

Profits rose faster than sales. Cash conversion and the balance sheet moved the other way.

AVI is a South African branded consumer group: Entyce Beverages (tea, coffee, creamer), Snackworks, I&J (fishing), Personal Care, and Footwear & Apparel. This report walks through five audited years to 30 June 2025, the headline FY2026 results announced on 7 September 2026, and the share price since mid-2021.

FY25 revenue	FY25 operating margin	FY26 headline EPS	Share price, 2 Oct 2026
R16.02bn	22.2%	767.9c	R82.11
+1.0% on FY24	18.2% in FY21	+5.3% on FY25	P/E on FY26 HEPS: 10.7×

The short version

Three questions, answered as directions of travel: is the business getting more profitable, is it turning that profit into cash, and is the balance sheet holding up? These are descriptions of what happened, not ratings or recommendations.

Operations

▲ Strengthening

- Operating margin rose from **18.2%** (FY21) to **22.2%** (FY25), nearly all of it in the last two years.
- Entyce Beverages led: margin up from 23.1% to 30.5%.
- I&J stayed the thinnest-margin segment (9.4% in FY25).

Liquidity

■ Stable, working harder

- Operating cash flow as a share of operating profit slipped from **94%** to **80%**.
- Net working capital rose **37%** against revenue growth of 21%.
- In FY25, **R777m** of new short-term borrowing helped fund dividends.

Solvency

▼ Softer, by choice

- Net debt reached **R2.26bn** in FY25, the highest of the five years; equity **fell** as dividends (R2.98bn) exceeded profit (R2.43bn).
- Context: net debt is still only **0.64×** operating profit and interest cover is **15×** (about 20× in FY21).
- AVI reports that net debt fell in FY26.

Bottom line

Over five years AVI has become **noticeably more profitable per rand of sales**, while sales growth itself faded to 1.0% in FY25. The margin gain came mainly from Food & Beverage, with Fashion brands giving some back in FY25.

The cost has been a business that ties up more cash in inventory and debtors and converts a smaller share of profit into cash. Management still returned a large amount to shareholders, including a second special dividend in the period, partly funded with short-term debt. The balance sheet is more stretched than a year earlier, **by design rather than distress**.

In the market, the shares closed at R82.11 on 2 October 2026, below both their 50-day and 200-day averages, and the P/E on FY26 earnings is lower than at any of the six year-end readings from FY21 to FY26. Whether any of this suits a particular portfolio depends on your own goals and risk appetite, which this report does not address.

Since the analysis period: FY2026 results (announced 7 Sep 2026)

Revenue R16.24bn (+1.4%), operating profit R3.72bn (+4.4%), margin 22.9%; headline EPS 767.9c (+5.3%); total ordinary dividend 663c (+5.9%) plus a 300c special dividend; return on capital employed 35.7%. AVI reported a reduction in net debt and said last-quarter sales were hit when distributors and wholesalers delayed purchases ahead of the 30 June national protest action. Sources: Business Day (7 Sep 2026) and the Quartr results summary. The full FY26 statements have not yet been through the Clearview workbook, so the financial sections below stop at FY25; market metrics run to FY26.

