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%

(1) Reflects the accounting fair value at grant. Fair value for the FY2021 Equity Rights have been restated to reflect an amendment to the methodology applied to calculate the fair value and grant date assumptions. The maximum possible value of each award for future financial years is estimated by multiplying the number of Deferred Shares or WSP Options/Rights granted by the Company's respective grant date fair value price. The minimum possible value of the awards for future financial years is nil.

(2) Includes awards that vested on 1 July 2022.

(3) For Ian Narev, equity grants were made subsequent to obtaining shareholder approval at the relevant AGM per ASX Listing Rule 10.14.

(4) During FY2019, Ian Narev received a one-off, sign-on equity award comprising 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 occurred following the testing date of 28 April 2022 as the share price hurdle of \$20.95 had been achieved. Vested WSP Options and Rights are subject to a one-year exercise restriction to 28 April 2023.

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

(6) The FY2020 WSP award vested during FY2023. Vesting occurred following the testing date of 30 June 2022 as the share price hurdle of \$23.18 had been achieved. Vested WSP Options and Rights are subject to a one-year exercise restriction to 30 June 2023.

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

(8) As per prior year WSP awards, if the share price hurdle for the FY2021 and FY2022 award is met and the awards subsequently vest, vested awards will be subject to a one-year exercise restriction period. 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.

(9) The FY2022 Equity Right vested in full during FY2023 (with restrictions lifting on resulting shares in FY2024).

(10) For Andrew Bassat, all equity awards on foot relate to his previous role as an executive KMP being the CEO and Co-Founder prior to 1 July 2022. Upon stepping down from his prior role, 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 respective vesting period served to 30 June 2021.

(11) 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. Vested WSP Options and Rights were subject to a one-year exercise restriction to 30 June 2022.

Remuneration Report

6.4 Shares under option

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

Legal grant date ⁽¹⁾	Expiry date	Exercise price ⁽²⁾	Number of shares under option
CEO WSP Options/Rights			
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	184,108
23 September 2019	1 July 2024	\$0.00	53,370
2 November 2020	1 July 2025	\$20.51	163,793
2 November 2020	1 July 2025	\$0.00	54,100
1 December 2021	1 July 2026	\$34.40	170,764
1 December 2021	1 July 2026	\$0.00	59,332
Restricted Rights⁽³⁾			
7 October 2021	n/a	\$0.00	16,252
30 March 2022	n/a	\$0.00	2,975
Restricted Rights (Malaysia)⁽⁴⁾			
25 August 2021	n/a	\$0.00	20,797
Other Options/Rights			
16 October 2018	1 July 2023	\$0.00	135,285
29 November 2019	1 July 2024	\$23.18	162,450
29 November 2019	1 July 2024	\$0.00	47,092
23 September 2019	1 July 2024	\$23.18	27,284
23 September 2019	1 July 2024	\$0.00	314,447
6 March 2020	1 July 2024	\$0.00	21,248
25 November 2020	1 July 2025	\$20.51	72,216
25 November 2020	1 July 2025	\$0.00	23,853
2 November 2020	1 July 2025	\$20.51	57,065
2 November 2020	1 July 2025	\$0.00	348,155
12 March 2021	1 July 2025	\$20.51	14,612
7 October 2021	1 July 2026	\$34.40	137,939
7 October 2021	1 July 2026	\$0.00	225,182
1 December 2021	1 July 2026	\$0.00	579
30 March 2022	1 July 2026	\$34.40	5,916
30 March 2022	1 July 2026	\$0.00	1,115
Total shares under option⁽⁵⁾			3,008,759

(1) For legal purposes, the grant date is the date on which the grant of WSP Options/Rights is made, as nominated by SEEK. For accounting purposes, the grant date of WSP Options/Rights for the MD and CEO is the date the offer is accepted following shareholder approval, and for executives is the last possible date of acceptance of the offer.

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

(3) One-off Restricted Rights granted to senior level employees. Vesting is subject to performance and continued employment over the vesting period.

(4) Restricted Rights granted to Malaysian participants upon vesting of FY2021 Performance Rights. Automatic exercise will occur immediately following the release of FY2022 full year financial results.

(5) Balance excludes Equity Rights and Performance Rights which vested on 1 July 2022. Corresponding fulfilment of these shares will occur by early September 2022. No amount is payable upon grant of Options/Rights to executives. Options/Rights do not entitle a holder in share or interest issues of the Company. SEEK Limited will issue or acquire the shares required to satisfy the awards.

Remuneration Report

6.5 Shares allocated to KMP

The following ordinary shares in SEEK Limited that were allocated to KMP during FY2022 were issued to the SEEK Employee Share Trust in the prior financial year:

Equity Right vesting – I Narev ⁽¹⁾	51,047
Equity Right vesting – A Bassat ⁽¹⁾	67,520
WSP Rights exercised – A Bassat	129,676
Total	248,243

No amounts were payable by KMP on shares allocated by the SEEK Employee Share Trust.

(1) Deferred Shares that were allocated following vesting of one FY2021 Equity Right.

6.6 Shares or options over shares in subsidiaries

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

6.7 Loans to KMP

There were no loans to KMP or any of their closely related parties during FY2022 (FY2021: \$nil).

6.8 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 FY2022.

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



Graham Goldsmith
Chairman

Melbourne
16 August 2022

Auditor's Independence Declaration



Auditor's Independence Declaration

As lead auditor for the audit of SEEK Limited for the year ended 30 June 2022, 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 blue ink, appearing to read 'A Cronin'.

Andrew Cronin
Partner
PricewaterhouseCoopers

Melbourne
16 August 2022

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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 fair value through other comprehensive income; 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 27(e) New Accounting Standards, Amendments and Interpretations. Additionally, certain costs have been reallocated in the prior year between operating expense categories in the Consolidated Income Statement with the majority being \$21.3m reallocated into employee benefits expenses from operations and administration expenses. This change improves consistency of expense classifications and understandability for report users.

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.

Consistent with the previous financial year, the Primary Financial Statements and Notes to the financial statements have been presented for continuing operations only, as a result of the pending divestment of the SEEK Growth Fund disposal group. 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 an update on this transaction.

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 2022

	Notes	2022 \$m	2021 \$m
Revenue	3	1,116.5	760.3
Other income	4(a)	6.5	3.0
Operating expenses			
Direct cost of services		(6.6)	(4.4)
Employee benefits expenses		(379.8)	(296.3)
Marketing related expenses		(93.6)	(50.3)
Technology, product and development expenses		(71.6)	(55.0)
Operations and administration expenses		(69.8)	(40.7)
Depreciation and amortisation expenses		(89.7)	(83.9)
Finance costs	4(b)	(54.5)	(51.6)
Management fees		(20.8)	–
Total operating expenses		(786.4)	(582.2)
Impairment loss	12(a)(iii)	–	(46.9)
Share of results of equity accounted investments	20(b)	5.3	4.1
Profit before income tax expense		341.9	138.3
Income tax expense	6(a)	(101.1)	(33.8)
Profit from continuing operations		240.8	104.5
(Loss)/profit from discontinued operations	2	(67.1)	669.4
Profit for the year		173.7	773.9
Profit/(loss) is attributable to owners of SEEK Limited:			
From continuing operations		240.8	104.9
From discontinued operations	2	(72.0)	647.3
		168.8	752.2
Profit/(loss) is attributable to non-controlling interest:			
From continuing operations		–	(0.4)
From discontinued operations		4.9	22.1
		4.9	21.7
Earnings per share for profit from continuing operations attributable to the owners of SEEK Limited:		Cents	Cents
Basic earnings per share	5	68.0	29.7
Diluted earnings per share	5	67.6	29.6
Earnings per share attributable to the owners of SEEK Limited:		Cents	Cents
Basic earnings per share	5	47.7	213.0
Diluted earnings per share	5	47.5	211.6

The above Consolidated Income Statement should be read in conjunction with the accompanying notes.

Consolidated Statement of Comprehensive Income for the year ended 30 June 2022

	Notes	2022 \$m	2021 \$m
Profit for the year		173.7	773.9
Other comprehensive income/(loss)			
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign controlled entities		32.4	(62.3)
Exchange differences on translation of foreign equity accounted investments		25.7	14.3
Share of reserves movement of equity accounted investments		–	0.1
Gains/(losses) on cash flow hedges		39.6	(0.6)
Losses on net investment hedges		(42.6)	(2.2)
Reserves recycled on disposals		–	(0.1)
Income tax recognised in other comprehensive income	6(b)	(11.9)	0.2
From continuing operations		43.2	(50.6)
Exchange differences on translation of foreign controlled entities		1.1	8.0
Exchange differences on translation of foreign equity accounted investments		3.1	(2.0)
Share of reserves movement of equity accounted investments		–	(4.5)
Gain on net investment hedges		–	0.8
Gain on cost of hedging reserve		1.8	1.2
Recycling of foreign currency translation reserve		–	(82.6)
Recycling of net investment hedge reserve		–	99.5
From discontinued operations		6.0	20.4
Items that will not be reclassified to profit or loss:			
Change in equity instruments held at fair value		5.8	(0.8)
From continuing operations		5.8	(0.8)
Gain on fair value hedges		1.6	2.5
Change in equity instruments held at fair value		(153.9)	90.0
Income tax recognised on equity instruments held at fair value		46.4	(32.7)
From discontinued operations		(105.9)	59.8
Other comprehensive income/(loss) for the year			
From continuing operations		49.0	(51.4)
From discontinued operations		(99.9)	80.2
Total comprehensive income for the year		122.8	802.7
Total comprehensive income for the year attributable to:			
Owners of SEEK Limited		117.8	776.6
Non-controlling interests		5.0	26.1
		122.8	802.7
Total comprehensive income/(loss) for the year attributable to owners of SEEK Limited:			
From continuing operations		289.8	53.5
From discontinued operations		(172.0)	723.1
		117.8	776.6

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Balance Sheet as at 30 June 2022

	Notes	2022 \$m	2021 \$m
Current assets			
Cash and cash equivalents	7(a)	325.1	491.8
Trade and other receivables	11	596.3	771.1
Other financial assets	9(b)	45.6	4.3
Current tax assets	6(a)(iii)	5.0	6.3
Total current assets from continuing operations		972.0	1,273.5
Assets held for sale	2(b)(iii)	1,313.7	1,064.5
Total current assets		2,285.7	2,338.0
Non-current assets			
Investments accounted for using the equity method	20(b)	593.4	562.4
Plant and equipment		65.2	67.3
Intangible assets	12	1,486.9	1,380.0
Right-of-use assets	14(a)(i)	176.4	192.9
Other financial assets	9(b)	90.0	11.2
Deferred tax assets	6(c)(i)	15.6	48.8
Total non-current assets		2,427.5	2,262.6
Total assets		4,713.2	4,600.6
Current liabilities			
Trade and other payables	13	425.5	827.8
Borrowings	7(b)	8.9	77.3
Unearned income		166.8	129.9
Lease liabilities	14(a)(ii)	19.0	17.1
Other financial liabilities	9(b)	28.9	60.6
Current tax liabilities	6(a)(iii)	49.2	69.5
Provisions	15	38.4	32.8
Total current liabilities from continuing operations		736.7	1,215.0
Liabilities directly associated with the assets held for sale	2(b)(iii)	418.9	69.1
Total current liabilities		1,155.6	1,284.1
Non-current liabilities			
Borrowings	7(b)	1,362.1	1,029.9
Lease liabilities	14(a)(ii)	176.8	188.1
Other financial liabilities	9(b)	1.8	0.9
Deferred tax liabilities	6(c)(i)	99.8	158.0
Provisions	15	22.7	20.9
Total non-current liabilities		1,663.2	1,397.8
Total liabilities		2,818.8	2,681.9
Net assets		1,894.4	1,918.7
Equity			
Share capital	16	269.2	269.2
Foreign currency translation reserve		(11.4)	(73.6)
Hedging reserves	17(a)	(67.2)	(55.7)
Other reserves	17(b)	51.4	147.8
Retained profits		1,565.1	1,546.6
Non-controlling interests		87.3	84.4
Total equity		1,894.4	1,918.7

