



25 February 2020

ASX Market Announcements Office

Dear Sir/Madam

SEEK Limited (SEEK) - FY2020 Half Year Results Presentation

In accordance with the Listing Rules, SEEK releases its FY2020 Half Year Results Presentation to the market.

This document was authorised for release by SEEK's Board of Directors.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Lynne Jensen".

Lynne Jensen
Company Secretary

For further information contact:

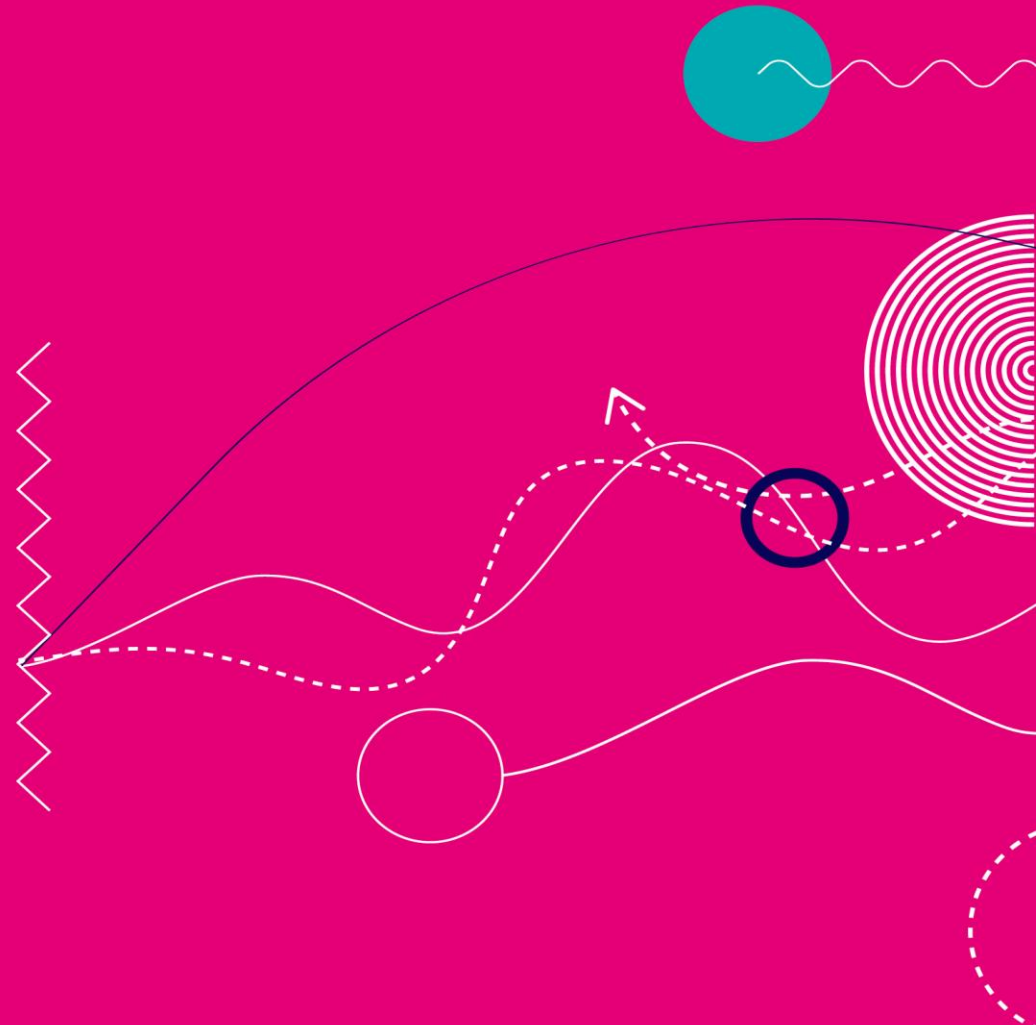
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SEEK Limited H1 20 Results Presentation

6 months to 31 December 2019



SEEK is fulfilling its purpose on a large scale...

Market leading businesses with large addressable markets

Population exposure

c2.9B

GDP exposure

c26%
of Global GDP

Strong assets and capabilities to leverage into our growth strategy

Asia Pacific & Americas (AP&A)

Candidates

45M+

Hirers

200k+

Visits per annum¹

1.2B+

SEEK Investments

Candidates

200M+

Hirers

900K+

Students / Learners

55M+

Entrepreneurial mindset with a track record of long-term value creation

TSR² of

1,290%_{vs}
ASX of 240%

IRR of

25%+
SEEK Investments
(Current portfolio)³

SEEK's Purpose: We help people live more fulfilling and productive working lives and help organisations succeed.

...as we aggressively pursue a A\$5b revenue opportunity by FY25.

Asia Pacific & Americas (AP&A)



Aligning Price to Value

Bringing SEEK Asia to ANZ baseline

Product Set Expansion

Utilise ANZ Product & Tech and key learnings to help in Aligning Price to Value & Product Set Expansion

Key Growth Drivers

SEEK Investments



M&A and Entrepreneurial Activities

Online Employment

Scaling up existing partners & signing new partners

Adjacent Market Expansion

Adjacent market expansion (short courses & micro-credentials)

Online Education

HR SaaS

Contingent Labour

- cA\$5b¹ aspirational revenue opportunity equates to an FY18 to FY25 Revenue CAGR of c20%
- Delivering revenue growth in the range of c16 - 18% (FY19 & H1 20) in weak macro environment gives us confidence in our outlook
- If we invest and execute well, we expect this to translate into increased profitability and overall growth in shareholder value

We made tangible progress in all strategic priorities during H1 20...

Asia Pacific & Americas (AP&A)



Aligning Price to Value

- New pricing & contract structure for subscription contracts¹

Product Set Expansion

- Increased depth product adoption
- Building new products to increase efficiency for candidates & hirers

Lifting the baseline

- Operating model established
- Key technology decisions made & being implemented
- Applying ANZ experience to progress the roll out of new products in Asia

SEEK Investments



M&A and Entrepreneurial Activities

Online Employment

- Investing to deliver better:
 - Data, AI and search & match
 - New mobile and chat functionality
 - Sales efficiencies

Adjacent Mkt Expansion

- Strong growth in BPO, Training & Campus

Scaling up partners

- Maximised SOL & WSU student body
- Scaling up QUT & UK partnerships

Adjacent Mkt Expansion

- Developing micro-credentials

- Deployed A\$105M
- Strong portfolio performance & “look-through” Revenue growth of 30%+ vs PcP²

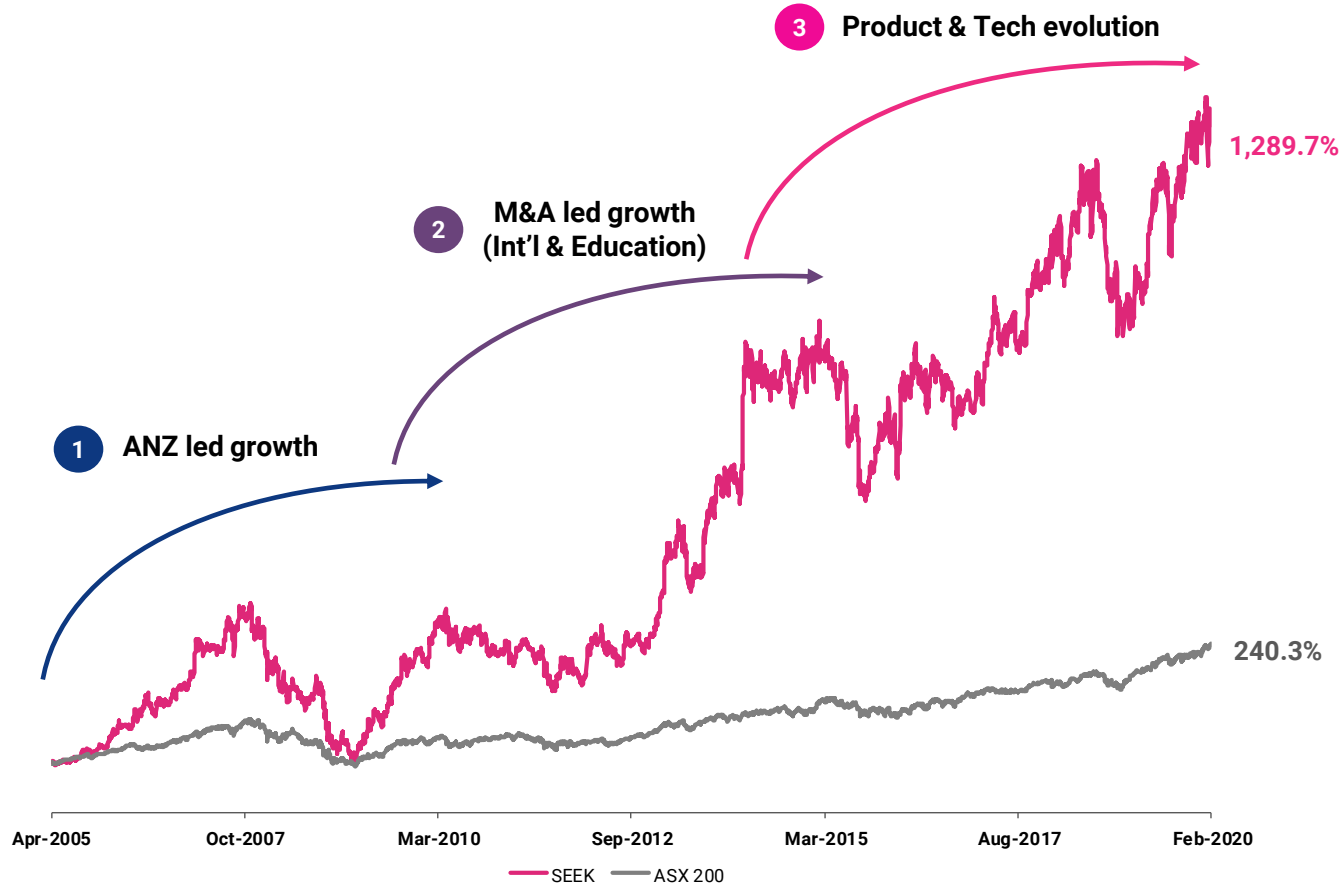
Our opportunity set is large but requires an entrepreneurial approach to innovate and evolve the business

...and are confident in our ability to unlock significant financial benefits over time.