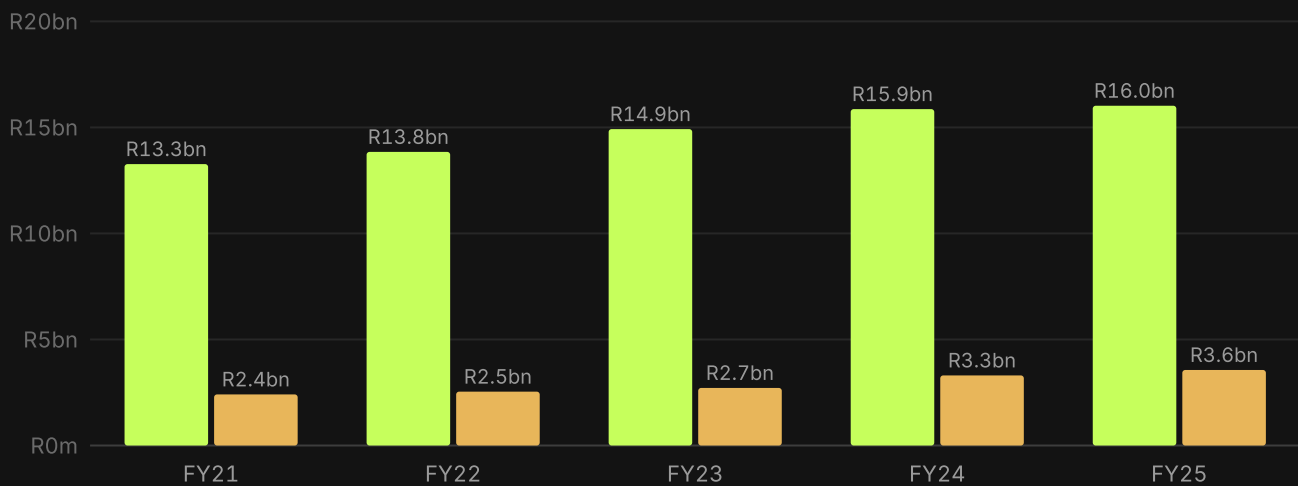
The five-year picture

Revenue is up 21% since FY21 and operating profit is up 48%. That gap is the margin story: how much of each rand of sales is left after the costs of making and selling the product.

Revenue and operating profit

R'm, years ended 30 June

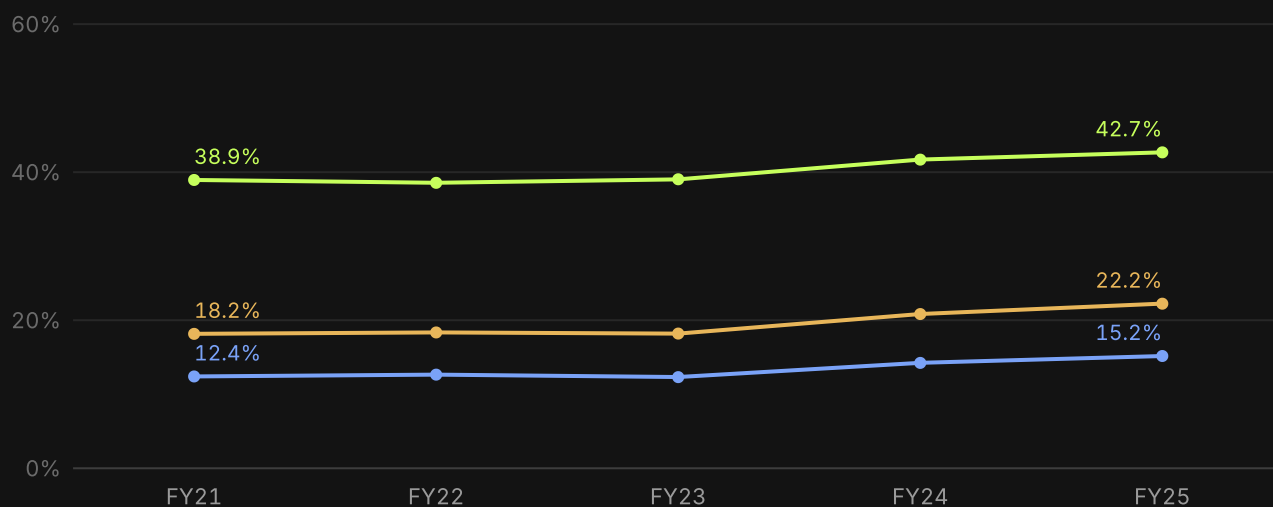
■ Revenue ■ Operating profit



Margins

% of revenue

— Gross margin — Operating margin — Net margin



Key figures

R'm unless stated

	FY21	FY22	FY23	FY24	FY25
Revenue	13,269.2	13,845.3	14,919.6	15,862.3	16,021.5
growth %	–	+4.3	+7.8	+6.3	+1.0
Gross profit	5,168.0	5,338.6	5,824.5	6,613.4	6,837.5
gross margin %	38.9	38.6	39.0	41.7	42.7
Operating profit	2,409.3	2,540.1	2,714.8	3,304.6	3,561.9
operating margin %	18.2	18.3	18.2	20.8	22.2
Finance costs	121.2	115.5	198.9	199.3	236.8
Net profit	1,645.7	1,751.2	1,836.9	2,257.7	2,429.7
net margin %	12.4	12.6	12.3	14.2	15.2