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

for the year ended 30 June 2022

	Notes	Attributable to equity holders of the parent						Non-controlling interests	Total equity
		Share capital \$m	Foreign currency translation reserve \$m	Hedging reserves \$m	Other reserves \$m	Retained profits \$m	Total \$m		
Balance as at 1 July 2020		269.2	60.8	(15 8.0)	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)/income 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		–	–	–	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
Profit for the year from continuing operations		–	–	–	–	240.8	240.8	–	240.8
(Loss)/profit for the year from discontinued operations		–	–	–	–	(72.0)	(72.0)	4.9	(67.1)
Other comprehensive income/(loss) for the year from continuing operations		–	58.1	(14.9)	5.8	–	49.0	–	49.0
Other comprehensive income/(loss) for the year from discontinued operations		–	4.1	3.4	(107.5)	–	(100.0)	0.1	(99.9)
Total comprehensive (loss)/income for the year		–	62.2	(11.5)	(101.7)	168.8	117.8	5.0	122.8
<i>Transactions with owners:</i>									
Dividends provided for or paid	18	–	–	–	–	(152.2)	(152.2)	(4.0)	(156.2)
Employee share options scheme		–	–	–	14.4	–	14.4	0.1	14.5
Tax associated with employee share schemes	6(b)	–	–	–	(5.5)	1.9	(3.6)	–	(3.6)
Change in ownership of subsidiaries and equity accounted investments		–	–	–	(5.0)	–	(5.0)	1.8	(3.2)
Utilisation of put option reserve		–	–	–	1.4	–	1.4	–	1.4
Balance at 30 June 2022		269.2	(11.4)	(67.2)	51.4	1,565.1	1,807.1	87.3	1,894.4

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows for the year ended 30 June 2022

	Notes	2022 \$m	2021 \$m
Cash flows from operating activities			
Receipts from customers (inclusive of indirect taxes)		1,233.7	742.5
Payments to suppliers and employees (inclusive of indirect taxes)		(661.1)	(428.9)
		572.6	313.6
Interest received		3.0	2.5
Interest paid		(37.7)	(47.3)
Transaction costs		(18.7)	(2.0)
Income taxes paid	6(a)(iii)	(112.9)	(42.7)
Net cash inflow from operating activities attributable to continuing operations		406.3	224.1
Cash (outflow)/inflow from operating activities attributable to discontinued operations	2(a)	(9.7)	122.4
Net cash inflow from operating activities		396.6	346.5
Cash flows from investing activities			
Capital contributions for SEEK Growth Fund		(128.3)	–
Payments for managing SEEK Growth Fund		(20.2)	–
Proceeds from disposal of interest in Zhaopin, net of cash disposed		–	124.1
(Net proceeds distributed)/proceeds to be paid out from disposal of Zhaopin		(252.3)	308.7
Payments for acquisition of subsidiary, net of cash acquired		(6.1)	(1.2)
Payments for interests in equity accounted investments		(2.7)	–
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		(66.9)	–
Payments for intangible assets		(112.3)	(83.7)
Payments for plant and equipment		(20.6)	(54.2)
Payments for convertible loans		(4.2)	(0.4)
Net cash (outflow)/inflow from investing activities attributable to continuing operations		(613.6)	300.4
Cash inflow/(outflow) from investing activities attributable to discontinued operations	2(a)	42.8	(191.3)
Net cash (outflow)/inflow from investing activities		(570.8)	109.1
Cash flows from financing activities			
Proceeds from borrowings		464.8	230.2
Repayments of borrowings		(255.0)	(631.0)
Transaction costs on establishment of debt facilities		(4.6)	(1.0)
Dividends paid to members of the parent		(152.2)	(116.4)
Payments for additional interest in subsidiary		(1.9)	(14.2)
Payments of lease liabilities	14(c)	(11.9)	(7.1)
Net payments for other financing arrangements		(31.3)	(29.5)
Net cash inflow/(outflow) from financing activities attributable to continuing operations		7.9	(569.0)
Cash (outflow)/inflow from financing activities attributable to discontinued operations	2(a)	(12.1)	46.4
Net cash outflow from financing activities		(4.2)	(522.6)
Net decrease in cash and cash equivalents		(178.4)	(67.0)
Cash and cash equivalents at the beginning of the year		525.4	604.8
Effect of exchange rate changes on cash and cash equivalents		10.3	(12.4)
Cash and cash equivalents at the end of the year		357.3	525.4
Less cash and cash equivalents at the end of the year transferred to assets held for sale	2(b)(iii)	(32.2)	(33.6)
Cash and cash equivalents at the end of the year attributable to continuing operations		325.1	491.8

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the year ended 30 June 2022

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 Managing Director and 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 for FY2022 to align with Executive responsibilities and analysis of results as provided to the Chief Operating Decision Maker (CODM). The main changes are:

- 'Employment Marketplaces' as a sub-hierarchy has replaced Asia Pacific and Americas (AP&A), reflecting SEEK's renewed focus on its marketplace operations following the creation of, and transfer of assets into, SEEK Growth Fund (the Fund);
- 'Platform support' replaces AP&A Other as a segment which includes assets that support the core employment businesses across other Employment Marketplaces segments;
- Corporate costs are now included within the Employment Marketplaces sub-hierarchy, since these costs are now solely incurred in supporting SEEK's core business;
- Portfolio investments and SEEK Growth Fund are included within the Investments sub-hierarchy;
- Portfolio investments consists of SEEK's remaining interests in Zhaopin and in a small portfolio of Early Stage Ventures (ESVs); and
- SEEK Growth Fund includes management fees paid to the Fund Manager and, following deconsolidation of the Fund, this segment will include SEEK's share of equity accounted results of the Fund, including fair value movements in the Fund's Net Asset Value (NAV).

Comparative information for the year ended 30 June 2021 has been restated for these changes in segment reporting.

SEEK Growth Fund

At 30 June 2022, SEEK continues to control SEEK Growth Fund and is expected to control the Fund until all of the capital committed in October 2021 is drawn and deployed. As such, at 30 June 2022, SEEK continues to hold the Fund and all assets that form part of the Fund (including Online Education Services and a number of ESVs) as a discontinued operation and the associated assets and liabilities of the disposal group as held for sale.

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 2022, 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.

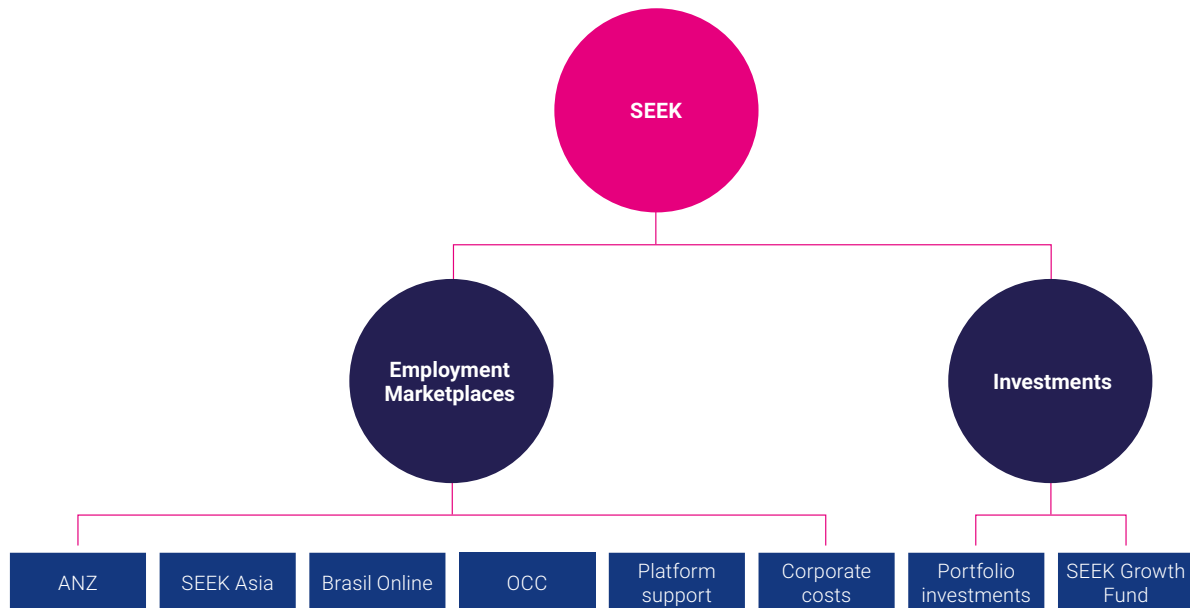
Deconsolidation is expected to be achieved when the Fund operates autonomously from SEEK and when meaningful external (non-SEEK) capital has been introduced into the Fund. At 30 June 2022, whilst the Fund is demonstrating operational independence, the threshold for injection of meaningful external capital has not yet been met. Therefore, the Fund is still consolidated, with the disposal group continuing to be recognised as a discontinued operation, and assets and associated liabilities of the Fund held for sale.

Notes to the financial statements

For the year ended 30 June 2022

1. Segment information continued

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	Six 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
Platform support	A portfolio of investments that complement and/or have synergies with the core SEEK operating platform	Various	Various
Portfolio investments⁽¹⁾	A portfolio of investments which are managed as standalone entities	Various	Various
SEEK Growth Fund	A managed investment scheme in relation to a portfolio of investments	Various	Various

(1) In addition to its ownership interest in Zhaopin, SEEK continues to maintain ownership interests in 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.

Notes to the financial statements

For the year ended 30 June 2022

1. Segment information continued

(a) Segment information provided to the CODM

Year ended 30 June 2022	Notes	Employment Marketplaces						Investments	SEEK Growth Fund	Total
		ANZ \$m	SEEK Asia \$m	Brasil Online \$m	OCC \$m	Platform support \$m	Corporate costs \$m	Portfolio investments \$m	\$m	\$m
Online employment marketplaces		824.8	200.2	28.0	27.7	29.4	–	–	–	1,110.1
Education		1.7	–	–	–	–	–	1.9	–	3.6
Other sales revenue		0.1	1.4	–	–	1.3	–	–	–	2.8
Sales revenue	3	826.6	201.6	28.0	27.7	30.7	–	1.9	–	1,116.5
Segment EBITDA⁽¹⁾		530.3	51.8	(15.4)	6.2	(25.7)	(36.4)	(1.7)	–	509.1
Depreciation		(18.4)	(6.0)	(1.0)	(1.5)	(1.1)	(3.2)	–	–	(31.2)
Amortisation	12	(39.5)	(8.8)	(1.4)	(2.6)	(4.7)	(1.2)	(0.3)	–	(58.5)
Net interest (expense)/income		(5.0)	(2.6)	0.6	0.4	(0.7)	(36.3)	0.2	–	(43.4)
Share-based payments and other LTIs	24(b)	(7.0)	(1.8)	(0.2)	(1.0)	(0.5)	(5.9)	–	–	(16.4)
Share of results of equity accounted investments	20(b)	–	–	–	–	–	–	5.3	–	5.3
Management fees		–	–	–	–	–	–	(4.6)	(16.2)	(20.8)
Other		0.4	(3.4)	–	–	–	0.8	–	–	(2.2)
Profit/(loss) before income tax expense		460.8	29.2	(17.4)	1.5	(32.7)	(82.2)	(1.1)	(16.2)	341.9
Income tax (expense)/benefit	6(a)	(135.8)	(7.1)	(7.4)	(0.4)	12.9	31.5	0.3	4.9	(101.1)
Profit/(loss) attributable to owners of SEEK Limited from continuing operations		325.0	22.1	(24.8)	1.1	(19.8)	(50.7)	(0.8)	(11.3)	240.8
Loss attributable to owners of SEEK Limited from discontinued operations										(72.0)
Profit attributable to owners of SEEK Limited										168.8

(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.

Notes to the financial statements

For the year ended 30 June 2022

1. Segment information continued

		Employment Marketplaces					Investments	Total	
		ANZ	SEEK Asia	Brasil Online	OCC	Platform support	Corporate costs	Portfolio investments	
Year ended 30 June 2021									
Restated	Notes	\$m	\$m	\$m	\$m	\$m	\$m	\$m	
Online employment marketplaces		539.4	145.0	30.5	19.2	21.8	–	–	755.9
Education		1.6	–	–	–	–	–	1.5	3.1
Other sales revenue		–	0.6	–	–	0.7	–	–	1.3
Sales revenue	3	541.0	145.6	30.5	19.2	22.5	–	1.5	760.3
Segment EBITDA ⁽¹⁾		331.6	47.4	(1.1)	2.4	(10.4)	(34.7)	(3.2)	332.0
Depreciation		(8.4)	(5.8)	(1.0)	(1.4)	(1.2)	(4.8)	(0.1)	(22.7)
Amortisation		(39.3)	(10.6)	(2.4)	(2.2)	(3.3)	(2.7)	(0.7)	(61.2)
Impairment loss		–	(14.1)	(29.6)	–	–	(3.2)	–	(46.9)
Net interest (expense)/income		(2.2)	(1.4)	–	0.1	(0.3)	(42.2)	(0.1)	(46.1)
Share-based payments and other LTIs	24(b)	(5.6)	(1.2)	(0.4)	(0.2)	(0.3)	(12.9)	–	(20.6)
Share of results of equity accounted investments		–	–	–	–	–	–	4.1	4.1
(Loss)/Gain on disposal of equity accounted investments		–	(0.2)	–	–	–	–	0.2	–
Other		–	(3.2)	–	–	–	2.9	–	(0.3)
Profit/(loss) before income tax expense		276.1	10.9	(34.5)	(1.3)	(15.5)	(97.6)	0.2	138.3
Income tax (expense)/benefit	6(a)	(80.8)	(4.1)	12.1	0.4	3.4	30.6	4.6	(33.8)
Profit/(loss) for the year		195.3	6.8	(22.4)	(0.9)	(12.1)	(67.0)	4.8	104.5
Non-controlling interests		–	–	–	–	0.4	–	–	0.4
Profit/(loss) attributable to owners of SEEK Limited from continuing operations		195.3	6.8	(22.4)	(0.9)	(11.7)	(67.0)	4.8	104.9
Profit attributable to owners of SEEK Limited from discontinued operations									647.3
Profit attributable to owners of SEEK Limited									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.