- **Benefits of our investment process are first seen in our operating metrics followed by our financial results**
 - Seeing positive momentum across key operating metrics
 - History has shown that translation to significant financial and valuation pay-off takes 3-5 years
 - *ANZ model evolution from online classifieds to leading product & tech business*
 - *Scaling Zhaopin & OES from loss making start-ups to significant standalone businesses*
- **Our optimism for the long-term means we are maintaining our investment bias**
 - Current investment focus means we are under-earning in FY20, sacrificing short-term profitability for greater long-term upside
 - Macro factors may impact our short-term financials but have little bearing on our future prospects
- **In the long-term our strategy and investment bias will grow SEEK's defensibility and profitability**

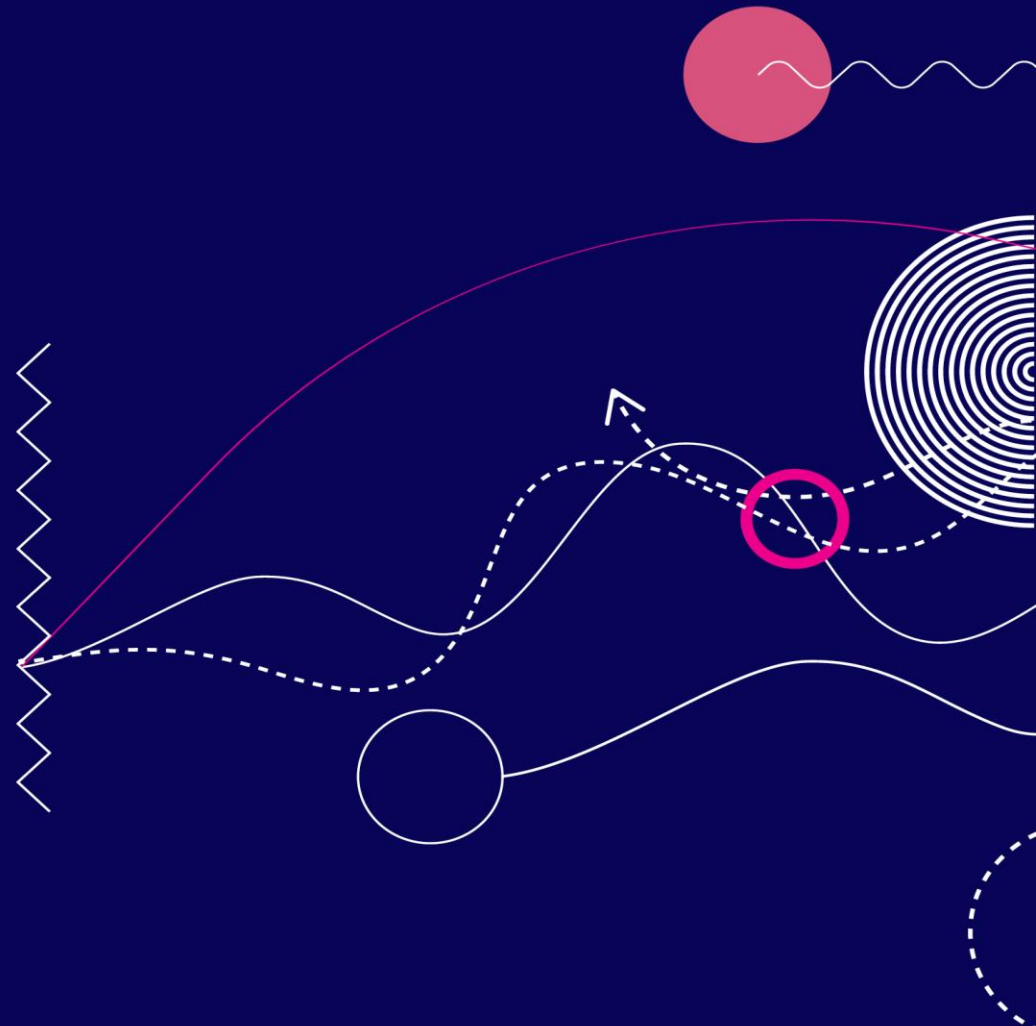
SEEK's approach to long-term investment has created significant shareholder value

c5x¹ TSR vs ASX 200 since IPO despite the economic cycle and aggressive competition



- SEEK has a strong track record of continually investing and evolving to drive long-term shareholder value
- We are well positioned and continue to invest to capture the next leg of growth

Group Financial Performance



Resilient result in the context of subdued macro economic conditions and continued investment

H1 20 Financials (A\$m)¹

	H1 20	H1 19	Growth %	Constant Currency %
Revenue				
SEEK ANZ	224.4	222.0	1%	1%
SEEK Asia	91.3	84.7	8%	0%
LatAm	43.0	43.9	(2%)	(5%)
AP&A Other	1.1	1.3	(15%)	(15%)
AP&A	359.8	351.9	2%	0%
Zhaopin	418.4	319.0	31%	27%
OES	65.1	61.5	6%	6%
ESVs	32.2	24.8	30%	30%
SEEK Investments	515.7	405.3	27%	24%
Total Revenue	875.5	757.2	16%	13%
EBITDA				
SEEK ANZ	134.2	134.2	0%	0%
SEEK Asia	45.6	44.6	2%	(5%)
LatAm	7.4	8.8	(16%)	(18%)
AP&A Other	(9.2)	(9.6)	(4%)	(4%)
AP&A	178.0	178.0	0%	(2%)
Zhaopin	69.9	56.0	25%	22%
OES	18.6	20.0	(7%)	(7%)
ESVs	(5.2)	(4.3)	21%	19%
SEEK Investments	83.3	71.7	16%	14%
Corporate Costs	(13.9)	(11.2)	24%	23%
Total EBITDA²	247.4	238.5	4%	1%
Depreciation & Amortisation	(65.0)	(39.8)	64%	
Net interest	(28.0)	(19.1)	46%	
Share-based payments	(11.8)	(9.4)	24%	
Share of equity accounted results	(18.2)	(6.3)	190%	
Other items	(0.5)	0.0	n/m	
Tax	(35.1)	(48.4)	(28%)	
Non-controlling interests	(13.2)	(13.0)	2%	
Reported NPAT (excl Sign. Items) (a)	75.6	102.5	(26%)	
Significant items (b)	0.0	(3.2)		
Reported NPAT (a+b)	75.6	99.3	(24%)	

Results & Insights

H1 20 revenue growth of 16% (all organic)

- AP&A: resilient result despite weak macro conditions
- SEEK Investments: strong revenue growth from Zhaopin & ESVs

EBITDA growth less than revenue growth due to investment focus

FX impact:

- Reported A\$ results positively impacted by A\$ depreciation

Reported NPAT before significant items down 24%

- Higher costs associated with increased product & tech investment; M&A and ESV scale up
- Reported NPAT includes losses from SEEK Investments ESVs: \$25.3m (H1 19: \$10.1m) & AP&A Other: \$8.3m (H1 19: \$9.0m)

Accounting Standards require us to expense ESV losses but not recognise the long-term economic value created³

Reported EPS of 21.5 cents

¹ In H1 20 a number of small entities have moved between segments. H1 19 segment results have been restated to reflect these changes. There is no impact on Total Group Reported H1 19 results. Refer to page 35 for further detail

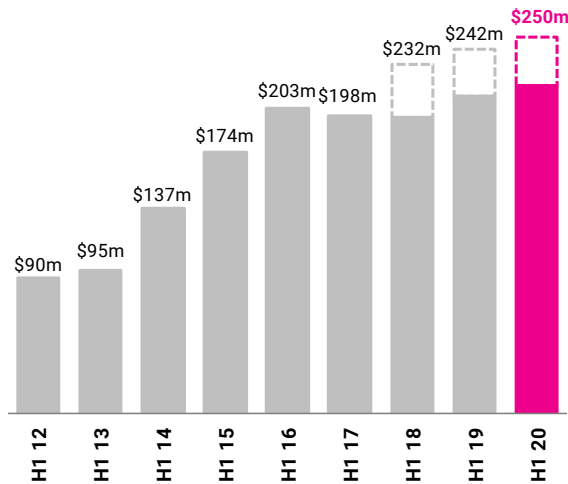
² H1 20 EBITDA reflects changes required under AASB 16 Leases. H1 19 financials have not been restated. Excluding the AASB 16 effect, EBITDA would have decreased by 2%. Refer to slide 37 for further detail

³ Portfolio ESV valuation of A\$530m based on valuations at 30 June 2019 of A\$425m + A\$105m of incremental capital deployed into ESVs in H1 20

SEEK generates strong cash flows which have been deployed into high growth opportunities...

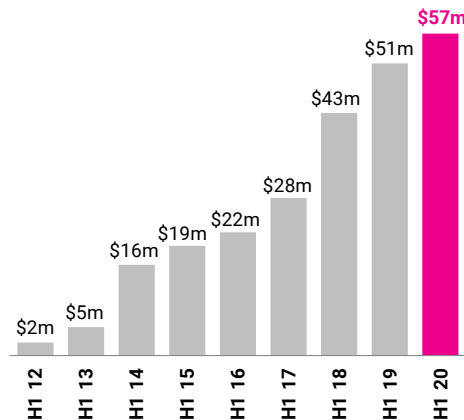
Strong operating cash flows...

Operating cash flows A\$m



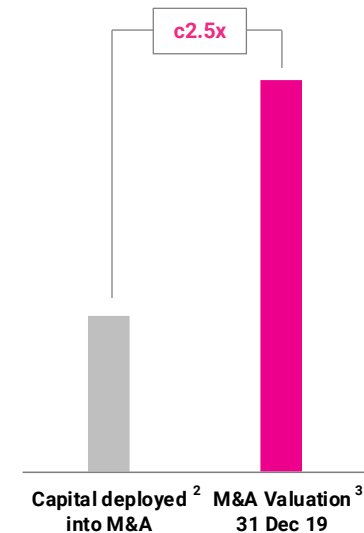
..have been deployed into high returning capex...

Product & Tech capex A\$m



..and high growth M&A

Value created through M&A



- Strong Operating cash flow¹ has created capacity for Capex and M&A
- Operating cash flow to EBITDA to conversion of c101%
 - Includes OES cash receipts of cA\$32m (received Jan 2020)
 - Excluding OES, conversion was 88%

- Consistently increasing our capex investment given track record of high returns
- c3x Revenue return on ANZ product & tech capex, and strong revenue returns in Zhaopin

- c2.5x return on capital deployed
- cA\$105m of capital deployed in H1 20 including jobandtalent

¹ Cash flows from operating activities excluding interest, transaction costs and tax payments

² Net Capital deployed towards current investments from date of initial investment up to 31 December 2019

³ M&A Valuation = SEEK Group Enterprise Value (EV) less ANZ EV based on broker consensus

...and we have evolved our capital structure to support our growth strategy.