What moved

- **Growth faded after FY23:** revenue grew 7.8%, 6.3% and then 1.0% in FY25.
- **Operating profit outgrew revenue in three of four years;** the exception was FY23 (+6.9% against +7.8%).
- **FY25 was a cost story:** revenue rose R159m while cost of sales fell 0.7% and selling and administrative expenses fell 1.0%, lifting gross margin to 42.7%.
- **Finance costs nearly doubled** (R121m in FY21 to R237m in FY25), absorbing part of the operating gain. Net margin still rose from 12.4% to 15.2%.

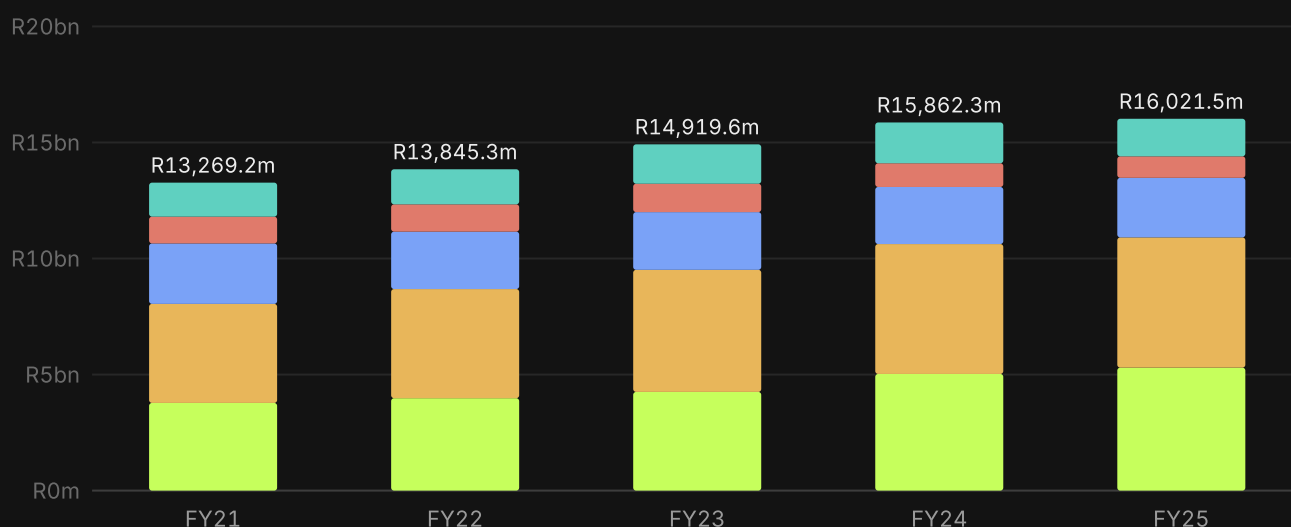
Where the revenue comes from

AVI reports five operating segments. Snackworks and Entyce together make up about two-thirds of revenue. Geography is disclosed for the group as a whole, not segment by segment.