Notes to the financial statements

For the year ended 30 June 2022

1. Segment information continued

(b) Geographical information

The following table provides a breakdown of sales revenue and non-current assets (including plant and equipment, intangible assets and right-of-use assets, and 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	
	2022 \$m	2021 \$m	2022 \$m	2021 \$m
Australia	763.5	501.6	502.1	458.2
South East Asia	202.6	146.5	1,170.9	1,131.5
Brazil	28.0	30.4	10.0	8.1
New Zealand	84.8	56.0	7.2	5.7
Mexico	29.6	20.7	38.3	35.9
United Kingdom and Europe	5.3	3.4	–	–
Rest of the world	2.7	1.7	–	0.8
Total for continuing operations	1,116.5	760.3	1,728.5	1,640.2

Notes to the financial statements

For the year ended 30 June 2022

2. Discontinued operations

(a) Summary of discontinued operations

This section aggregates the key results of the discontinued operations for FY2022 with more detailed information provided on the individual transactions in sections (b) and (c) of this Note.

2022	SEEK Growth Fund \$m	Zhaopin \$m	Total \$m
Financial performance of discontinued operations			
(Loss)/profit from discontinued operations after income tax	(78.9)	11.8	(67.1)
(Loss)/profit from discontinued operations, attributable to owners of SEEK Limited	(83.8)	11.8	(72.0)
Other comprehensive loss, attributable to owners of SEEK Limited	(100.0)	–	(100.0)
Other comprehensive income, attributable to non-controlling interest	0.1	–	0.1
Basic (loss)/earnings per share (cents per share)	(23.6)	3.3	(20.3)
Diluted (loss)/earnings per share (cents per share)	(23.4)	3.3	(20.1)
Cash flows of discontinued operations			
Net cash outflow from operating activities	(9.7)	–	(9.7)
Net cash inflow from investing activities incurred in the ordinary course of business	42.8	–	42.8
Net cash outflow from financing activities	(12.1)	–	(12.1)
2021	SEEK Growth Fund \$m	Zhaopin \$m	Total \$m
Financial performance of discontinued operations			
(Loss)/profit from discontinued operations after gain on sale after income tax	(6.2)	675.6	669.4
(Loss)/profit from discontinued operations, attributable to owners of SEEK Limited	(10.1)	657.4	647.3
Other comprehensive income, attributable to owners of SEEK Limited	56.3	19.5	75.8
Other comprehensive income, attributable to non-controlling interest	–	4.4	4.4
Basic (loss)/earnings per share (cents per share)	(2.9)	186.2	183.3
Diluted (loss)/earnings per share (cents per share)	(2.8)	184.8	182.0
Cash flows of discontinued operations			
Net cash inflow from operating activities	34.3	88.1	122.4
Net cash outflow from investing activities incurred in the ordinary course of business	(168.7)	(22.6)	(191.3)
Net cash inflow from financing activities	3.6	42.8	46.4

Notes to the financial statements

For the year ended 30 June 2022

2. Discontinued operations continued

(b) SEEK Growth Fund

At 30 June 2022, SEEK continues to control SEEK Growth Fund and is expected to control the Fund until all of the capital committed in October 2021 is drawn and deployed. As such, at 30 June 2022, SEEK continues to hold the Fund and all assets that form part of the Fund as a discontinued operation and the associated assets and liabilities of the disposal group as held for sale.

For the year ended 30 June 2022, the results of the Fund include operating results of consolidated assets, being OES and Sidekicker. ESVs held as equity accounted investments are recognised at fair value in accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*. Losses of equity accounted investments are not recognised while they are held for sale. Changes in the fair value of equity instruments continue to be recorded through other comprehensive income.

The non-SEEK owned interest in the Fund is classified as a financial liability and is required to be measured at fair value. The fair value is determined with reference to the Net Asset Value (NAV) of the Fund portfolio. On deconsolidation, SEEK will recognise its interest in the Fund as an equity accounted investment measured at fair value. At this time, any changes in the value of the financial liability will be absorbed by the gain or loss recognised on initial measurement of SEEK's equity accounted investment in the Fund.

(i) Financial performance

The financial performance presented is for the year ended 30 June 2022 and the year ended 30 June 2021:

	30 Jun 2022 \$m	30 Jun 2021 \$m
Sales revenue	321.9	253.7
Other income	1.1	66.4
Operating expenses	(308.3)	(234.2)
Change in value of financial liability	(84.0)	–
Share of results of equity accounted investments	–	(8.7)
(Loss)/profit from discontinued operation before income tax	(69.3)	77.2
Income tax expense	(9.6)	(83.4)
Loss from discontinued operation after income tax	(78.9)	(6.2)
Non-controlling interests	(4.9)	(3.9)
Loss from discontinued operation attributable to owners of SEEK Limited	(83.8)	(10.1)
Exchange differences on translation of foreign controlled entities	1.0	(0.2)
Exchange differences on translation of foreign equity accounted investments	3.1	(2.0)
Share of reserve movements of equity accounted investments	–	(4.5)
Loss on net investment hedges	–	0.8
Gain on fair value hedges	1.6	2.5
Gain on cost of hedging	1.8	1.2
Changes in fair value of equity instruments	(153.9)	90.0
Income tax recognised on equity instruments held at fair value	46.4	(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 (loss)/income from discontinued operation attributable to owners of SEEK Limited	(100.0)	56.3
Loss per share from loss from discontinued operations attributable to the owners of SEEK Limited		
Basic loss per share (cents per share)	(23.6)	(2.9)
Diluted loss per share (cents per share)	(23.4)	(2.8)

Notes to the financial statements

For the year ended 30 June 2022

2. Discontinued operations continued

(ii) Cash flow of discontinued operation

The cash flow information presented is for the year ended 30 June 2022 and the year ended 30 June 2021:

	30 Jun 2022 \$m	30 Jun 2021 \$m
Net cash (outflow)/inflow from operating activities	(9.7)	34.3
Net cash inflow/(outflow) from investing activities	42.8	(168.7)
Net cash (outflow)/inflow from financing activities	(12.1)	3.6
Net increase/(decrease) in cash generated by the held for sale group	21.0	(130.8)

(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 2022 and 30 June 2021 are as follows:

	30 Jun 2022 \$m	30 Jun 2021 \$m
Cash and cash equivalents	32.2	33.6
Trade and other receivables	135.9	31.1
Other financial assets ⁽¹⁾	162.3	324.4
Investments accounted for using the equity method	557.5	295.5
Current and deferred tax assets	35.5	7.0
Plant and equipment	3.7	1.9
Intangible assets	382.2	368.8
Right-of-use assets	4.4	2.2
Total assets held for sale	1,313.7	1,064.5
Trade and other payables	30.5	34.9
Borrowings	1.0	5.2
Unearned income	9.9	4.6
Lease liabilities	3.1	2.5
Other financial liabilities ⁽²⁾	344.6	–
Deferred tax liabilities	4.7	1.8
Provisions	25.1	20.1
Total liabilities directly associated with the assets held for sale	418.9	69.1

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

(2) Other financial liabilities consists of non-SEEK owned interest in SEEK Growth Fund, measured at fair value.

On deconsolidation 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 deconsolidation.

Notes to the financial statements

For the year ended 30 June 2022

2. Discontinued operations continued

(c) Zhaopin

Profit from discontinued operations includes an income tax benefit of \$11.8m related to the partial disposal of Zhaopin in the prior year. This amount increases SEEK's overall gain on sale from the disposal to \$640.7m.

(i) Financial performance

The financial performance presented is for the year ended 30 June 2022 and the ten months ended 30 April 2021:

	30 Jun 2022 \$m	30 Apr 2021 \$m
Sales revenue	–	577.1
Other income	–	12.6
Operating expenses	–	(530.3)
Profit from discontinued operation before income tax	–	59.4
Income tax benefit/(expense)	11.8	(12.7)
Profit from discontinued operation after income tax	11.8	46.7
Gain on sale from discontinued operation after income tax	–	628.9
Profit from discontinued operation after gain on sale after income tax	11.8	675.6
Non-controlling interests	–	(18.2)
Profit from discontinued operation attributable to owners of SEEK Limited	11.8	657.4
Other comprehensive income from discontinued operation attributable to owners of SEEK Limited	–	19.5
Earnings per share from profit from discontinued operation attributable to the owners of SEEK Limited		
Basic earnings per share (cents per share)	3.3	186.2
Diluted earnings per share (cents per share)	3.3	184.8

Notes to the financial statements

For the year ended 30 June 2022

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 job seeker can access the services.
HR Software as a Service (SaaS)	over the period in which SaaS, support and maintenance and consultancy services are delivered.
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.
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.

	2022 \$m	2021 \$m
Online employment marketplaces	1,110.1	755.9
Education	3.6	3.1
Other sales revenue	2.8	1.3
Total sales revenue from continuing operations	1,116.5	760.3

Sales revenue recognised during the financial year ended 30 June 2022 includes \$128.2m (2021: \$130.3m) that was included in the opening balance of unearned income at the beginning of the corresponding period.

At 30 June 2022, SEEK is party to contracts with customers that have not yet been delivered (or fully delivered) at that date. However, the majority of SEEK's unearned income relates to contracts that are expected to be completed in one year or less, and therefore, as permitted under AASB 15 *Revenue from Contracts with Customers*, SEEK has not disclosed information related to these.

Notes to the financial statements

For the year ended 30 June 2022

4. Other income and expenses

(a) Other income

	2022 \$m	2021 \$m
Government grants	0.4	1.7
Interest income	2.9	1.3
Rental income	2.7	–
Other	0.5	–
Total other income from continuing operations	6.5	3.0

(b) Finance costs

	Notes	2022 \$m	2021 \$m
Interest expense		39.8	43.9
Interest expense on lease liabilities	14(b)	6.5	3.5
Borrowing costs written off		2.5	–
Other finance charges paid/payable		5.7	4.2
Total finance costs from continuing operations		54.5	51.6

(c) Other gains/(losses)

Profit/(loss) before income tax expense includes net gains on foreign exchange movements of \$10.4m (2021: \$10.9m gain), which are classified as 'Operations and administration' costs in the Consolidated Income Statement.

Notes to the financial statements

For the year ended 30 June 2022

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.

	2022 Cents	2021 Cents
Basic earnings per share		
From continuing operations	68.0	29.7
From discontinued operations ⁽¹⁾	(20.3)	183.3
	47.7	213.0
Diluted earnings per share		
From continuing operations	67.6	29.6
From discontinued operations ⁽¹⁾	(20.1)	182.0
	47.5	211.6

(1) In FY2021, excluding the gain on sale related to Zhaopin, both the basic and diluted earnings per share from discontinued operations would be 5.2 cents.

(a) Reconciliation of earnings used in calculating EPS

	2022 \$m	2021 \$m
Profit attributable to owners of SEEK Limited (for basic EPS)		
From continuing operations	240.8	104.9
From discontinued operations	(72.0)	647.3
	168.8	752.2
Potential dilutive adjustment for subsidiary option plans		
From continuing operations	–	0.2
From discontinued operations	0.5	0.3
	0.5	0.5
Adjusted profit attributable to owners of SEEK Limited (for diluted EPS)		
From continuing operations	240.8	105.1
From discontinued operations	(71.5)	647.6
	169.3	752.7

(b) Weighted average number of shares

	2022 number	2021 number
Weighted average number of shares used as denominator in calculating basic EPS	353,864,875	353,102,683
Weighted average of potential dilutive ordinary shares:		
– WSP Options	336,518	166,666
– WSP Rights	1,477,937	1,843,404
– Equity Rights and Performance Rights	276,176	533,882
Weighted average number of shares used as the denominator in calculating diluted EPS	355,955,506	355,646,635

The weighted average of potential ordinary shares excludes 314,619 Wealth Sharing Plan (WSP) Options (2021: nil) which have 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.