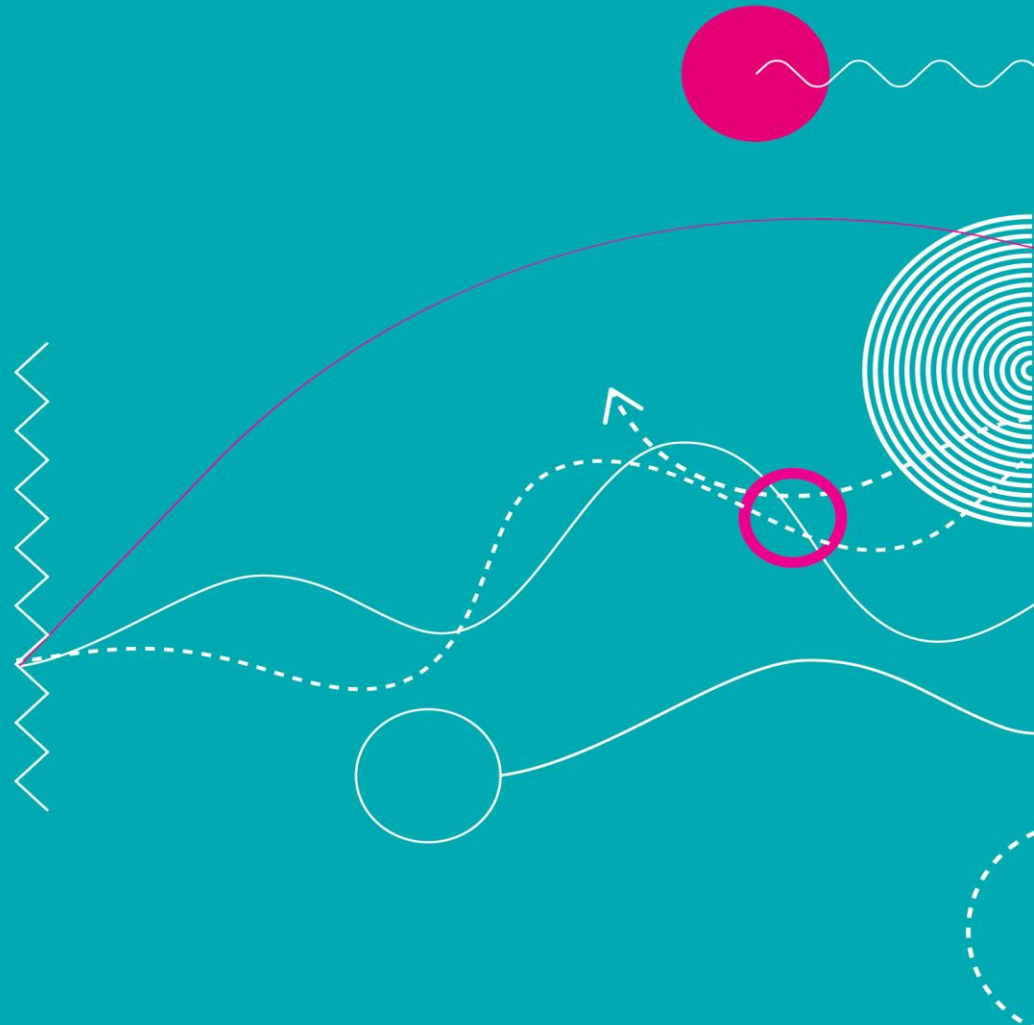
SEEK's dividend payout reflects our investment strategy...

- **Dividend policy**
 - As communicated at our FY19 results we have revised our dividend policy to support investment into high ROI initiatives (capex & M&A) as SEEK pursues large new revenue opportunities
 - Payout ratio of 30-50% of Group Cash NPAT¹
- **H1 FY20 dividend of 13 cents, down 46% vs pcp**
 - Paying at the lower end of the range given the significant capital we deployed in M&A during H1 20 and increased uncertainty caused by Coronavirus

...and we have improved our capital structure to support our growth aspirations

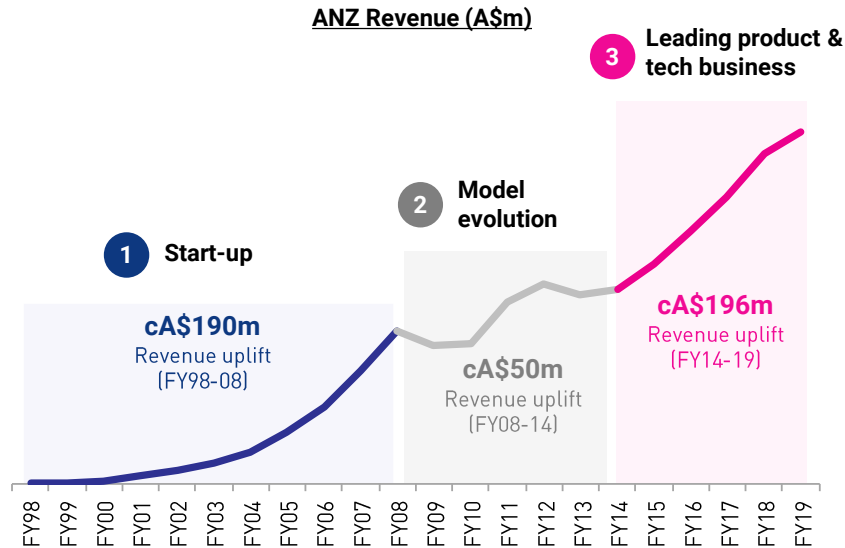
- **New & diversified capital structure to support growth aspirations**
 - **Refinanced syndicated loan facility (Jan-20):** improved pricing & terms
 - **New source of capital:** Issued A\$150m Floating Rate Subordinated Notes (Dec-19)
 - **Overall longer tenor:** Increased tenor of debt (average 3.5 years)
- **Robust credit metrics**
 - EBITDA/Net Interest of 8.7x²
 - Net Debt/EBITDA of 1.9x²
 - Net debt of A\$895m at 31 December 2019

Asia Pacific & Americas (AP&A)



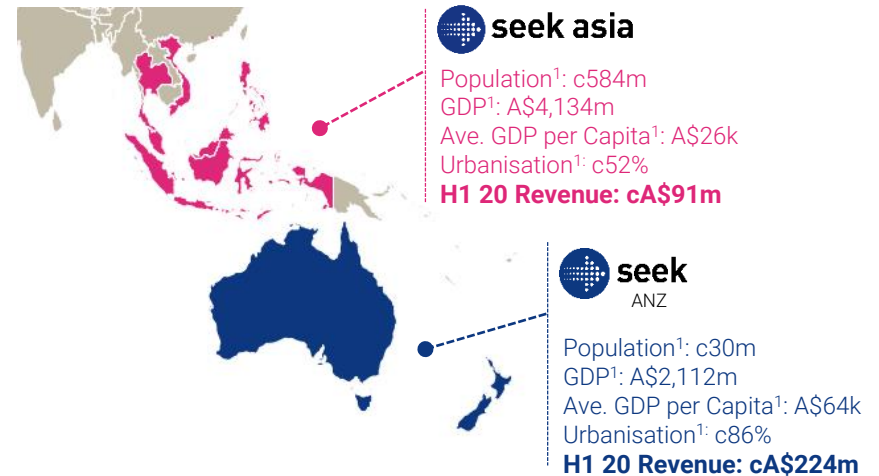
AP&A is leveraging ANZ's capability and product & tech initiatives across a much larger opportunity set

SEEK has a track record of innovation and revenue growth in ANZ...



Proven record of investing and evolving the business which has driven long-term revenue growth

...and is now taking ANZ's success to a much larger market opportunity.



Now leveraging SEEK ANZ's capability and experience into the larger SEEK Asia footprint

- Investment in product & tech capability transformed the ANZ business and continues to deliver a significant revenue uplift
- Large market opportunity for ANZ and Asia as long we keep investing and innovating

AP&A is investing in long term competitiveness despite weaker volumes

- **Economic and geopolitical challenges weighed on job ad volumes**
 - Ad volumes weak in ANZ, but some positive signs from SMEs at the end of H1 20
 - Material volume declines in Hong Kong due to economic impacts of unrest
 - Growth slow in Singapore and Malaysia but developing markets better
- **Growth in depth provided some offset**
 - Depth revenue growth of 17% (ANZ) and 22% (Asia) on pcg showed benefits of prior investment
- **Market positions remained strong**
 - Key competitive metrics remained strong in all markets
 - Competition intensifying, requiring ongoing investment and innovation
- **Strategic priorities progressing**
 - New ANZ pricing capability developed and in market¹
 - Focused on creating flexibility and efficiency for all hirers and a more equitable marketplace
 - No material financial benefit expected in FY20
 - Platform unification underway with more work ahead

ANZ revenue and EBITDA flat due to economic conditions

Financials

	A\$m		Growth
	H1 20	H1 19	%
Revenue	224.4	222.0	1%
EBITDA	134.2	134.2	0%
EBITDA (%)	60%	60%	

Revenue growth of 1% attributable to:

- 4% depth (Premium, Standout, Premium Talent Search etc)
- 3% average price increase
- 2% mix/other
- (8)% volume decline

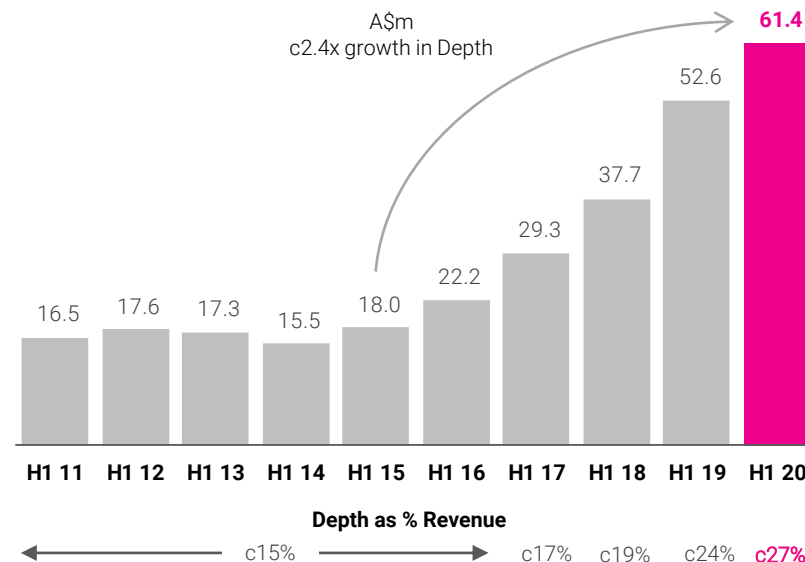
Volumes weak but depth growth strong

- Reflects benefits from sustained reinvestment (see *RHS*)

Ongoing investment will extend growth profile

- Ongoing product enhancements including depth
- Data platforms and analytics have potential to improve candidate experience and hirer ROI

Strong growth in depth revenue¹



Depth revenue grew by 17%

- Depth revenue grew despite negative job ad volumes
 - Premium Ads (+31%) & Standout Ads (+14%) revenue growth
- Bodes well for strong depth growth in a tighter labour market
 - Premium ad now 4%+ of total ads (penetration upside)
 - Currently c27% of ANZ revenue is from depth
 - Online peers generate c50-75% of revenue from depth

SEEK ANZ continues to lead the market across key metrics despite strong competition

Market leadership in key operating metrics...

Largest candidate audience

Market leader with c35m+ monthly visits

- c70% of total traffic via mobile
- c75% of traffic is direct¹

14m² candidate profiles

c85%+ of ANZ labour force



Greatest unique job ad scale

SEEK ANZ has the largest pool of unique job ads

- Jora has largest number of job ads of any AU aggregator (c300k ads/mth in AU)



Highly effective marketplace

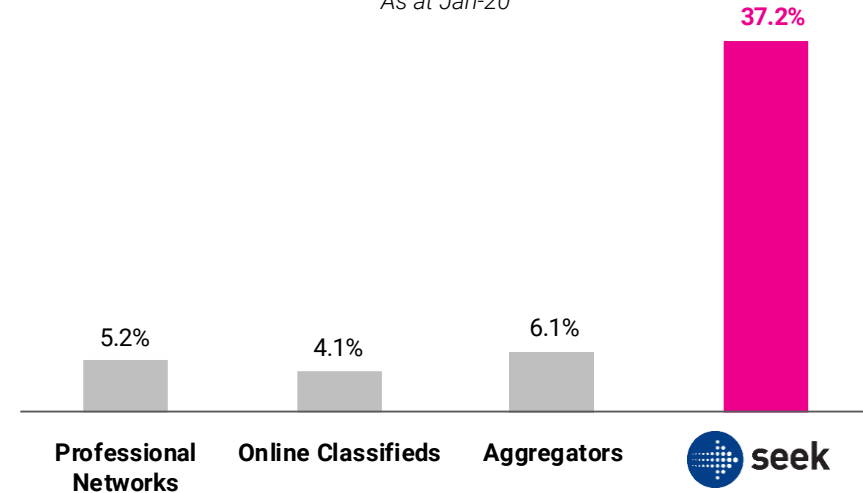
Using AI & unique data to improve relevance

- Smarter search and new global recommendations engine surfacing the most relevant jobs and driving an uplift of c20% in applications (vs pcp)
- 5.5m+ candidates receiving 40m+ weekly job recommendations

...translates into a large lead in placements

Share of AU Placements (%)

As at Jan-20



Note: Offline channels (mainly word of mouth, HR/Employer site, notice boards, etc.) account for a combined 28% of placements

37%

Placements³

Lead of c6x over nearest competitor

81%

Brand Awareness

Lead of c2x over nearest competitor

¹ Includes traffic direct to the SEEK website & app (including e-mail notifications)

² Searchable profiles of c10.3m (31 December 2019)

³ Includes SEEK and Jora placements. Source: Independent research conducted on behalf of SEEK. Study is conducted quarterly among c3k Australian's that changed / started jobs in the last 12 months. Data is weighted to be nationally representative of the Australian labour force with quotas set for age, gender, location and employment status.

SEEK ANZ is making progress across its two key growth drivers

Scale and depth of candidate and hirer relationships underpin two growth opportunities:



Aligning price to value

Move to a more equitable and efficient marketplace by aligning price to value based on a number of factors including candidate supply

Key H1 20 achievements

- Announced changes to pricing & contract structure¹:
 - Variable pricing of classic job ads
 - Transition to a new more flexible SEEK contract
 - Transition to standardised discounts based on committed annual job ad spend

Future growth drivers

- Increasing premium ad penetration
- Development of new performance products
- Variable pricing for all job ads



Product Set Expansion

Utilise ANZ's strategic assets (unique data, strong brand, etc) to deliver tech enabled solutions

Key H1 20 achievements

- Enhanced candidate experience by improved application functionality & helping them stand out
- Increased candidate engagement through Careers Advice, Company Reviews & GradConnection
- Increased product adoption (e.g. Branded Ad, Premium Talent Search)

Future growth drivers

- Building new tech solutions for all hirers to solve for inefficiencies across selection, assessment, verification of data, etc.

Revenue growth in SEEK Asia was flat in a lower growth economic environment

Financials

SEEK Reported	A\$m		Growth %	Constant Currency %
	H1 20	H1 19		
Revenue	91.3	84.7	8%	0%
EBITDA	45.6	44.6	2%	(5%)
EBITDA (%)	50%	53%		

Financial result reflects weak macro conditions

- Revenue growth flat vs pcg (constant currency)
 - Revenue decline in Hong Kong (largest market) driven by sharp economic contraction (lowest GDP growth since 2009)
 - Malaysia & Singapore also slowed but developing markets better
 - Weak H1 billings will impact H2 reported revenue
- EBITDA also impacted by investment

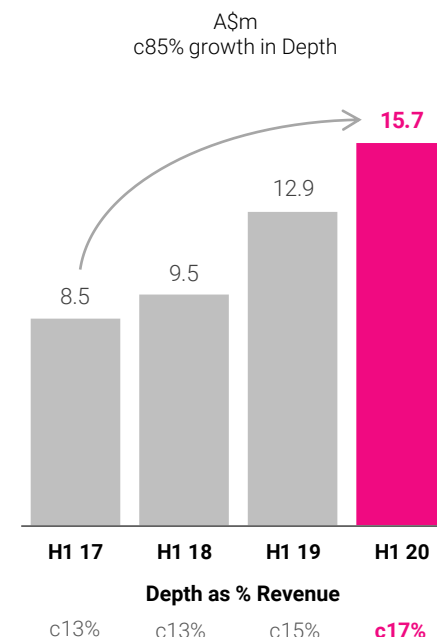
Recent investment is driving growth in key metrics

- Mobile enhancements led to 15% uplift in mobile app visits (vs pcg)
- Profile scale increased 16% vs pcg
- Product roll outs from AP&A first wave of unification initiatives

Positive long-term outlook but investment required

- Operating model now enables better sharing of capabilities with increased technology unification to follow
- Long-term revenue opportunity is larger than ANZ with similar growth drivers (price to value & product set expansion)
- Competition intense but market positions strong

Growth in depth revenue



Depth revenue¹ performing well despite the cycle

- 22% growth vs pcg (H1 20 vs pcg)
- Growing penetration of depth products over time
 - Now c17% of revenue (H1 20) vs c13% (H1 17)
 - Further upside as existing and new depth products are rolled out across the region

LatAm: Results in line with expectations

Brasil Online

Pro-Forma	BRLm		Growth %
	H1 20	H1 19	
Revenue	80.7	85.9	(6%)
EBITDA	9.4	14.9	(37%)
EBITDA (%)	12%	17%	
EBITDA A\$m (100%)	3.4	5.3	(36%)

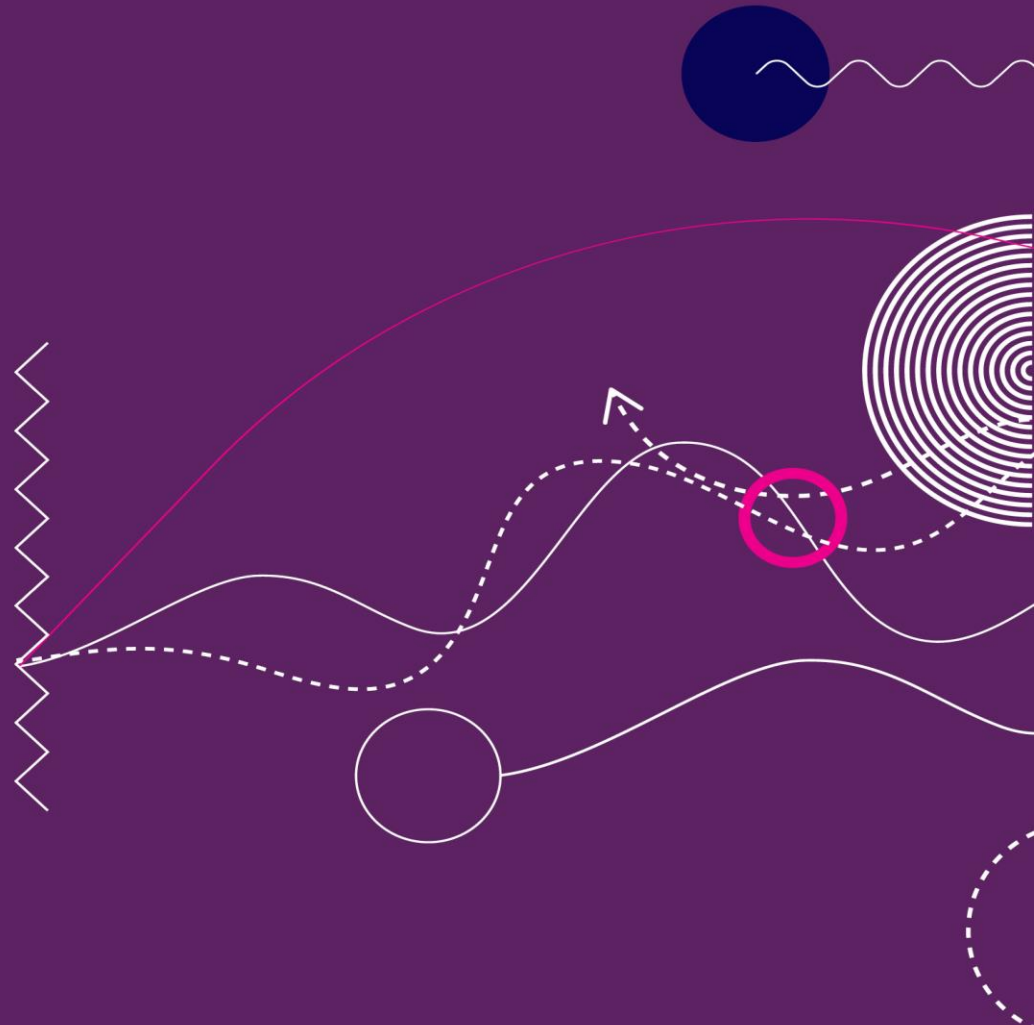
OCC¹

Pro-Forma	MXNm		Growth %
	H1 20	H1 19	
Revenue	182.7	187.1	(2%)
EBITDA	52.9	48.0	10%
EBITDA (%)	29%	26%	
EBITDA A\$m (100%)	4.0	3.5	14%

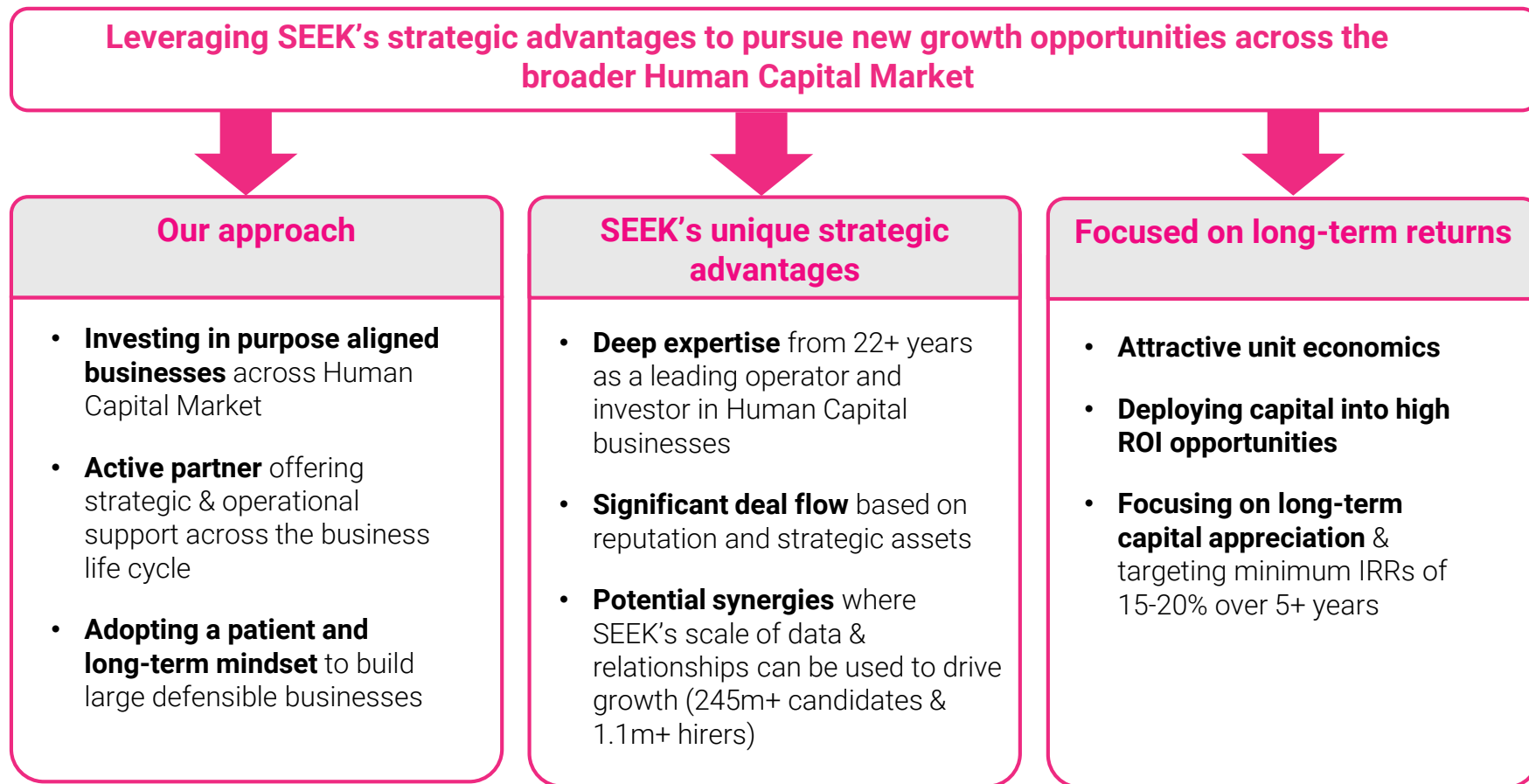
Key Insights

- Brasil Online and OCC continue to hold market leading positions in large labour markets
 - Combined population of c335m
 - Ranked 9th & 15th in the world in terms of GDP
- Both businesses face significant challenges, but remain focused on developing and implementing strategies to enable sustained market leadership
- Better macro-economic conditions and strong operational execution are required for improved financial results
- Will take time but both businesses are self-funding

SEEK Investments






M&A and entrepreneurial ventures are a key part of SEEK's strategy...