Notes to the financial statements

For the year ended 30 June 2022

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.

Principal Hub Tax Incentive for JobStreet.com Shared Services Sdn Bhd

JobStreet.com Shared Services Sdn Bhd (JSSS) was approved for the Principal Hub (PH) Tax Incentive with effect from 1 July 2020 to 30 June 2025. Under the PH regime, taxable income over a threshold is subject to a 0% tax rate provided certain conditions are satisfied each year. It is anticipated that JSSS will meet the conditions for the year and accordingly, its income tax has been calculated on this basis. An annual compliance form will be submitted post year end to confirm that the conditions of the incentive have been met.

Accounting Policy

Uncertain tax positions

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>.

Notes to the financial statements

For the year ended 30 June 2022

6. Income tax continued

(a) Income tax expense

	2022 \$m	2021 \$m
Current tax	102.8	57.1
Deferred tax	4.2	(22.1)
Over provision in prior years (current tax)	(3.8)	(1.7)
(Over)/under provision in prior years (deferred tax)	(2.1)	0.5
Income tax expense in the Consolidated Income Statement	101.1	33.8
Deferred income tax expense included in income tax expense comprises:		
Decrease/(increase) in deferred tax assets	1.7	(14.7)
Increase/(decrease) in deferred tax liabilities	0.4	(6.9)
	2.1	(21.6)

(i) Reconciliation of income tax expense

	2022 \$m	2021 \$m
Profit before income tax expense from continuing operations	341.9	138.3
Income tax calculated @ 30% (2021: 30%)	102.6	41.5
Increase/(decrease) in income tax expense due to:		
Tax losses and temporary differences	12.6	–
Impairment loss	–	4.2
Post-tax share of results of equity accounted investments	(1.6)	(1.2)
Research and development incentive	(4.6)	(3.1)
Overseas tax rate differential	(7.4)	(7.1)
Over provision in prior years	(5.9)	(1.2)
Other	5.4	0.7
Income tax expense in the Consolidated Income Statement	101.1	33.8

(ii) Effective tax rate

	SEEK		Australian operations ⁽¹⁾	
	2022 \$m	2021 \$m	2022 \$m	2021 \$m
Profit before income tax expense	341.9	138.3	320.2	158.1
(Subtract)/add: Post-tax share of results of equity accounted investments ⁽²⁾	(5.3)	(4.1)	0.3	1.3
Add: Impairment loss	–	14.1	–	–
(A) Adjusted profit before income tax expense	336.6	148.3	320.5	159.4
(B) Income tax expense	101.1	33.8	85.2	39.9
Effective tax rate (B/A)	30.0%	22.8%	26.6%	25.0%

(1) Excludes intra-group dividends within SEEK.

(2) The 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.

Notes to the financial statements

For the year ended 30 June 2022

6. Income tax continued

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

	2022 \$m	2021 \$m
Income tax expense in the Consolidated Income Statement	101.1	33.8
Add/(subtract):		
Deferred tax assets (charged)/credited to income	(1.7)	14.7
Deferred tax liabilities (charged)/credited to income	(0.4)	6.9
Current tax included in income tax expense	99.0	55.4
Add/(subtract):		
Net opening balance carried forward	63.2	5.1
Tax payments made to tax authorities	(112.9)	(42.7)
Current tax recognised directly in equity	(1.9)	(2.1)
Australian current income tax expense relating to the Zhaopin disposal	–	48.5
Foreign exchange	0.3	(0.2)
Transfer to discontinued operations	(3.5)	(0.8)
Net current tax liabilities	44.2	63.2
Net current tax liabilities comprises:		
Current tax assets in the Consolidated Balance Sheet	(5.0)	(6.3)
Current tax liabilities in the Consolidated Balance Sheet	49.2	69.5
Net current tax liabilities	44.2	63.2

(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.

	2022 \$m	2021 \$m
Relating to items recognised in other comprehensive income:		
Deferred tax (debited)/credited directly to cash flow hedge reserve	(11.9)	0.2
Total tax recognised in other comprehensive income	(11.9)	0.2
Relating to items recognised directly in equity:		
Deferred tax (debited)/credited directly to retained profits	(0.1)	3.5
Deferred tax (debited)/credited directly to share-based payment reserve	(5.5)	4.4
Current tax credited directly to retained profits on issuance of new shares	1.9	2.1
Total tax recognised directly in equity	(3.7)	10.0

Notes to the financial statements

For the year ended 30 June 2022

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	2022 \$m	2021 \$m
Share-based payments	4.7	12.6
Provisions and accruals	3.8	5.7
Employee benefits	18.7	15.7
Unrealised foreign exchange	0.4	4.6
Research and development incentive	(25.1)	(27.0)
Tax losses recognised	6.0	15.4
Property, plant and equipment	5.1	13.4
Cash flow hedge	(6.4)	5.5
Unearned income	7.6	5.3
Other	0.8	(2.4)
Deferred tax assets	15.6	48.8
Intangible assets	35.2	36.1
Withholding tax on undistributed profits	5.2	15.1
Future interest in the SEEK Growth Fund ⁽¹⁾	57.9	107.9
Other	1.5	(1.1)
Deferred tax liabilities	99.8	158.0
Net deferred tax liabilities	84.2	109.2

(1) 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 SEEK Growth Fund (see Note 2 Discontinued operations, specifically section (b) 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 charged to income

For the year ended 30 June	2022 \$m	2021 \$m
Share-based payments	2.4	(1.1)
Provisions and accruals	1.9	(1.3)
Employee benefits	(2.9)	(6.8)
Unrealised foreign exchange	4.2	4.9
Research and development incentive	(1.9)	2.2
Tax losses recognised	(7.9)	(5.4)
Property, plant and equipment	5.6	(8.9)
Unearned income	(2.0)	1.1
Other	2.3	0.6
Deferred tax assets	1.7	(14.7)
Intangible assets	–	(7.0)
Withholding tax on undistributed profits	(0.3)	0.2
Other	0.7	(0.1)
Deferred tax liabilities	0.4	(6.9)
Net deferred tax charged to income	2.1	(21.6)

(iii) Deferred tax movements

For the year ended 30 June	2022 \$m	2021 \$m
Opening net deferred tax liabilities	109.2	65.3
Charged/(credited) to income	2.1	(21.6)
Charged/(credited) to other comprehensive income and equity	17.5	(8.1)
Other reserves	(1.1)	–
Exchange differences	(0.3)	(2.0)
Transfer to discontinued operations	(43.2)	75.6
Closing net deferred tax liabilities	84.2	109.2

Notes to the financial statements

For the year ended 30 June 2022

6. Income tax continued

(d) Unrecognised temporary differences

Certain entities within SEEK have unused tax losses and other deductible temporary differences totalling \$36.4m for which no deferred tax asset has been recognised on the basis that it is not probable that future assessable income will be derived of a nature and amount sufficient to enable the temporary differences to be realised. Of the \$36.4m, \$33.6m has no time limit expiry and \$2.8m is subject to a time limit of expiry ranging five to ten years from when the loss was incurred.

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

	2022 \$m	2021 \$m
Cash freely converted	263.9	475.4
Cash not freely converted	0.4	0.3
Short-term deposits	60.8	16.1
Total cash and cash equivalents	325.1	491.8

(b) Borrowings

	Current		Non-current	
	2022 \$m	2021 \$m	2022 \$m	2021 \$m
Bank loans – unsecured	–	–	1,144.4	813.2
Bank loans – secured	8.9	77.3	–	–
Capital markets debt – unsecured	–	–	225.0	225.0
Less: transaction costs capitalised	–	–	(7.3)	(8.3)
Total borrowings	8.9	77.3	1,362.1	1,029.9

SEEK had access to \$414.2m in undrawn facilities at 30 June 2022 (2021: \$536.3m).

Notes to the financial statements

For the year ended 30 June 2022

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)

Year ended 30 June 2022	Facility limit	Borrowings \$m Note 7(b)	Cash \$m Note 7(a)	Short-term investments \$m Note 9(b)	Net cash/ (debt) \$m
SEEK Limited A\$ bank debt	A\$612.5m	(505.0)			
SEEK Limited US\$ bank debt	US\$652.5m	(639.4)			
SEEK Limited A\$ Subordinated Floating Rate Notes	A\$225.0m	(225.0)			
SEEK Limited Borrower Group⁽¹⁾		(1,369.4)	324.1	0.1	(1,045.2)
Zhaopin Limited	US\$6.2m	(8.9)	1.0	–	(7.9)
SEEK	A\$1,792.5	(1,378.3)	325.1	0.1	(1,053.1)
Less: transaction costs capitalised		7.3			
Per Consolidated Balance Sheet		(1,371.0)			
Consolidated net interest cover: EBITDA⁽²⁾/Net interest					11.7
Consolidated net leverage ratio: Net debt/EBITDA⁽²⁾					2.1

(1) Borrower Group EBITDA for the year ended 30 June 2022 inclusive of cash dividends from excluded entities of nil (2021: \$137.7m) was \$463.9m (2021: \$458.6m).

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

Year ended 30 June 2021	Facility limit	Borrowings \$m Note 7(b)	Cash \$m Note 7(a)	Short-term investments \$m Note 9(b)	Net cash/ (debt) \$m
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		(1,038.2)	174.8	0.1	(863.3)
Zhaopin Limited	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 / Net interest					7.2
Consolidated net leverage ratio: Net debt / EBITDA					1.9

Notes to the financial statements

For the year ended 30 June 2022

7. Net debt continued

(d) Financing and credit facilities

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

		Drawn		Undrawn		Total	
Facility Type	Maturity	2022 \$m	2021 \$m	2022 \$m	2021 \$m	2022 \$m	2021 \$m
SEEK Limited – Non-current							
Bank facilities – unsecured (i)							
Tranche A (Revolving)	Nov 2024	A\$340.0	A\$300.5	A\$22.5	A\$62.0	A\$362.5	A\$362.5
Tranche B (Revolving)	Nov 2025	A\$165.0	A\$44.5	A\$85.0	A\$205.5	A\$250.0	A\$250.0
Tranche C (Revolving)	Nov 2026	US\$41.0	US\$51.0	US\$211.5	US\$201.5	US\$252.5	US\$252.5
Tranche D (Term Loan)	Nov 2025	US\$125.0	US\$100.0	–	–	US\$125.0	US\$100.0
Tranche E (Term Loan)	Nov 2026	US\$275.0	US\$200.0	–	–	US\$275.0	US\$200.0
Capital Markets Debt (ii)							
A\$ Subordinated Floating Rate Notes	Jun 2026	A\$225.0	A\$225.0	–	–	A\$225.0	A\$225.0
Zhaopin Limited – Current							
Bank facilities – secured (iii)							
Loan Facility	Aug 2022	US\$6.2	US\$55.0	–	–	US\$6.2	US\$55.0
Revolving Credit Facility	Dec 2021	–	US\$3.0	–	–	–	US\$3.0

(i) Bank facilities – unsecured

As at 30 June 2022 A\$1,144.4m principal had been drawn down against the facility, comprising A\$505.0m and US\$441.0m (30 June 2021: A\$813.2m, comprising A\$345.0m and US\$351.0m). The SEEK Limited Borrower Group includes SEEK Limited and all subsidiaries in which its ownership is at least 90%.

In December 2021, SEEK completed a refinancing activity which included extension of the maturity dates of all tranches by two years and an increase in the USD term loan tranches by a total of US\$100m. As part of this activity, SEEK repaid A\$612.5m and US\$652.5m under the previous facility agreement and immediately drew down the same amounts under the new facility agreement. During the period \$2.5m of borrowing costs (pre-tax) were written off to the income statement as a result of changes to the structure of the facilities along with substantial improvements to terms and conditions.

(ii) Capital Markets Debt

A Guaranteed Euro Medium Term Note (EMTN) Program was originally established in March 2017 with a program limit of EUR 1 billion. Under the program SEEK may from time to time issue notes denominated in any currency, with funds raised under the program to be used for general corporate purposes. SEEK currently has A\$225.0m of A\$ Subordinated Floating Rate Notes with a maturity date of June 2026 and a first optional redemption date of June 2023. These notes are unsecured and subordinate to SEEK's 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 following the Zhaopin transaction, and are non-recourse to the SEEK Limited Borrower Group.