...and we have a proven track record of generating strong returns over time.

Returns and duration held by asset

	Capital Gain (x)	IRR (%)	Years held (#)
	6x	27%	13
	9x	33%	9
	3x	61%	8
ESV Portfolio ^{2,3,4}	1x	n/m	2

Key insights

Largest gains made over a medium to long-term horizon

- Zhaopin and OES have been held for 8+ years and are generating significant valuations and strong returns
- Patient and long term approach to building value has proved successful

ESVs showing promising operating & financial momentum

- Portfolio of 15+ assets, valuation of cA\$0.5bn
- Average years held of c2 yrs across portfolio
- Significant capital deployed in last 12 mths (cA\$290m) incl A\$105m in H1 20 which is yet to contribute a meaningful uplift in valuation
- Expect good growth in current operating metrics to translate into material valuation uplift over time

SEEK Investments will continue to focus on compounding capital at high rates of return over 5+ years

¹ IDP divested in November 2015

² Portfolio ESV valuation based on valuations at 30 June 2019 of A\$425m + A\$105m of incremental capital deployed into ESVs in H1 20

³ Capital gain and years held based on average across Investments ESV Portfolio. Average years held weighted based on % of capital deployed

⁴ IRR for ESV Portfolio not meaningful as assets have only been held for a short period (e.g. average 2 years)

Zhaopin performed well in a challenging macro environment...

Financials

Pro-Forma	RMBm		Growth
	H1 20	H1 19	%
Online Revenue (100%)	1,091.4	1,139.5	(4%)
Adjacent Services Revenue (100%)	924.0	441.6	109%
Revenue (100%)	2,015.3	1,581.1	27%
EBITDA (100%)	337.4	277.5	22%
EBITDA (%)	17%	18%	
EBITDA A\$m (100%)	69.9	56.0	25%

H1 20 EBITDA growth of 25% reflects the benefits of the change in operating lease recognition. On a like-for-like basis EBITDA growth would have been 9%¹

Operational metrics

Market leader by # of hirers, registered candidates and completed resumes

- 615k unique hirers, down 10% vs pcp² due to weak market conditions
- 205m registered candidate users, up 13% vs pcp
- 130m completed resumes, up 14% vs pcp

Focus on better structuring large scale of data to form the foundation for new products and services

Results & Insights

Revenue resilient in light of weak operating conditions

- Total revenue grew by 27%
- Online revenue decline of -4% due to lower unique hirers partly offset by increased usage of prominence products
- Adjacent services revenue growth of 109% (driven by BPO, Campus & Training) achieved via cross-sell into large hirer base

Aggressive investment to strengthen platform

- Online offerings remain the core, with ongoing investment in Product & Tech (mobile & chat), Data & AI to improve outcomes for candidates & hirers
- Adjacent Services investment helping to penetrate large new revenue opportunities

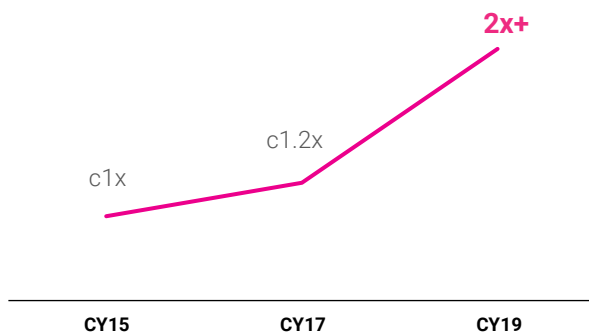
Impact of the Coronavirus

- The Coronavirus has significantly impacted the Chinese economy in early CY20 and will impact Zhaopin's near-term results
- However, there is no change on Zhaopin's long-term market opportunity in what we expect to be world's largest HCM market
- Our focus remains on building market leadership in a competitive environment, which will open up monetisation & cross-sell opportunities

...remains focused on building online market share...

Strong hirer lead yet remain significantly under-penetrated

Strong Hirer lead¹
2x+ lead ZPIN v listed competitor



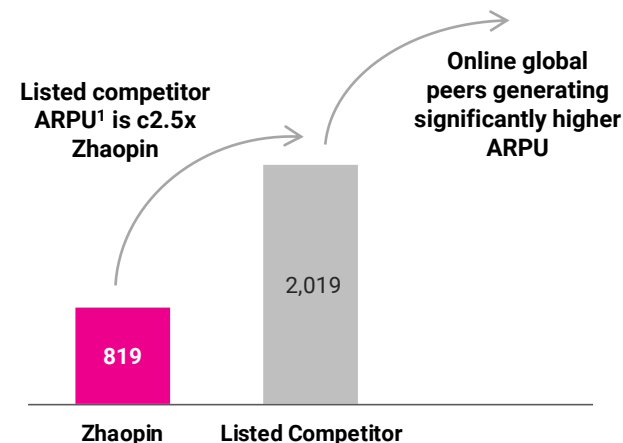
Hold the lead on key candidate metrics but more work to be done

Solid Candidate lead
ZPIN v listed competitor



Significant long-term opportunity to align price to value

Significant Online ARPU¹ Opportunity



- **Hirer lead is 2x+ over listed competitor**
 - Freemium model and improvements in product & tech are helping to drive hirer numbers
- **Zhaopin is under-penetrated vs market opportunity³**
 - Our FY19 unique hirers represent:
 - c6% of Private Enterprises
 - c23% of Online Employers in China

- **Track record in growing candidate scale** where Zhaopin has moved from #3 to #1 player across many key metrics
- **Focused on growing candidate lead to 1.5-2.0x**
 - Competition for candidate attention has intensified, requiring investment in mobile, unique insights and marketing

- **Zhaopin's ARPU is low** relative to local listed competitors & global online peers⁴
- **Significant ARPU opportunity**
 - Competition for key talent expected to intensify creating opportunities to better align price to value
 - New products & technology expected to create efficiencies in the hiring process and unlock large revenue pools

Focused on building strong network effects in what we expect will be the world's largest Human Capital Market

¹ Based on internal data for Zhaopin and quarterly results releases for closest listed competitor (US listed). Average Revenue Per User (ARPU) & Registered Users are for the Sept-19 quarter

² Zhaopin compared to its closest listed competitor (US listed). Source Questmobile data

³ Zhaopin FY19 Hirers of 936k, Private Enterprises of 16.2m (source: National Bureau of Statistics, 2017), Online Employers of 5.27m (source: iResearch 2018)

⁴ Global peers include SEEK, CareerBuilder & Stepstone

...and further penetrating large adjacent market opportunities.

Adjacent Services market opportunity (cA\$120b) is 6x larger than Online (cA\$20b)

- Online offerings to remain Zhaopin's core focus, however significant opportunity exists from leveraging hirer & candidate relationships and data to grow adjacent revenue streams
- Across both online and adjacent services we have track record of strong revenue CAGRs

	Core Operations		Adjacent Services ²		
	Core white-collar (junior to mid)	Highend & RPO	Campus	Training	Business process outsourcing
Opportunity	<ul style="list-style-type: none"> • Freemium model accelerating hirer penetration in enormous market • Roll-out of depth products over time to align price to value 	<ul style="list-style-type: none"> • Large, highly fragmented offline recruitment process • Leveraging data & technology expertise from "Core white-collar" to build scalable platform & tech solutions 	<ul style="list-style-type: none"> • Large penetration opportunity in the university segment • Significant opportunity to migrate services from offline to online • Significant opportunity in helping assess new entrants to the labour force 	<ul style="list-style-type: none"> • Large education market opportunity with initial focus on online courses in generic skills • Objective testing for employees currently in the workforce • Potential to form JVs to help distribute content over time 	<ul style="list-style-type: none"> • Includes labour outsourcing • Demand being driven by changes to social security and SME's looking to variablise costs and reduce risk
Est Market Size ¹ (A\$ billion)	cA\$20b combined		cA\$120b combined		
Revenue growth	-4% combined		109% combined		
%age of Revenue	54% combined		46% combined		

OES is investing to scale multiple partnerships and expand its offerings

Financials

<i>Pro-Forma</i>	A\$m		Growth %
	H1 20	H1 19	
Revenue (100%)	65.1	61.5	6%
EBITDA (100%)	18.6	20.0	(7%)
EBITDA (%)	29%	33%	

Results & Insights

Solid revenue result in context of regulatory constraints

- Good growth achieved from new partnerships
- Caps on Commonwealth funding impacting growth in undergraduate

Investing aggressively to support long-term growth

- Scaling up existing partners (QUT, UK partnerships)
- Developing adjacent offerings (e.g. micro-credentials)
- Investing in student experience & Bus Dev (M&A, new partners)

Leveraging online expertise and world class student engagement into new partnerships

- 12k+ students¹ across 5 uni partners (AU & UK)
- c5,300² graduates since inception
- Student satisfaction scores of c89%²

Growth strategy & Outlook



Growth strategy

- Existing partners: Maximise student body within the constraints of funding caps
- New partners: Leverage strong capabilities to scale and pursue new partnerships
- Expand into short courses and micro-credentials

Overall financial impact

- Existing partners will generate stable revenue/earnings growth but overall OES earnings will go backwards in the near-term as we invest to scale new partners and grow adjacent offerings

SEEK Investments owns a portfolio of high growth businesses leveraged to key structural trends

Online Education

HR SaaS

Contingent Labour

Key structural trends

Demand driven by structural changes in the labour market and technology is improving access

Cloud based solutions are solving large HR problems more effectively and at significant scale

Tech solutions delivering significant efficiencies in large, flexible labour pools

Large addressable markets¹

A\$50b+ globally

A\$2b+ in Australia

A\$20b+ across AP&A and Europe

Strong Revenue Growth²

14% Look-through revenue growth

32% Look-through revenue growth

95% Look-through revenue growth

Key Investments



Further details at page 27



Further details at page 28



Further details at page 29

Portfolio look-through revenue of cA\$35m with growth of 30%+ vs PCP³

Strong results (unit economics, revenue, valuation) gives us confidence to aggressively invest

¹ Details on the Total Addressable Markets (TAM) provided on slides 27 to 29

² "Look-through" share represents revenue of investments multiplied by SEEK's ownership interest (based on comparable ownership interest across H1 19 & H1 20). Online Education excludes Coursera (ownership interest <5%) & OES

³ Portfolio revenue of cA\$35m is based on net revenue, reflective of underlying economic value. Some Contingent Labour businesses (Sidekicker & jobandtalent) recognise revenue on a gross basis. On a gross basis, portfolio revenue was A\$100m+.