Notes to the financial statements

For the year ended 30 June 2022

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.

	2022 \$m	2021 \$m
Profit for the year	173.7	773.9
Non-cash items		
Impairment loss	–	46.9
Depreciation and amortisation	89.7	133.3
Share of results of equity accounted investments	(5.3)	4.6
Share-based payments expense	14.7	21.1
Net gain on derivative instruments at fair value through profit and loss	(8.7)	(31.7)
Other	(5.1)	11.9
Non-operating items		
Gain on sale of discontinued operation	–	(628.9)
Fair value gain on financial asset	–	(65.3)
Change in value on SEEK Growth Fund financial liability ⁽¹⁾	84.0	–
Payments for managing SEEK Growth Fund	20.8	–
Payments for commitment fees	1.8	–
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	(68.1)	(90.8)
(Increase)/decrease in current tax assets	1.3	(3.1)
(Increase)/decrease in deferred tax assets	(6.2)	(30.9)
Increase/(decrease) in trade and other payables	69.9	115.6
Increase/(decrease) in unearned income	33.9	22.1
Increase/(decrease) in current tax liabilities	(21.2)	46.2
Increase/(decrease) in provisions	7.4	6.5
Increase/(decrease) in deferred tax liabilities	1.8	(6.7)
Exchange gains on translation of foreign operations	12.3	21.8
Net cash inflow from operating activities	396.6	346.5

(1) Refer to Note 2 Discontinued operations for further details on this item.

Notes to the financial statements

For the year ended 30 June 2022

8. Notes to the cash flow statement continued

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

The table below provides a reconciliation of the cash and non-cash changes in material liabilities and assets whose cash changes are included in cash flows from financing activities.

	Movement type	Other financial assets	Leases	Borrowings	Other financial liabilities	
		Derivative assets \$m	Total Leases \$m	Total Borrowings \$m	Put option \$m	Derivative liabilities \$m
2021						
Opening balance		5.7	27.5	1,607.4	19.2	49.2
Net cash flows from financing activities	Cash	–	(7.1)	(401.8)	(14.2)	15.0
Net leases movements	Non-cash	–	185.3	–	–	–
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)	–
Foreign exchange movements	Non-cash	–	(0.5)	(38.4)	–	–
Closing balance		4.2	205.2	1,107.2	2.2	53.4
2022						
Net cash flows from financing activities	Cash	–	(11.9)	205.3	(1.9)	–
Net leases movements	Non-cash	–	2.0	–	–	–
Amortisation	Non-cash	–	–	5.5	–	–
Fair value through OCI	Non-cash	34.8	–	43.1	–	(29.8)
Fair value through profit and loss	Non-cash	6.5	–	5.6	(0.3)	4.3
Foreign exchange movements	Non-cash	–	0.5	4.3	–	–
Closing balance		45.5	195.8	1,371.0	–	27.9

Notes to the financial statements

For the year ended 30 June 2022

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: • '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'.

Notes to the financial statements

For the year ended 30 June 2022

9. Financial instruments and fair value measurement continued

(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	
			2022 \$m	2021 \$m	2022 \$m	2021 \$m
Cash and cash equivalents	Amortised cost	7(a)	325.1	491.8	–	–
Trade and other receivables ⁽¹⁾	Amortised cost	11	569.5	750.0	–	–
Other financial assets	Various	9(b)	45.6	4.3	90.0	11.2
Trade and other payables	Amortised cost	13	(425.5)	(827.8)	–	–
Lease liabilities	Amortised cost	14(a)(ii)	(19.0)	(17.1)	(176.8)	(188.1)
Borrowings	Amortised cost	7(b)	(8.9)	(77.3)	(1,362.1)	(1,029.9)
Other financial liabilities	Various	9(b)	(28.9)	(60.6)	(1.8)	(0.9)

(1) This balance does not include prepayments and contract assets.

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

Other financial assets	Hierarchy level	Current		Non-current	
		2022 \$m	2021 \$m	2022 \$m	2021 \$m
Financial assets held at amortised cost					
Short-term investments	n/a	0.1	0.1	–	–
Security deposits	n/a	–	–	0.3	0.9
Financial assets at fair value through profit and loss (FVPL)					
Convertible loans	Level 3	–	–	4.3	–
Derivative financial instruments (iii)	Level 2	7.8	1.3	–	–
Financial assets at fair value through other comprehensive income (FVOCI)					
Investment in equity instruments (i)	Level 3	–	–	85.4	10.3
Derivative financial instruments (iii)	Level 2	37.7	2.9	–	–
Total other financial assets		45.6	4.3	90.0	11.2

Other financial liabilities	Hierarchy level	Current		Non-current	
		2022 \$m	2021 \$m	2022 \$m	2021 \$m
Financial liabilities at fair value through profit and loss (FVPL)					
Derivative financial instruments (iii)	Level 2	(13.3)	(9.0)	–	–
Put option (ii)	Level 3	–	(2.2)	–	–
Contingent consideration	Level 3	(1.0)	(5.0)	(1.8)	(0.9)
Financial liabilities at fair value through other comprehensive income (FVOCI)					
Derivative financial instruments (iii)	Level 2	(14.6)	(44.4)	–	–
Total other financial liabilities		(28.9)	(60.6)	(1.8)	(0.9)

Notes to the financial statements

For the year ended 30 June 2022

9. Financial instruments and fair value measurement continued

Other financial assets and liabilities held by SEEK as at 30 June 2022 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) Financial assets at fair value through other comprehensive income

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 summarises the changes of SEEK's investment in equity instruments carried at FVOCI:

Financial assets at FVOCI	2022 \$m	2021 \$m
Opening fair value	10.3	83.0
Additions ⁽¹⁾	66.9	4.0
Transfer from equity accounted investments	–	139.8
Change in equity instruments held at fair value	5.8	89.2
Foreign exchange movements	2.4	–
Transfer to assets held for sale	–	(305.7)
Closing fair value	85.4	10.3

(1) During the year, SEEK acquired a minority interest in JobKorea.

(ii) Put option

During the year, the put option liability relating to the remaining shares held by non-controlling interests in JobAdder was settled.

(iii) Derivative financial instruments

SEEK is party to derivative financial instruments (forward foreign exchange contracts, swaptions, 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	
	2022 \$m	2021 \$m	2022 \$m	2021 \$m
Derivatives designated as cash flow hedges				
Interest rate options and swaptions contracts	1.0	–	–	(5.7)
Interest rate swap contracts	20.2	–	–	(12.7)
Derivatives designated as net investment hedges				
Forward foreign exchange contracts and options	7.1	–	(1.5)	(16.7)
Cross currency interest rate swap contracts	7.6	–	(11.5)	(9.3)
Derivatives designated as fair value hedges				
Forward foreign exchange contracts and options	–	–	(1.6)	–
Cross currency interest rate swap contracts	1.8	2.9	–	–
Derivatives not designated as hedges				
Forward foreign exchange contracts and options	2.0	0.2	(12.4)	(9.0)
Cross currency interest rate swap contracts	5.8	1.1	(0.9)	–
Total derivative financial instruments	45.5	4.2	(27.9)	(53.4)

Notes to the financial statements

For the year ended 30 June 2022

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.

Notes to the financial statements

For the year ended 30 June 2022

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) usually 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 foreign 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 and forwards 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 interest rate swaps in hedging relationships to hedge SEEK's HKD, RMB, SGD and EUR net investments. At 30 June 2022, there is a net asset on the foreign exchange contracts and options of \$4.0m (2021: net liability of \$16.7m). Cross currency interest rate swap contracts have a net liability of \$2.1m (2021: net liability of \$6.4m).

SEEK also manages the foreign currency exposure on USD debt, which is not designated as a net investment hedge, and other foreign currency exposures, including currency receivables, which are revalued to profit and loss, by entering forward foreign exchange, option and cross currency interest rate swap contracts that offset in the income statement. At 30 June 2022, there is a net liability on these derivatives of \$5.5m (2021: net liability \$7.7m).

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 27 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 2022. Utilising a range of +5% to -5%, the analysis showed that the impact to the profit and loss would be less than \$2.0m for each of the common currency pairings.

At 30 June 2022, 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 2022, the amount of USD borrowings drawn down on SEEK Limited's USD bank debt was US\$441.0m (2021: US\$351.0m). US\$385.4m of this loan has been designated as a net investment hedge for accounting purposes and therefore movements are taken directly to equity rather than impacting profit or loss. The remaining US\$55.6m of this loan has been economically hedged by forward foreign exchange, option and cross currency interest rate contracts.

Notes to the financial statements

For the year ended 30 June 2022

10. Financial risk management continued

(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 2022 cover approximately 76% (2021: 14%) of the variable loan principal outstanding on the SEEK's loan facility.

	2022		2021	
	Weighted average interest rate %	\$m	Weighted average interest rate %	\$m
AUD denominated borrowings				
Bank loans – principal	1.4%	505.0	2.4%	345.0
Subordinated note	4.4%	225.0	4.3%	225.0
Less amounts covered by interest rate swaps	1.2%	(674.2)	1.5%	(126.3)
		55.8		443.7
USD denominated borrowings				
Bank loan – principal	1.8%	639.4	2.7%	468.2
Entrusted loan facilities	1.2%	8.9	1.7%	77.3
Less amounts covered by interest rate swaps or options	1.6%	(373.4)	2.5%	(33.3)
		274.9		512.2
RMB denominated borrowings				
Loan facility ⁽¹⁾	–	–	3.8%	–
Less amounts covered by interest rate swaps	n/a	–	n/a	–
		–		–
Total SEEK borrowings				
Total borrowings	2.1%	1,378.3	2.7%	1,115.5
Less amounts covered by interest rate swaps or options	1.3%	(1,047.6)	1.7%	(159.6)
		330.7		955.9

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

As at 30 June 2022, SEEK has a net asset on its interest rate swaps, swaptions and options of \$21.2m (2021: net liability \$18.4m). The net asset arises from contracts being executed at interest rates more favourable than current market rates.

Material exposures and sensitivities

The weighted average interest rate for the year ended 30 June 2022 was 2.1% (2021: 2.7%). If the weighted average interest rate had been 10% higher or 10% lower, interest expense would increase/decrease by \$2.8m.

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 2022, there is not a material interest rate risk relating to SEEK's cash balances.

Notes to the financial statements

For the year ended 30 June 2022

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

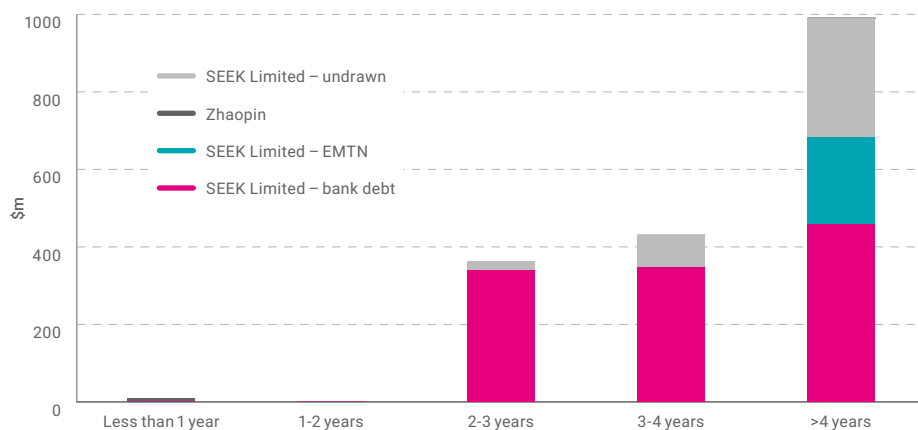
At 30 June 2022, SEEK had access to borrowing facilities totalling \$8.9m expiring within one year and \$1,783.6m expiring beyond one year (2021: \$77.3m expiring within one year and \$1,574.5m expiring beyond one year). The table below outlines the level of drawn and undrawn debt at the balance sheet date.