Our portfolio of online education businesses are disrupting traditional modes of education delivery

Online Program Management

Disruptive logic

- Helping universities bring their course content online
- Developing rich learning experiences for students who prefer the flexibility of online study

Portfolio investments



(Australia & UK)



(Latin America)

Levers of growth

- Grow core undergrad course offerings
- Extend core capabilities into:
 - Postgrad offerings
 - New offerings such as short courses or micro credentials in high demand areas (eg. product, data, AI, etc)
- Invest in student satisfaction / retention / online acquisition

Portfolio metrics (aggregate)

- c40k students / learners

MOOCs & Online Learning

- Providing learners with access to a large scale of career-relevant education (short courses through to degrees)
- Platform solutions enabling education partners to reach new students and deliver their course content online



(UK, Europe & Australia)



(Global)



(Latin America)

- Grow scope of short-course offerings in high demand skills
- Extend core capabilities into:
 - Building pathways from short courses to micro-credentials to “stackable” degrees (student and enterprise solutions)
 - Extending into post grad offerings
- Future Learn is a unique opportunity but requires significant investment to build a market leader

- 55m+ students / learners
- 350+ education partners

- **Huge opportunity with Online Education Marketplace given total addressable market of A\$50b¹**
- **Ability to leverage learnings and capabilities across the portfolio**

Our high quality HR SaaS businesses have the opportunity to be strong market leaders

Investment thesis

Disruptive logic

- **GO1 is solving significant hirer pain points which are not addressed by legacy learning & education solutions**
- **Employment Hero is driving efficiencies for SMEs** by migrating their critical HR processes from manual processes to an integrated online solution
- **JobAdder is leveraging leading technology to simplify the hiring process**

Market Opportunity

Market opportunity is enormous and SEEK brings strong track record and synergies

- Addressable market opportunity of A\$2b+¹ (AU only)
 - Scaling offshore will increase TAM
- SEEK can bring huge scale of hirer relationships

Levers of growth

Multiple drivers of long-term growth

- Further penetrating existing markets
- Upsell / cross-sell opportunities
- Product set expansion
- Expansion into new geographies

Strong growth in portfolio metrics and financial results

Portfolio investments



Portfolio metrics (aggregate)

- 5k+ customers growing at 30%+
- c90% recurring revenue
- Net revenue churn of >100% (e.g. upselling more than losing customers)²
- Strong unit economics driven by effective customer acquisition and low churn
- Despite strong growth still less than <1% market penetration

Our Contingent Labour platforms are growing strongly and operating in large revenue pools

Investment thesis

Disruptive logic

- Tech solutions driving overall effectiveness by helping hirers find relevant talent at a faster rate
- Providing hirers with access to on-demand, highly skilled talent for short-term assignments

Market Opportunity

- Addressable market opportunity of A\$20b¹+ across AP&A & Europe
- Contingent labour c25%+ of Australian labour force

SEEK is highly experienced and brings deep synergies

- 22+ years of innovating online and digital experience
- Deep candidate data and relationships
- Strong search & match capabilities

Levers of growth

Multiple drivers of long-term growth

- Enter new industry verticals
- Increase depth of offering
- Expand into new geographies

Strong growth in portfolio metrics and financial results

jobandtalent

- Net Revenue growth >140%
- Completion rates of c80%

SIDEKICKER

- Net Revenue growth >45%
- Completion rates of c80%

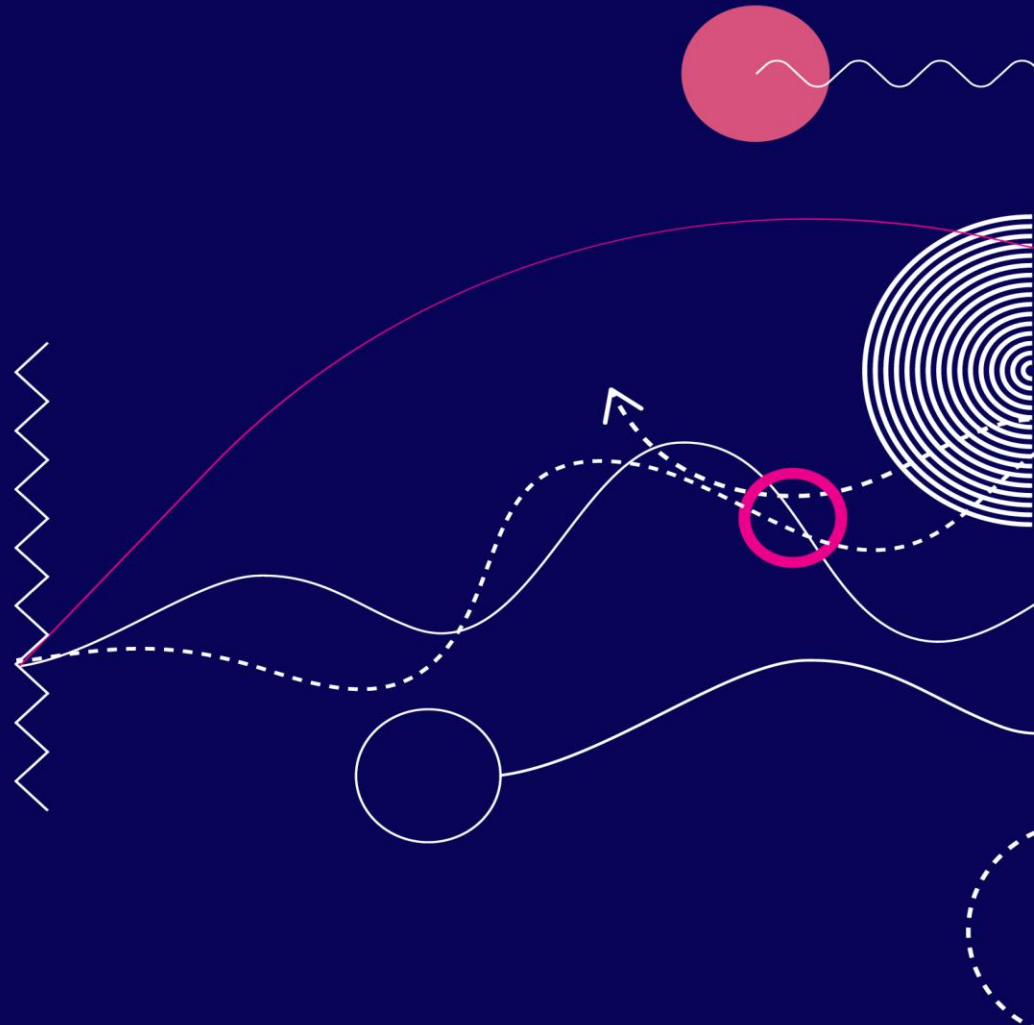
Florence

- Net Revenue growth >100%
- Completion rates of c70%

WORKANA

- Net Revenue growth >40%
- Paid projects up c20%

Outlook



Original FY20 Guidance (pre impact of Coronavirus)

Based on performance through the first seven months of FY20, SEEK was on track to achieve its original Revenue and EBITDA guidance¹ despite several negative short-term external events:

- US-China Trade Tensions: Still feeling residual impact across all markets
- Political unrest in Hong Kong

In regard to SEEK Investments Early Stage Venture losses, due to:

1. new investments within SEEK Investments Early Stage Ventures in H1 20 (including job and talent); and
2. strong momentum in a number of our existing investments giving us confidence to invest more aggressively,

we now expect our FY20 losses from SEEK Early Stage Ventures to become A\$55m (above the upper end of previous guidance range of A\$45m to A\$50m)

This will have a flow through impact on our Reported NPAT expectations

Coronavirus impacts to FY20 guidance

- Outside of China and Hong Kong, the direct impact of Coronavirus has not been material and performance to date is broadly aligned with our original guidance
- As a result, excluding Zhaopin (China), SEEK does not expect any material change to its FY20 outlook¹
 - *SEEK ANZ & SEEK Asia on track to achieve forecast built into FY20 guidance (as per slide 31) but with more risk for Asia given Coronavirus impact in Hong Kong*
 - *No material changes to all other businesses*
 - *However, the performance could vary depending on direct or secondary impacts of Coronavirus and underlying economic conditions*
- Short-term forecasting for Zhaopin is extremely challenging given the material uncertainties in predicting the duration and severity of the impact or “shape of the recovery” from the Coronavirus
 - *Note, Zhaopin would have comprised c50% of FY20 Group Revenue (prior to Coronavirus)*
- Consequently, we cannot reliably update guidance
- However, we can provide an example of how lower billings (which would be the key impact) flow into reduced Revenue, EBITDA and Reported NPAT
- If the following high level assumptions are used (for Zhaopin):
 - *Mar-20 & April-20 billings are 30% lower than originally assumed for current guidance¹ (by way of reference Feb-20 billings are 60%+ lower than originally assumed)*
 - *Activity then recovers so that May-20 and June-20 billings are in line with original assumptions¹ (with no additional activity compensating for reduced activity from Feb to April-20)*
 - *There is no impact beyond that currently observed in other economies in which SEEK operates (in particular Australia)*