	Drawn		Undrawn		Total	
	2022 \$m	2021 \$m	2022 \$m	2021 \$m	2022 \$m	2021 \$m
Floating rate						
Expiring within one year	8.9	77.3	–	–	8.9	77.3
Expiring beyond one year	1,369.4	1,038.2	414.2	536.3	1,783.6	1,574.5
	1,378.3	1,115.5	414.2	536.3	1,792.5	1,651.8

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. During the previous year, 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 2022:



Notes to the financial statements

For the year ended 30 June 2022

10. Financial risk management continued

c) Liquidity risk continued

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 2022							
Non-derivatives							
Trade and other payables	425.5	–	–	–	–	425.5	425.5
Lease liabilities	9.5	9.8	17.6	47.4	159.7	244.0	195.8
Contingent consideration	1.0	–	1.8	–	–	2.8	2.8
Borrowings	31.7	22.8	45.6	1,444.7	–	1,544.8	1,378.3
Total non-derivatives	467.7	32.6	65.0	1,492.1	159.7	2,217.1	2,002.4
Derivatives							
Gross settled							
Forward foreign exchange contracts/options							
– (inflow)	(410.3)	–	–	–	–	(410.3)	15.5
– outflow	421.1	–	–	–	–	421.1	
Cross currency interest rate swaps							
– (inflow)	(75.2)	(43.0)	(112.6)	(74.3)	–	(305.1)	12.4
– outflow	80.9	44.1	113.1	74.4	–	312.5	
Total derivatives	16.5	1.1	0.5	0.1	–	18.2	27.9

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	827.8	–	–	–	–	827.8	827.8
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	930.9	18.7	338.3	823.2	174.6	2,285.7	2,156.6
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	
Cross currency interest rate swaps							
– (inflow)	(1.0)	(166.8)	(134.3)	–	–	(302.1)	10.6
– outflow	1.7	172.9	136.5	–	–	311.1	
Total derivatives	6.7	9.0	7.0	4.3	–	27.0	53.4

Notes to the financial statements

For the year ended 30 June 2022

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 2022 were \$325.1m (2021: \$491.8m). All amounts are invested with financial institutions that have an investment grade rating.

Trade receivables at 30 June 2022 were \$102.1m (2021: \$76.5m). 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 \$3.8m (2021: \$1.9m) 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.

	2022 \$m	2021 \$m
Not past due	64.6	48.0
Past due less than 30 days	25.7	15.1
Past due 30 – 60 days	3.0	5.8
Past due 61 – 90 days	1.5	1.4
Past due 91 – 120 days	0.5	1.0
Past due 120+ days	0.1	0.8
Closing balance	95.4	72.1

Notes to the financial statements

For the year ended 30 June 2022

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 credit 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 contract 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.

	2022 \$m	2021 \$m
Trade receivables	102.1	76.5
Less: loss allowance	(6.7)	(4.4)
Net trade receivables	95.4	72.1
Contract assets	0.3	0.1
Other receivables (i)	474.1	677.9
Prepayments	26.5	21.0
Total trade and other receivables	596.3	771.1

(i) Other receivables

As at 30 June 2022, the other receivables balance includes \$467.4m (30 June 2021: \$671.6m) in proceeds owing from investors (net of Chinese taxes) as a result of the Zhaopin disposal with a related balance of \$255.7m (30 June 2021: \$707.6m) in other payables (refer note 13 Trade and other payables). The net amount owing to SEEK is \$199.0m, after expected settlement of entrusted loan facilities in Zhaopin and of residual transaction costs.

At 30 June 2022, SEEK had received 71.0% of the total consideration owing. After 30 June 2022, 33.5% of the remaining consideration (USD equivalent) was collected and SEEK will receive a pro rata portion in FY2023.

Of the remaining outstanding balance, a portion holds recourse to equity in Zhaopin in the event of default. SEEK therefore consider this portion to be fully recoverable. A further amount is contingent on certain other events occurring which SEEK also consider probable to occur.

The recoverability of the remaining receivables requires judgement. SEEK expect the remaining receivables to be fully recoverable, therefore no expected credit losses have been provisioned for this amount at 30 June 2022.

Notes to the financial statements

For the year ended 30 June 2022

12. Intangible assets

Critical accounting estimates and assumptions

Intangible assets with indefinite useful lives

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.

Notes to the financial statements

For the year ended 30 June 2022

12. Intangible assets continued

Accounting policy continued

(iv) Cloud computing arrangements

SEEK 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.

	Goodwill \$m	Brands and licences \$m	Customer relationships \$m	Software and website development \$m	Work in progress \$m	Total \$m
2021						
Cost						
Opening balance at 1 July 2020	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	(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)	–
Transfers to assets held for sale	(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	(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	–	2.6	11.0	66.4	–	80.0
Impairment loss	(12.7)	(27.1)	–	(3.9)	–	(43.7)
Exchange differences	(6.3)	–	3.1	2.4	–	(0.8)
Transfers to assets held for sale	–	–	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
2022						
Cost						
Opening balance at 1 July 2021	1,312.2	200.5	53.4	437.5	57.9	2,061.5
Additions	–	–	–	7.0	117.1	124.1
Acquisition of subsidiaries	5.8	–	–	0.2	–	6.0
Disposals	–	–	–	(14.2)	–	(14.2)
Exchange differences	42.3	7.1	2.7	2.3	0.4	54.8
Transfers	–	–	–	64.4	(64.4)	–
Closing balance at 30 June 2022	1,360.3	207.6	56.1	497.2	111.0	2,232.2
Amortisation						
Opening balance at 1 July 2021	(294.6)	(40.2)	(53.4)	(293.3)	–	(681.5)
Amortisation charge	–	–	–	(58.5)	–	(58.5)
Disposals	–	–	–	14.2	–	14.2
Exchange differences	(13.6)	(1.5)	(2.7)	(1.7)	–	(19.5)
Closing balance at 30 June 2022	(308.2)	(41.7)	(56.1)	(339.3)	–	(745.3)
Carrying value at 30 June 2022	1,052.1	165.9	–	157.9	111.0	1,486.9

Notes to the financial statements

For the year ended 30 June 2022

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.

	2022		2021	
	Goodwill \$m	Intangible assets with indefinite useful lives \$m	Goodwill \$m	Intangible assets with indefinite useful lives \$m
Employment Marketplaces				
SEEK Australia	14.7	1.4	14.7	1.4
SEEK New Zealand	5.5	–	5.7	–
SEEK Asia (i)	1,002.6	140.5	974.4	136.2
OCC	9.8	19.0	9.1	17.7
Jora	1.1	–	1.1	–
Sourcr	5.8	–	–	–
JobAdder	12.6	5.0	12.6	5.0
Total intangibles assets from continuing operations	1,052.1	165.9	1,017.6	160.3
Assets held for sale				
SEEK Growth Fund disposal group (ii)	354.6	–	352.8	–

Notes to the financial statements

For the year ended 30 June 2022

12. Intangible assets continued

(i) Cash-generating units continued

(i) SEEK Asia

SEEK Asia is a leading provider of online employment marketplaces operating across six 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.

(ii) SEEK Growth Fund disposal group

As at 30 June 2022, 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 %	
			2022	2021	2022	2021
SEEK Australia (i)	Fair value less costs of disposal	n/a	n/a	n/a	n/a	n/a
SEEK New Zealand (ii)	Fair value less costs of disposal	n/a	n/a	1.8	n/a	9.5
SEEK Asia	Fair value less costs of disposal	10	2.4	2.4	11.5	11.5
WorkAbroad (iii)	Fair value less costs of disposal	n/a	n/a	2.4	n/a	11.5
Brasil Online (iv)	Fair value less costs of disposal	n/a	n/a	3.5	n/a	16.0
OCC	Fair value less costs of disposal	10	3.1	3.0	13.5	13.5
JobAdder (v)	Fair value less costs of disposal	n/a	n/a	n/a	n/a	n/a

Notes to the financial statements

For the year ended 30 June 2022

12. Intangible assets continued

(ii) Impairment testing and key assumptions continued

(i) SEEK Australia

As at 30 June 2022, 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) SEEK New Zealand

As at 30 June 2022, the recoverable amount of SEEK New Zealand has been determined based on earnings multiples. The carrying amount of SEEK New Zealand is \$1.0m.

(iii) WorkAbroad

As at 30 June 2021, the carrying amount of WorkAbroad was no longer recoverable and an impairment charge (post-tax) of \$14.1m was recognised. This represented all remaining goodwill and other indefinite life intangible assets, and therefore WorkAbroad was not required to be tested for impairment at 30 June 2022.

(iv) Brasil Online

As at 30 June 2021, the carrying amount of Brasil Online was no longer recoverable and an impairment charge (post-tax) of \$19.5m was recognised. This represented all remaining goodwill and other indefinite life intangible assets, and therefore Brasil Online was not required to be tested for impairment at 30 June 2022.

(v) JobAdder

As at 30 June 2022, 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) Impairment losses recognised during the year

For the financial year ended 30 June 2022 no impairment losses have been recognised on goodwill or indefinite life intangibles (2021: \$46.9m).

13. Trade and other payables

	2022 \$m	2021 \$m
Trade payables	18.8	8.6
Accruals	129.8	100.2
GST and other indirect taxes payable	10.7	6.6
Other payables (i)	266.2	712.4
Total trade and other payables	425.5	827.8

(i) Other payables

As at 30 June 2022, the other payables balance includes \$255.7m (30 June 2021: \$707.6m) in consideration owing to the non-SEEK vendors of Zhaopin, with a related balance in other receivables (refer to Note 11 Trade and other receivables). These payables are expected to be settled following the receipt of proceeds.

Notes to the financial statements

For the year ended 30 June 2022

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.

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.

Notes to the financial statements

For the year ended 30 June 2022

14. Leases continued

(a) Amounts recognised in the Consolidated Balance sheet

(i) Right-of-use assets

As at 30 June 2022, SEEK holds \$176.4m (2021: \$192.9m) of right-of-use assets related to buildings leased under non-cancellable agreements which primarily expire within one to fifteen years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the lease are negotiated.

During the year, additions to right-of-use assets were \$1.9m (2021: \$206.2m). Prior year additions largely relate to the lease of SEEK's new global headquarters in Melbourne. SEEK also incurred \$49.9m in fit out costs relating to this lease, which have been reclassified to leasehold improvements, furniture, fittings and office equipment, and computer equipment during the year, from plant and equipment WIP at 30 June 2021.

(ii) Lease liabilities

	2022 \$m	2021 \$m
Current	19.0	17.1
Non-current	176.8	188.1
Total lease liabilities	195.8	205.2

Extension options

As at 30 June 2022, potential future undiscounted cash outflows of \$239.2m (2021: \$236.9m) 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 \$0.3m (2021: \$3.4m).

(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:

	2022 \$m	2021 \$m
Depreciation – right-of-use assets	18.3	14.3
Interest expense on lease liabilities – (in 'finance costs')	6.5	3.5

(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:

	2022 \$m	2021 \$m
Interest expense on lease liabilities – (in 'operating activities')	6.5	3.5
Principal elements of lease liabilities – (in 'financing activities')	11.9	7.1
Total cash outflow for lease liabilities	18.4	10.6

Notes to the financial statements

For the year ended 30 June 2022

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	
	2022 \$m	2021 \$m	2022 \$m	2021 \$m
Employee benefits provision	32.6	26.5	12.4	10.7
Other provisions	5.8	6.3	10.3	10.2
Total provisions	38.4	32.8	22.7	20.9

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 2021	2.2	3.0	7.2	4.1	16.5
Additional provision recognised in the year	0.2	–	0.8	0.4	1.4
Credited to the Consolidated Income Statement	(0.6)	–	–	(0.7)	(1.3)
Utilisation during the year	–	–	(0.8)	–	(0.8)
Effect of movement in foreign exchange	–	–	0.3	–	0.3
Balance at 30 June 2022	1.8	3.0	7.5	3.8	16.1
Current	1.5	1.0	–	3.3	5.8
Non-current	0.3	2.0	7.5	0.5	10.3

(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 22 Commitments and contingencies.

Notes to the financial statements

For the year ended 30 June 2022

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 2020	351,783,472	1,246,718	353,030,190	269.2
Issue of shares to satisfy future rights and options 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
Issue of shares to satisfy future rights and options exercises	–	1,150,000	1,150,000	–
Exercise of rights	360,899	(360,899)	–	–
Release of restricted shares	416,782	(416,782)	–	–
Balance at 30 June 2022	353,381,551	1,338,639	354,720,190	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.

Notes to the financial statements

For the year ended 30 June 2022

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.

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 27 Other significant accounting policies.

(a) Hedging reserves

	2022 \$m	2021 \$m
Cash flow hedge reserve	16.2	(11.5)
Net investment hedge reserve (i)	(88.9)	(46.3)
Fair value hedge reserve	3.3	1.7
Cost of hedging reserve	2.2	0.4
Total hedging reserve	(67.2)	(55.7)

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

(i) Net investment hedge reserve

The loss of \$42.6m (2021: gain of \$98.9m) in the Net investment hedge reserve was primarily due to the appreciation of the USD against the AUD during the period. The appreciation of the USD has impacted USD borrowings which have been designated as net investment hedges to SEEK's foreign operations.

Notes to the financial statements

For the year ended 30 June 2022

17. Reserves continued

(b) Other reserves

	2022 \$m	2021 \$m
Share-based payments reserve	130.9	121.9
Put option reserve (i)	–	(1.4)
Equity instruments revaluation reserve (ii)	(23.7)	78.0
Transactions with non-controlling interests reserve	(55.4)	(50.4)
Other reserves	(0.4)	(0.3)
Total other reserves	51.4	147.8

(i) Put option reserve

SEEK acquired a further 3.8% interest in JobAdder, resulting in the utilisation of the Put option reserve and a related movement in the Transactions with non-controlling interest reserve.

(ii) Equity instruments revaluation reserve

The loss of \$101.7m (2021: gain 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).

18. Dividends

	Payment date	Amount per share	Franked amount per share	Total dividend
2021				
2021 dividend ⁽¹⁾	24 May 2021	20.0 cents	20.0 cents	\$70.6m
Total dividend paid for the year ending 30 June 2021				\$70.6m
2022				
2021 final dividend	5 October 2021	20.0 cents	20.0 cents	\$70.8m
2022 interim dividend	7 April 2022	23.0 cents	23.0 cents	\$81.4m
Total dividends paid for the year ending 30 June 2022				\$152.2m

Dividends determined by the Board of the Company after the financial year (to be paid out of retained profits at 30 June 2022):

2022 final dividend	4 Oct 2022	21.0 cents	21.0 cents	\$74.5m
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(1) 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 \$116.6m at 30 June 2022 (2021: \$111.1m) based on a tax rate of 30% (2021: 30%).

The dividend payment on 4 October 2022 will be fully franked using this balance, and will reduce the franking credits available by \$31.9m for the SEEK Australian income tax consolidated group.

Notes to the financial statements

For the year ended 30 June 2022

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).

The following material subsidiaries have been fully consolidated in the financial statements of SEEK. The equity holdings listed below represent the look through equity interest held by SEEK.

Name of entity	Country of incorporation	Equity holding 2022 %	Equity holding 2021 %
SEEK (NZ) Limited	New Zealand	100	100
SEEK Learning Pty Ltd	Australia	100	100
SeekAsia Ltd (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 Recruitment (Thailand) Limited	Thailand	70	70
PT. Jobs DB Indonesia	Indonesia	100	100
Jobs DB Philippines Inc. ⁽¹⁾	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. ⁽¹⁾	Philippines	100	100
PT. JobStreet Indonesia	Indonesia	99.87	99.87
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	100	96.2

(1) External shareholders hold less than 0.01%.

(2) The operations of Zhaopin were deconsolidated from SEEK from 1 May 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 related 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.		

Notes to the financial statements

For the year ended 30 June 2022

19. Interests in controlled entities continued

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

As at 30 June 2022, the carrying amount of non-controlling interests from continuing operations was \$0.6m (2021: \$1.0m). Loss from continuing operations allocated to non-controlling interests for the year ended 30 June 2022 was nil (2021: \$0.4m).

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

The recoverable amount of 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 Accounting Standards, SEEK has evaluated the financial health and 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 information about some of SEEK's material interests in associates as at 30 June 2022.

Name of entity	Principal activity	Country of Incorporation	Nature of relationship	Ownership interest	
				2022 %	2021 %
Beijing Wangpin Consulting Co. Ltd (Zhaopin) ⁽¹⁾	Online job/education platform in China	China	Associate	23.5	23.5
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.

Notes to the financial statements

For the year ended 30 June 2022

20. Interests in equity accounted investments continued

(b) Summarised financial information for equity accounted investments

Summarised financial information has been presented for continuing operations only.

For the year ended 30 June 2022	Portfolio Investments		
	Zhaopin \$m	Other \$m	Total \$m
Summarised balance sheet (100%)			
Current assets	508.2	20.0	528.2
Non-current assets	225.3	3.0	228.3
Current liabilities	(590.8)	(5.1)	(595.9)
Non-current liabilities	(20.6)	(13.6)	(34.2)
NCl share of net assets	(3.9)	–	(3.9)
Net assets	118.2	4.3	122.5
Reconciliation to carrying amounts:			
Opening net assets	542.1	20.3	562.4
Share of results	5.9	(0.6)	5.3
Other comprehensive income	26.1	(0.4)	25.7
Closing net assets	574.1	19.3	593.4
SEEK interest			
SEEK's share of net assets	27.8	1.8	29.6
Goodwill	546.3	17.5	563.8
Carrying amount	574.1	19.3	593.4
Summarised statement of comprehensive income (100%)			
Gross revenue	711.6	13.7	725.3
Interest income	4.9	0.2	5.1
Depreciation and amortisation	(43.9)	(0.2)	(44.1)
Other operating costs	(644.3)	(18.0)	(662.3)
Interest expense	–	(0.7)	(0.7)
Income tax expense	(2.8)	(0.2)	(3.0)
Non-controlling interest	(0.4)	–	(0.4)
Profit/(loss) for the period	25.1	(5.2)	19.9
Other comprehensive income	–	–	–
Total comprehensive income/(loss)	25.1	(5.2)	19.9

Notes to the financial statements

For the year ended 30 June 2022

20. Interests in equity accounted investments continued

(c) Impairment testing and key assumptions

Effective 1 May 2021, SEEK sold down its controlling interest in Zhaopin, retaining a 23.5% equity accounted investment in the Zhaopin operations, which was measured at fair value at the date of the transaction.

Certain macroeconomic factors in the market in which Zhaopin operates, including the impact of continued COVID-19 related lockdowns across China during the year ended 30 June 2022 and the potential impact on expected revenue forecasts has resulted in management undertaking an assessment of Zhaopin's carrying value against its recoverable amount. The need for this assessment is compounded by the fact that the carrying value at the time of recognition of the investment equated to the recoverable amount, and therefore the fair value is sensitive to changes in assumptions over the past 12 months.

Management determines the recoverable amount with reference to a fair value less cost of disposal (FVLCD) discounted cash flow (DCF) model 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, past experience, external data and internal analysis.

The assessment of FVLCD for Zhaopin has been prepared based on cash flows that reflect:

- ongoing penetration of the large and growing human capital market in China and the cost to build and serve employment and career needs for candidates, hirers and students across adjacent areas; and
- margin expansion opportunity from growing revenue but also greater sales efficiency as a larger proportion of customer acquisitions and service functions are performed via online self service.

The key assumptions used in the assessment of FVLCD include revenue growth and EBITDA margins:

- revenue growth assumptions include a recovery to pre-COVID-19 levels in FY2024. The average annual growth across all revenue streams is within a range of 6% – 15% for the forecast period; and
- EBITDA margins are forecast in the range of 9% – 22% over the forecast period, with a slower recovery to pre-COVID-19 levels assumed when compared to revenue recovery.

	Valuation method	Years of cash flow projection	Terminal growth rate %		Post-tax discount rate %	
			2022	2021	2022	2021
Zhaopin	Fair value less costs of disposal	10	2.5	n/a	12.5	n/a

(d) Sensitivity analysis

The assumptions used in calculating the FVLCD DCF model for Zhaopin are sensitive and subject to some uncertainty. The calculation is most sensitive to:

- achievement of revenue and EBITDA margin forecasts;
- the timing and shape of the recovery in the Chinese economy, which is impacted by COVID-19 conditions and has an impact on Zhaopin's revenue growth profile;
- the intensity of competition which has a large impact on Zhaopin's revenue growth profile; and
- the macro-economic and political environment (specifically inputs such as inflation, interest rates and market risk premium) which have an impact on the discount rate.

The carrying value of the investment in Zhaopin is approximately equal to the recoverable amount, which is consistent to the fair value measured and recognised at the date of the transaction. As a result, any adverse changes, in aggregate, in key assumptions would result in the recoverable amount of Zhaopin falling below the carrying amount, resulting in a future impairment to the investment.

Notes to the financial statements

For the year ended 30 June 2022

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:

	2022 \$m	2021 \$m
Balance sheet		
Current assets	472.9	115.5
Total assets	2,720.8	2,274.9
Current liabilities	(291.8)	(262.1)
Total liabilities	(1,828.1)	(1,473.9)
Net assets	892.7	801.0
Equity		
Issued capital	269.2	269.2
Cash flow hedge reserve	16.2	(11.5)
Share-based payments reserve	127.2	118.7
Retained earnings	480.1	424.6
Total equity	892.7	801.0
Profit for the year	207.0	124.2
Total comprehensive income	234.7	164.7

Notes to the financial statements

For the year ended 30 June 2022

21. Parent entity financial information continued

(b) Significant transactions during the financial year

The parent entity did not have any significant transactions during the financial year.

(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\$652.5m. As at 30 June 2022, A\$1,144.4m principal had been drawn down against the facility, comprising A\$505.0m and US\$441.0m (2021: \$813.2m, comprising A\$345.0m and US\$351.0m). 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 Program by Jobstreet.com Pte Ltd (Singapore) and Job DB Hong Kong Limited. As at 30 June 2022, no such debt has been issued.

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

(d) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 30 June 2022 (2021: nil).

(e) Contractual commitments

Other commitments for the payment of IT and professional services and car parks under long-term contracts in existence totalled \$12.9m (2021: \$1.9m).

Unrecognised items

22. Commitments and contingencies

(a) Commitments

SEEK has commitments for expenditure of \$17.5m (2021: \$7.8m) 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.

(b) Contingencies

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 2022 amounted to \$34.6m (2021: \$38.8m) 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 2022, in addition to the provisions recognised in Note 15 Provisions, SEEK has unrecognised contingent liabilities of \$9.0m (2021: \$3.6m) which relate to labour and civil cases in Brasil Online.

23. Events occurring after balance sheet date

SEEK Growth Fund

On 11 July 2022 SEEK Growth Fund issued a further capital call to SEEK for \$32.6m. This was paid on 25 July 2022.

Notes to the financial statements

For the year ended 30 June 2022

Other information

24. Share-based payments

Critical accounting estimates and assumptions

Calculating the fair value

SEEK estimates the fair value of its Wealth Sharing Plan Options/Rights 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 Job Adder 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:

	2022				2021			
	ANZ, SEEK Asia, LatAm	Platform support	Corporate Costs	Total	ANZ, SEEK Asia, LatAm	Platform support	Corporate Costs	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
SEEK Limited options and rights	8.2	–	5.5	13.7	6.0	–	11.6	17.6
Subsidiary plans	1.0	0.5	–	1.5	0.2	0.3	–	0.5
Cash-settled share-based payments	0.2	–	–	0.2	0.8	–	–	0.8
Other associated costs	0.6	–	0.4	1.0	0.4	–	1.3	1.7
Total share-based payments expense	10.0	0.5	5.9	16.4	7.4	0.3	12.9	20.6

Notes to the financial statements

For the year ended 30 June 2022

24. Share-based payments continued

(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.