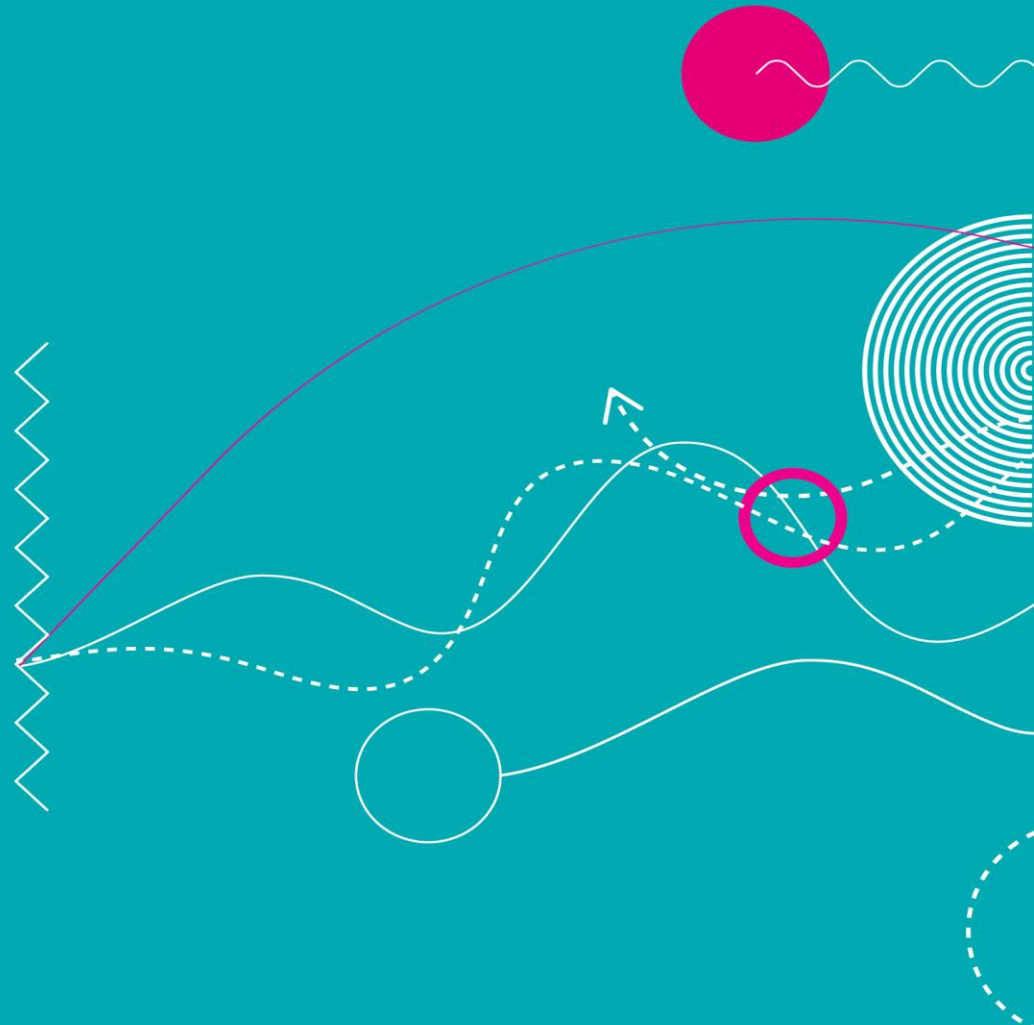
then SEEK Group FY20 results could be lower than current guidance¹ by:

- *Revenue A\$110-120m*
- *EBITDA A\$40-45m*
- *Reported NPAT (post tax & NCI) cA\$25m*

Near-term is likely to remain challenging but we are focused on running the business for the long-term

- Our near-term results are being impacted by Coronavirus and macro conditions
- Despite this, we will retain an investment bias where we prioritise long term value creation over short term earnings
 - Some discretionary costs will reduce in line with revenue
 - However, we will continue our growth investment through this period as we expect a significant long-term pay-off
- Over time we expect China and the rest of the world to return to more normal conditions, and are confident that our long-term strategy and aspirational targets remain intact
- We are confident that, over time, we will experience stronger economic conditions in our key markets and we remain excited about the future returns across our key strategic priorities:
 1. ANZ – aligning price to value to create a more equitable marketplace
 2. Asia – innovation and closer integration with ANZ to help unlock the large Asian market opportunity
 3. Zhaopin – investment to build market leadership to deliver significant long-term value
 4. OES – scaling new partners and adjacent education offerings to drive next leg of earnings growth
 5. ESVs – investing to build SEEK's next generation of high growth businesses
- Executing well against our strategic priorities sets us on the course to achieve our aspirational revenue opportunity of A\$5b (in FY25)¹
- If we can achieve our aspirational revenue opportunity, we expect SEEK's earnings to be significantly higher

Appendices



SEEK Group: H1 20 Segment Results

H1 20 Segment Results (from Note 1, p16 of SEEK's Half year report 2020)

		Asia Pacific & Americas						SEEK Investments				Corporate Costs	Total
		ANZ	SEEK Asia	Brasil Online	OCC	Other	Total	Zhaopin	OES	ESVs	Total		
Half-year ended 31 Dec 2019	Notes	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Online employment marketplaces	2	223.7	90.3	29.2	13.8	0.7	357.7	226.8	-	30.3	257.1	-	614.8
Education	2	0.7	-	-	-	-	0.7	-	65.1	1.9	67.0	-	67.7
Other sales revenue	2	-	1.0	-	-	0.4	1.4	191.6	-	-	191.6	-	193.0
Sales revenue	2	224.4	91.3	29.2	13.8	1.1	359.8	418.4	65.1	32.2	515.7	-	875.5
Segment EBITDA⁽¹⁾		134.2	45.6	3.4	4.0	(9.2)	178.0	69.9	18.6	(5.2)	83.3	(13.9)	247.4
Depreciation		(2.0)	(3.3)	(0.9)	(0.9)	-	(7.1)	(11.9)	(0.6)	(0.9)	(13.4)	(1.4)	(21.9)
Amortisation	8	(19.7)	(4.3)	(2.0)	(0.9)	(1.4)	(28.3)	(8.3)	(5.1)	(1.3)	(14.7)	(0.1)	(43.1)
Net interest income/(expense)		-	(1.2)	0.7	0.2	-	(0.3)	(5.7)	0.1	0.1	(5.5)	(22.2)	(28.0)
Share-based payments and other LTI		(4.3)	(0.1)	(0.2)	(0.2)	(0.1)	(4.9)	(1.1)	-	(3.3)	(4.4)	(2.5)	(11.8)
Share of results of equity accounted investments	12	-	(0.2)	-	-	(0.8)	(1.0)	-	-	(17.2)	(17.2)	-	(18.2)
Related party services		1.9	(1.9)	-	-	-	-	-	-	-	-	-	-
Transaction costs from investing activities		-	-	-	-	-	-	-	-	-	-	(0.5)	(0.5)
Profit before income tax expense		110.1	34.6	1.0	2.2	(11.5)	136.4	42.9	13.0	(27.8)	28.1	(40.6)	123.9
Income tax expense	4	(32.1)	(5.9)	0.4	(0.7)	3.2	(35.1)	(9.3)	(4.2)	0.9	(12.6)	12.6	(35.1)
Profit for the half-year		78.0	28.7	1.4	1.5	(8.3)	101.3	33.6	8.8	(26.9)	15.5	(28.0)	88.8
Non-controlling interests		-	-	-	-	-	-	(13.0)	(1.8)	1.6	(13.2)	-	(13.2)
Profit attributable to owners of SEEK Limited		78.0	28.7	1.4	1.5	(8.3)	101.3	20.6	7.0	(25.3)	2.3	(28.0)	75.6

(1) Segment EBITDA is earnings before interest, tax, depreciation and amortisation and excludes share of results of equity accounted investments, share-based payment expense, gains/losses on investing activities, and other non-operating gains/losses. Effective 1 July 2019, the Group has applied the new AASB 16 Leases standard using the modified retrospective approach. Lease costs such as property rental payments are now accounted for as depreciation and interest expense below Segment EBITDA for FY2020. Comparative information for 31 December 2018 has not been restated.

Segment changes: No changes to total Revenue, EBITDA or NPAT

- Minor changes have been made to SEEK's operating segments for H1 20 to align with Executive responsibilities and analysis of results as provided to the Chief Operating Decision Maker. The main changes are:
 - JobAdder moving from AP&A Other to the HR SaaS portfolio within Investments ESVs
 - SEEK Learning and GradConnection moving from AP&A Other to ANZ, reflecting their closer integration with the ANZ operations
 - OCC Education moving from OCC to the Online Education portfolio within Investments ESVs
- Comparative segment information for H1 19 has been restated (refer slide 36)

SEEK Group: H1 19 & FY19 Operating Segment changes (Revenue & EBITDA)

H1 19

A\$m	H1 19 Reported	Segment changes	H1 19 Restated
Revenue			
SEEK ANZ	221.7	0.3	222.0
SEEK Asia	84.7		84.7
Brasil Online	30.6		30.6
OCC	14.7	(1.4)	13.3
AP&A Other	8.5	(7.2)	1.3
AP&A	360.2	(8.3)	351.9
Zhaopin	319.0		319.0
OES	61.5		61.5
ESVs	16.5	8.3	24.8
SEEK Investments	397.0	8.3	405.3
Total Revenue	757.2	0.0	757.2
EBITDA			
SEEK ANZ	137.5	(3.3)	134.2
SEEK Asia	44.6		44.6
Brasil Online	5.3		5.3
OCC	2.5	1.0	3.5
AP&A Other	(13.1)	3.5	(9.6)
AP&A	176.8	1.2	178.0
Zhaopin	56.0		56.0
OES	20.0		20.0
ESVs	(3.1)	(1.2)	(4.3)
SEEK Investments	72.9	(1.2)	71.7
Corporate Costs	(11.2)		(11.2)
Total EBITDA	238.5	0.0	238.5

FY19

A\$m	FY19 Reported	Segment changes	FY19 Restated
Revenue			
SEEK ANZ	437.6	2.4	440.0
SEEK Asia	176.6		176.6
Brasil Online	64.1		64.1
OCC	29.3	(2.8)	26.5
AP&A Other	19.2	(16.7)	2.5
AP&A	726.8	(17.1)	709.7
Zhaopin	647.9		647.9
OES	127.5		127.5
ESVs	35.1	17.1	52.2
SEEK Investments	810.5	17.1	827.6
Total Revenue	1,537.3	0.0	1,537.3
EBITDA			
SEEK ANZ	270.1	(6.3)	263.8
SEEK Asia	91.3		91.3
Brasil Online	11.5		11.5
OCC	3.7	1.3	5.0
AP&A Other	(25.5)	7.4	(18.1)
AP&A	351.1	2.4	353.5
Zhaopin	99.1		99.1
OES	36.7		36.7
ESVs	(6.9)	(2.4)	(9.3)
SEEK Investments	128.9	(2.4)	126.5
Corporate Costs	(25.0)		(25.0)
Total EBITDA	455.0	0.0	455.0

Key insights

- Comparative segment information for H1 19 has been restated as shown above (FY19 also shown for information purposes) to reflect minor changes to SEEK's operating segments in H1 20 (refer slide 35 for details of changes)

SEEK Group: AASB 16 Leases

H1 19 Operating lease costs - by Business

A\$m	Asia Pacific & Americas						SEEK Investments				Corporate Costs	Total
	ANZ	SEEK Asia	Brasil Online	OCC	Other	Total	Zhaopin	OES	ESV	Total		
H1 19 EBITDA (Restated) ¹	134.2	44.6	5.3	3.5	(9.6)	178.0	56.0	20.0	(4.3)	71.7	(11.2)	238.5
Operating lease expense	1.9	2.0	0.6	0.5	0.0	5.1	8.0	0.3	0.7	9.0	0.6	14.7
H1 19 EBITDA (excl Operating lease exp) (indicative only)	136.1	46.6	6.0	4.0	(9.6)	183.1	64.0	20.3	(3.6)	80.7	(10.6)	253.2

FY19 Operating lease costs - by Business

A\$m	Asia Pacific & Americas						SEEK Investments				Corporate Costs	Total
	ANZ	SEEK Asia	Brasil Online	OCC	Other	Total	Zhaopin	OES	ESV	Total		
FY19 EBITDA (Restated) ¹	263.8	91.3	11.5	5.0	(18.1)	353.5	99.1	36.7	(9.3)	126.5	(25.0)	455.0
Operating lease expense	3.3	4.1	1.3	1.0	1.1	10.8	16.7	0.7	0.5	17.9	1.1	29.8
FY19 EBITDA (excl Operating lease exp) (indicative only)	267.1	95.4	12.8	6.0	(17.0)	364.3	115.8	37.4	(8.8)	144.4	(23.9)	484.8

Operating lease costs by business provided above for directional/illustrative purposes only (Note this is not an AASB 16 adjusted position)