2022			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	373,842	–	–	–	–	373,842	–
Nov 2020 – Mar 2021	5	\$20.51	307,686	–	–	–	–	307,686	–
7 October 2021	5	\$34.40	–	137,939	–	–	–	137,939	–
1 December 2021	5	\$34.40	–	170,764	–	–	–	170,764	–
30 March 2022	5	\$34.40	–	5,916	–	–	–	5,916	–
Total			1,217,541	314,619	–	–	–	1,532,160	–
Wealth Sharing Plan Rights									
Oct 2018 – Jun 2019	5	\$0.00	623,016	–	(334,914)	–	–	288,102	–
Sep 2019 – Mar 2020	5	\$0.00	472,012	–	–	–	(35,855)	436,157	–
Nov 2020	5	\$0.00	549,710	–	–	–	(123,602)	426,108	–
7 October 2021	5	\$0.00	–	225,182	–	–	–	225,182	–
1 December 2021	5	\$0.00	–	59,911	–	–	–	59,911	–
30 March 2022	5	\$0.00	–	1,115	–	–	–	1,115	–
Total			1,644,738	286,208	(334,914)	–	(159,457)	1,436,575	–
Restricted Rights									
25 February 2021	1	\$0.00	3,094	–	–	–	(3,094)	–	–
25 February 2021	2	\$0.00	3,094	–	–	–	(3,094)	–	–
7 October 2021	1	\$0.00	–	8,126	–	–	–	8,126	–
7 October 2021	2	\$0.00	–	8,126	–	–	–	8,126	–
30 March 2022	1	\$0.00	–	2,975	–	–	–	2,975	–
Total			6,188	19,227	–	–	(6,188)	19,227	–
Equity Rights									
Nov 2020	2	\$0.00	8	–	(8)	–	–	–	–
7 October 2021	2	\$0.00	–	7	–	–	–	7	–
1 December 2021	2	\$0.00	–	1	–	–	–	1	–
Total			8	8	(8)	–	–	8	–
Performance Rights									
Nov 2020 – Mar 2021	2	\$0.00	65	–	(65)	–	–	–	–
7 October 2021	2	\$0.00	–	64	–	–	(1)	63	–
1 December 2021	2	\$0.00	–	2	–	–	–	2	–
30 March 2022	2	\$0.00	–	13	–	–	–	13	–
Total			65	79	(65)	–	(1)	78	–
Total All Plans			2,868,540	620,141	(334,987)	–	(165,646)	2,988,048	–

Notes to the financial statements

For the year ended 30 June 2022

24. Share-based payments continued

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	–
Nov 2020 – Mar 2021	5	\$20.51	–	465,912	–	–	(158,226)	307,686	–
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	–
Sept 2019 – Mar 2020	5	\$0.00	546,112	–	–	–	(74,100)	472,012	–
Nov 2020	5	\$0.00	–	651,557	–	–	(101,847)	549,710	–
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)	–	–	–	–
Nov 2020	2	\$0.00	–	8	–	–	–	8	–
Total			7	8	(7)	–	–	8	–
Performance Rights									
Oct 2019 – Apr 2020	2	\$0.00	69	–	(69)	–	–	–	–
Nov 2020 – Mar 2021	2	\$0.00	–	70	–	–	(5)	65	–
Total			69	70	(69)	–	(5)	65	–
Total All Plans			3,144,931	1,123,735	(369,158)	(598,107)	(432,861)	2,868,540	–

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
2022 – SEEK Limited							
Weighted average exercise price	\$9.14	\$17.45	\$0.00	–	\$0.00	\$12.39	–
2021 – SEEK Limited							
Weighted average exercise price	\$7.02	\$8.50	\$0.00	\$0.00	\$12.55	\$9.14	–

The weighted average share price at the date of exercise of options exercised during the year ended 30 June 2022 was \$31.43 (2021: \$27.94).

The weighted average remaining contractual life of share options outstanding at the end of the year was 2.6 years (2021: 3.1 years).

Notes to the financial statements

For the year ended 30 June 2022

24. Share-based payments continued

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	
2022						
					Rights	Options
7 October 2021	30 June 2026	\$31.36	29%	1.3%	0.57%	0.69%
1 December 2021	30 June 2026	\$34.75	29%	1.2%	1.10%	1.21%
30 March 2022	30 June 2026	\$30.12	29%	1.4%	2.34%	2.46%
2021						
					Rights	Options
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%

(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. All outstanding share options have lapsed during the year, resulting in no share options being on issue at 30 June 2022.

2022 – OCC			Number of options					Vested and exercisable at balance date
Grant date	Expiry date (years)	Exercise price (US\$)	Opening balance	Granted during the year	Exercised during the year	Lapsed during the year	Closing balance	
Schemes issued prior to FY2014			2,038	–	–	(2,038)	–	–
Balance at 30 June 2022			2,038	–	–	(2,038)	–	–
Weighted average exercise price			\$144.56	n/a	n/a	\$144.56	n/a	n/a
2021 – OCC								Vested and exercisable at balance date
Grant date	Expiry date (years)	Exercise price (US\$)	Opening balance	Granted during the year	Exercised during the year	Lapsed during the year	Closing balance	
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

The weighted average remaining contractual life of share options outstanding at 30 June 2021 was 1.0 year.

(e) Share option plans – JobAdder

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

2022 – JobAdder			Number of options					Vested and exercisable at balance date
Grant date	Expiry date (years)	Exercise price (AUD\$)	Opening balance	Granted during the year	Exercised during the year	Lapsed during the year	Closing balance	
1 July 2020	4	\$1,208.50	521	–	–	(65)	456	–
Balance at 30 June 2022			521	–	–	(65)	456	–
Weighted average exercise price			\$1,208.50	n/a	n/a	\$1,208.50	\$1,208.50	n/a
2021 – JobAdder								Vested and exercisable at balance date
Grant date	Expiry date (years)	Exercise price (AUD\$)	Opening balance	Granted during the year	Exercised during the year	Lapsed during the year	Closing balance	
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 2.0 years (2021: 3.0 years).

Notes to the financial statements

For the year ended 30 June 2022

25. 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

	2022 \$	2021 \$
Dividends and distributions received from equity accounted investments	–	447,473
Convertible loans advanced to equity accounted investments (i)	4,110,000	439,629
Convertible loans repaid or converted to equity	–	1,641,794
Revenue generated from equity accounted investments	1,615,514	1,546,840
Interest income from equity accounted investments	276,205	131,219

(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

	2022 \$	2021 \$
Amounts receivable from equity accounted investments	4,533,054	1,489,033
Provision for doubtful debts related to amounts receivable from equity accounted investments	9,548	61,374
Amounts payable to equity accounted investments	1,040,941	1,123,618

(c) Transactions with key management personnel

	2022 \$	2021 \$
Short-term employee benefits	4,035,864	6,715,370
Post-employment benefits	155,459	164,382
Share-based employee benefits	4,157,400	7,114,111
Other long-term benefits	76,590	499,847
	8,425,313	14,493,710

(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.

Notes to the financial statements

For the year ended 30 June 2022

26. 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:

	2022 \$	2021 \$
Audit services		
Audit services		
PricewaterhouseCoopers Australia	1,714,931	1,709,703
Network firms of PricewaterhouseCoopers Australia	954,625	1,059,883
Total remuneration for audit services	2,669,556	2,769,586
Non-audit services		
Other assurance services		
PricewaterhouseCoopers Australia	70,000	29,600
Total remuneration for other assurance services	70,000	29,600
Taxation services		
PricewaterhouseCoopers Australia – compliance services	900	2,250
Network firms of PricewaterhouseCoopers Australia – compliance services	22,946	63,638
Network firms of PricewaterhouseCoopers Australia – due diligence services	–	76,874
Total remuneration for taxation services	23,846	142,762
Other services⁽¹⁾		
PricewaterhouseCoopers Australia	381,000	280,500
Network firms of PricewaterhouseCoopers Australia	–	226,575
Total remuneration for other services	381,000	507,075
Total remuneration for non-audit services	474,846	679,437
Total remuneration of Auditor	3,144,402	3,449,023
Non-PwC audit firms – services provided to SEEK Growth Fund		
Audit services	176,500	–
Other non-audit services – taxation compliance services	100,000	–
Total remuneration of non-PwC audit firms⁽²⁾	276,500	–

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

(2) During the year the auditor of SEEK Growth Fund was also engaged to provide non-audit services to other SEEK companies.

27. 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.

Notes to the financial statements

For the year ended 30 June 2022

27. 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 Operations and Administration expenses), 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 Accounting Standards, Amendments and Interpretations

(i) New Accounting Standards, Amendments and Interpretations issued and effective

The financial statements have been prepared on the basis of accounting consistent with prior year, with the exception of new Accounting Standards, Amendments and Interpretations which became effective for SEEK from 1 July 2021. The adoption of these new Standards, Amendments and Interpretations did not have a material impact on the amounts recognised in current or prior periods.

(ii) Accounting Standards, Amendments and Interpretations issued but not yet effective

A number of new Accounting Standards, Amendments and Interpretations have also been issued and will be applicable in future periods. While these remain subject to ongoing assessment, no significant impacts on SEEK's financial statements have been identified to date. These Standards, Amendments and Interpretations have not been applied in the preparation of these Financial Statements.

Directors' Declaration

In the directors' opinion:

- (a) the financial statements and notes set out on pages 38 to 98 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 2022 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 38 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

16 August 2022

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 2022 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 2022
- 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 \$17 million. This represents approximately 5% of the Group's continuing operations profit before tax.
- 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 profit before tax because, in our view, it is the benchmark against which the performance of the Group is most commonly measured.

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, SEEK Asia, SEEK Growth Fund and Online Education Services, were conducted.
- Specified audit procedures over Brasil Online, OCC and Sidekicker were conducted.
- 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 period through phone calls, discussions and written instructions. We tailored our audit approach accordingly, considering factors such as relevant risks for the Group and materiality.



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.

Key audit matter	How our audit addressed the key audit matter
Carrying value assessment of goodwill, indefinite lived intangible assets and equity accounted investments <i>(Refer to note 12 - intangible assets and note 20 – interests in equity accounted investments) \$1,052.1m Goodwill, \$165.9m of indefinite lived intangible assets and \$593.4m of equity accounted investments.</i> Goodwill and intangible assets with indefinite useful lives are allocated to a cash-generating unit (CGU) or group of CGU's and tested annually for impairment. Equity accounted investments of \$593.4m are subject to impairment trigger assessments, resulting in the Zhaopin equity investment of \$574.1m requiring a full impairment assessment at 30 June 2022. The valuation models used by the Group to perform the impairment assessments 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 has been derived from approved budgets and the Group's long-term forecasting. We considered the impairment assessment of goodwill, indefinite lived intangible assets and equity held investments 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.	We evaluated the Group's allocation of goodwill and intangible assets with indefinite useful lives to CGU's or groups of CGU's to ensure this was consistent with our knowledge of the Group's operations and internal Group reporting. For the significant CGUs of SEEK Asia and Zhaopin, which are assessed 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 prior year forecasts to actual performance. • assessing the forecast cash flow growth assumptions, including considering external data sources, and where applicable, historic and current performance to 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. • evaluating the adequacy 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

The accounting and valuation of SEEK Growth Fund disposal group (Refer to note 1 and 2)

The SEEK Growth Fund (and all assets that form part of the Fund) continues to be classified as held for sale as at 30 June 2022. The financial results of these investments have 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 classification and measurement of 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.
- the significant impact on the financial report arising from the fair value assessment of SEEK Growth Fund.

We performed the following procedures, amongst others:

- read the relevant business plans and director meeting minutes to evaluate the Group's assessment of the Fund being classified as held for sale in accordance with applicable Australian Accounting Standards.
- With assistance from independent valuation experts for selected investments;
 - i) developed a range of valuations to compare against those determined by the Group, or;
 - ii) tested the directors' valuation by evaluating the methodology applied and tested selected key inputs and assumptions.
- considered the appropriateness of the Group's valuation methodology against the requirements of Australian Accounting Standards.
- evaluated the adequacy of the disclosures made in the financial report in accordance with the requirements of Australian Accounting Standards

Recoverability of other receivables – outstanding proceeds from Zhaopin disposal (Refer to note 11 and note 13)

Other receivables include \$467.4m in proceeds from investors (net of Chinese taxes), offset by other payables of \$255.7m. After expected settlement of entrusted loan facilities in Zhaopin and residual transaction costs, the net amount outstanding to SEEK is \$199.0m.

We performed the following procedures amongst others:

- evaluated the Group's assessment of recovering the outstanding amounts.

For the portion of outstanding receivables that holds recourse to Zhaopin equity:

- read the key terms of the sale and purchase agreements, to assess SEEK's right of



Key audit matter

the outstanding amounts, a portion holds recourse to Zhaopin equity in the event of a default, with the remainder being contingent on other events occurring. Management considers the receivables to be fully recoverable, with no credit loss provision recognised at 30 June 2022.

This is a key audit matter because of the size of outstanding amounts being material to SEEK, and judgement involved in assessing the recoverability of outstanding balances.

How our audit addressed the key audit matter

recourse to Zhaopin equity, in the event of default.

- evaluated the Group's assessment of the carrying value of the underlying asset (Zhaopin).
- evaluated the adequacy of the disclosures made in the financial report in accordance with the requirements of Australian Accounting Standards.

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 2022, but does not include the financial report and our auditor's report thereon. Prior to the date of this auditor's report, the other information we obtained included the Directors' Report and the Letter from Remuneration Committee Chairman. We expect the remaining other information to be made available to us after the date of this auditor's report.

Our opinion on the financial report does not cover the other information and we do not and will not express an opinion or 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.

When we read the other information not yet received, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and use our professional judgement to determine the appropriate action to take.

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 20 to 36 of the directors' report for the year ended 30 June 2022.

In our opinion, the remuneration report of SEEK Limited for the year ended 30 June 2022 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 blue ink signature, likely of a representative of PricewaterhouseCoopers, written in a cursive style.

PricewaterhouseCoopers

A blue ink signature, likely of Andrew Cronin, written in a cursive style.

Andrew Cronin
Partner

Melbourne
16 August 2022