Key insights

- New leasing standard (AASB 16) effective 1 July 2019 (FY20) requires:
 - Recognition of a right-of-use asset of cA\$57m and a lease liability of cA\$66m on SEEK's Group Balance Sheet
 - Operating lease expenses no longer recognised in EBITDA, and replaced with depreciation and interest expense in the P&L
- FY19 financials are not restated on adoption
- FY20 EBITDA will be positively impacted but minimal impact on FY20 NPAT

Robust and diversified balance sheet

Net debt breakdown

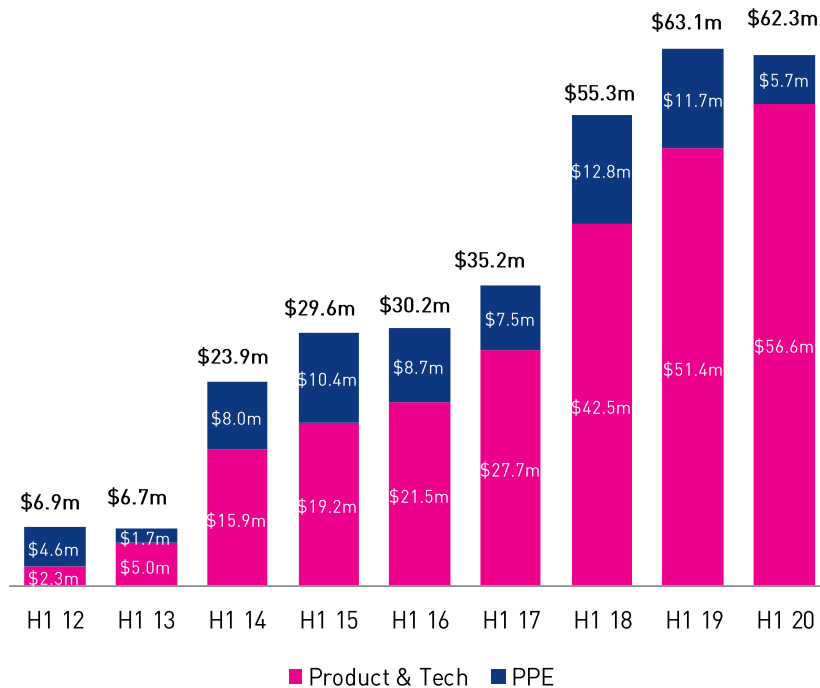
31 December 2019						
	Facility Limit	Borrowings	Cash	Short-term Investments	Funds on deposit ¹	Net Cash/(Debt)
		A\$m	A\$m	A\$m	A\$m	A\$m
SEEK Ltd- A\$ bank debt	A\$625.0m	(527.0)				
SEEK Ltd- US\$ bank debt	US\$575.0m	(570.3)				
SEEK Ltd -A\$ EMTN	A\$175.0m	(175.0)				
SEEK Ltd -A\$ EMTN- Subordinated	A\$150.0m	(150.0)				
SEEK ANZ		(1,422.3)	181.8	-	-	(1,240.5)
Brasil Online			30.8	-	-	30.8
OCC			3.1	0.1	-	3.2
SEEK Asia			85.4	-	-	85.4
Other			5.7	-	-	5.7
SEEK Ltd Borrower Group		(1,422.3)	306.8	0.1	-	(1,115.4)
Zhaopin	RMB 300.0m	(27.7)				
Zhaopin	US\$286.4m	(395.1)				
Zhaopin Total¹		(422.8)	194.3	-	433.5	205.0
OES			10.9	-	-	10.9
Other			4.4	-	-	4.4
SEEK Group Total	A\$2,239.7m	(1,845.1)	516.4	0.1	433.5	(895.1)
Unamortised borrowing costs		7.2				
Per Consolidated Balance Sheet		(1,837.9)				

Key insights

- Robust balance sheet with reported net debt of A\$895m (Jun-19: A\$757m)
- Increase in Group net debt of A\$138m (vs Jun-19) mainly driven by:
 - Acquisitions in ESV portfolio (mainly Contingent labour)
 - Increased investment in product & tech
- Increased diversification and flexibility from Subordinated debt issuance and refinance of Syndicated debt facility

Group Capex of A\$62m with majority of investment in Product & Tech

SEEK Group Capex



Key Insights

Product & Tech:

- **AP&A capex of cA\$45m** mainly relating to:
 - Pricing and contract changes in ANZ (refer slide 16 for detail)
 - Smarter search technology, recommendations & notifications, mobile app enhancements, e-commerce/self service (Asia)
- **SEEK Investments capex of cA\$12m** relating to:
 - Zhaopin capex of cA\$10m: Mobile app enhancements, search & AI improvements, adjacent services (incl Highpin & Campus)
 - OES capex of cA\$2m: integration of new partners onto the OES platform and software to support course delivery

Property, Plant & Equipment (PPE):

- Relates to office fit outs (mainly Zhaopin)






Expect Capex to increase in FY20 due to:

- Continued reinvestment in product and tech evolution particularly across big 3 businesses (ANZ, SEEK Asia & Zhaopin)

P&L impact

- Depreciation & amortisation
 - Assets amortised over an average of 3-5 years
 - Expect D&A expense to increase over time reflecting higher Capex
- PPA Amortisation
 - Purchase Price Amortisation (PPA) for existing businesses to reduce over time
 - PPA expense (pre tax & NCI), expected to be cA\$9m in FY20, cA\$7m in FY21, cA\$2m in FY22 and negligible thereafter

AP&A - Key Operating Metrics

	 SEEK ANZ	 SEEK Asia	 Brasil (Catho)	 OCC	 Jora¹
Visits (m)²					
<i>H1 20 monthly average</i>	35m+	c46m	c7m	c18m	c14m
Job ads (#)³					
<i>H1 20 monthly average</i>	c175k	c240k	c150k	c90k	c7m
Hirers (#)⁴					
<i>H1 20 monthly average</i>	c36k	c42k	c6k	c8k	n/a
Profiles (m)⁵					
<i>As at 31 Dec 2019</i>	10m+	20m+	8m+	c6m	n/a

¹ Jora is included in AP&A Other. It has a presence in 36 countries and is SEEK's second brand in key markets

² SEEK ANZ, SEEK Asia & OCC: total visits including desktop, mobile & app. Brasil: unique visits including desktop & mobile

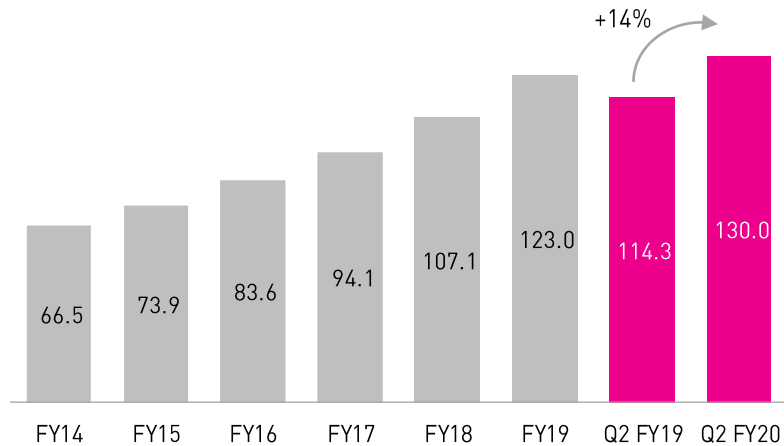
³ Total number of job ads on platform

⁴ Number of active advertisers (posting any job ads)

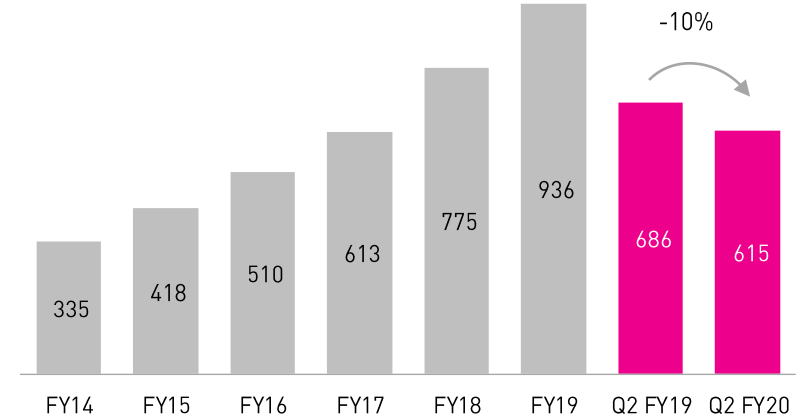
⁵ Number of searchable profiles in database

Zhaopin – Key Operating Metrics

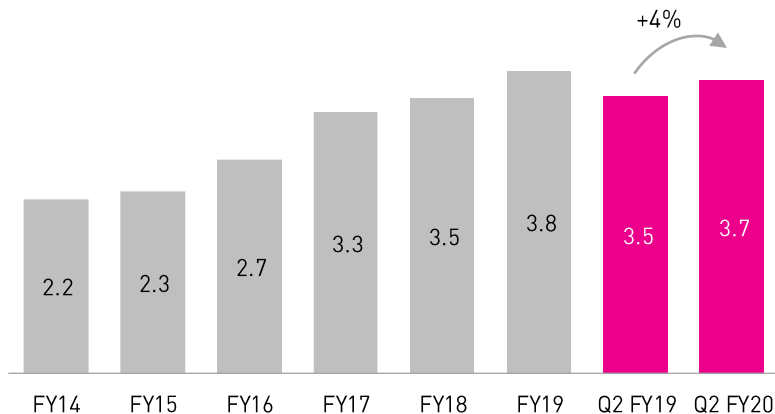
No. of Completed Resumes (m) – as of period end



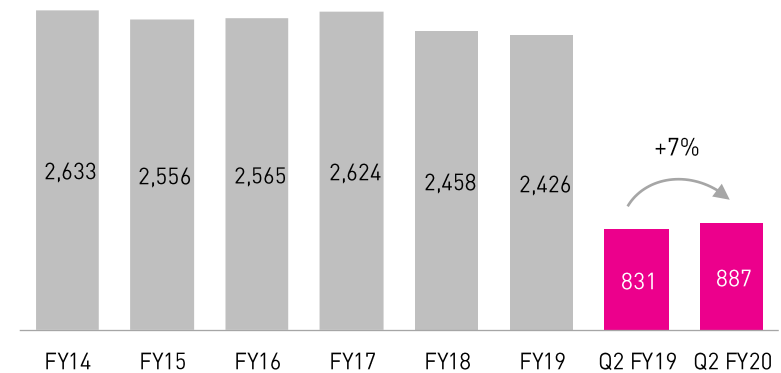
Unique Online Customers ('000)



Average Daily Unique Visitors (m)



Average Revenue per Online Customer (RMB)



Disclaimer

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Non-IFRS Financial Information

SEEK's results are reported under International Financial Reporting Standards (IFRS). This presentation also includes certain non-IFRS measures including, "Underlying NPAT", "EBITDA", "Significant items" and "pro-forma". These measures are used internally by management to assess the performance of our business, our Associates and Joint Ventures, make decisions on the allocation of our resources and assess operational management. Non-IFRS measures have not been subject to audit or review.

Refer to SEEK's Appendix 4D and Half year report 2020 for the 6 months ended 31 December 2019 for IFRS financial information that is presented in accordance with all relevant accounting standards.