Revenue by segment

R'm

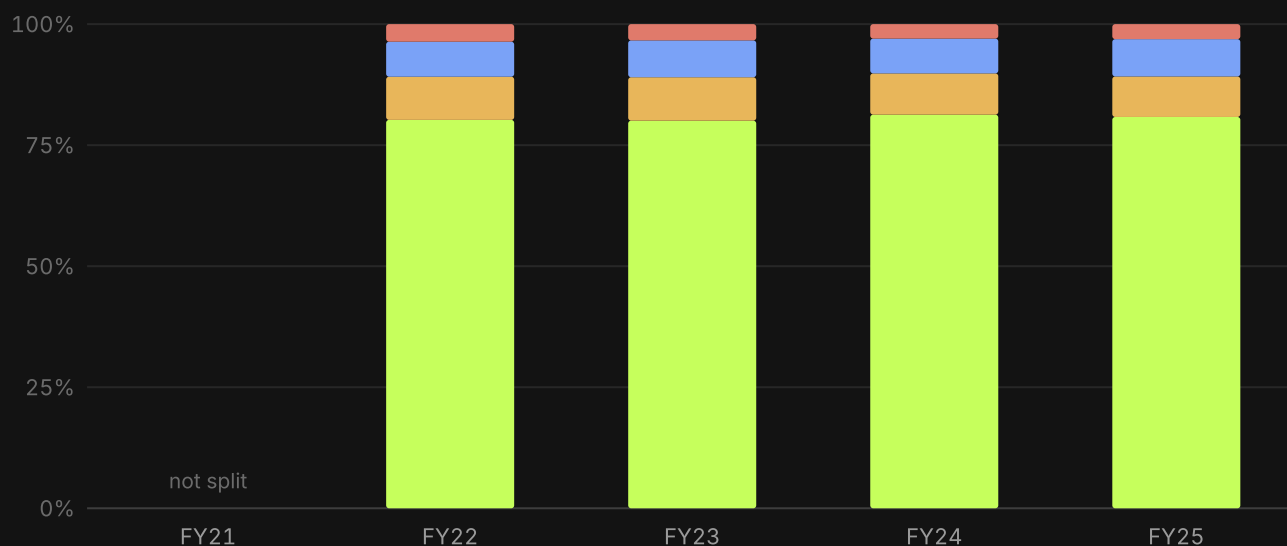
Entyce Beverages Snackworks I&J Personal Care Footwear & Apparel



Revenue by market

Share of group revenue, %

■ South Africa
 ■ Other African countries
 ■ Europe
 ■ Rest of the world



Segment revenue, R'm

Segment	FY21	FY22	FY23	FY24	FY25	CAGR	FY25 share
Entyce Beverages	3,777.1	3,981.6	4,251.6	5,025.4	5,298.4	8.8%	33.1%
Snackworks	4,267.8	4,702.4	5,261.2	5,597.9	5,611.8	7.1%	35.0%
I&J	2,605.4	2,473.8	2,486.6	2,459.2	2,567.8	-0.4%	16.0%
Personal Care	1,152.9	1,176.5	1,223.3	1,022.5	924.3	-5.4%	5.8%
Footwear & Apparel	1,466.0	1,511.0	1,696.9	1,757.3	1,619.2	2.5%	10.1%
Group	13,269.2	13,845.3	14,919.6	15,862.3	16,021.5	4.8%	100.0%

Group revenue by market, R'm

Market	FY21	FY22	FY23	FY24	FY25	FY25 share
South Africa	n/a	11,106.7	11,944.5	12,895.5	12,949.1	80.8%
Other African countries	n/a	1,234.5	1,338.0	1,352.4	1,340.2	8.4%
Europe	n/a	1,001.7	1,136.1	1,140.1	1,234.9	7.7%
Rest of the world	n/a	502.4	501.0	474.3	497.3	3.1%
Total	n/a	13,845.3	14,919.6	15,862.3	16,021.5	100.0%

What moved

- **Entyce Beverages grew fastest** (about 8.8% a year), then Snackworks (about 7.1%). I&J was flat and Footwear & Apparel grew about 2.5% a year.
- **Personal Care shrank** (about 5.4% a year). AVI footnotes a loss of Coty revenue from July 2023, and described FY25 as a difficult year of weak demand and stronger competition.
- **South Africa is steady at about 80% of revenue** (80.1% to 81.3% across FY22–FY25). Europe grew 23% over those years, and Other African countries 9%.

Limitations on this section

No segment-by-market split. AVI does not disclose, for example, how much of I&J's revenue is export. Segment and market views are separate. **FY21 is missing from the market split** because, before FY22, AVI included Europe within "Rest of the world"; the FY21 figures are not comparable. Per the single-year-gap rule the later years are kept and FY21 is flagged. **I&J FY21 revenue (R2,605.4m)** is derived (group revenue less the other four segments), cross-checked two ways.

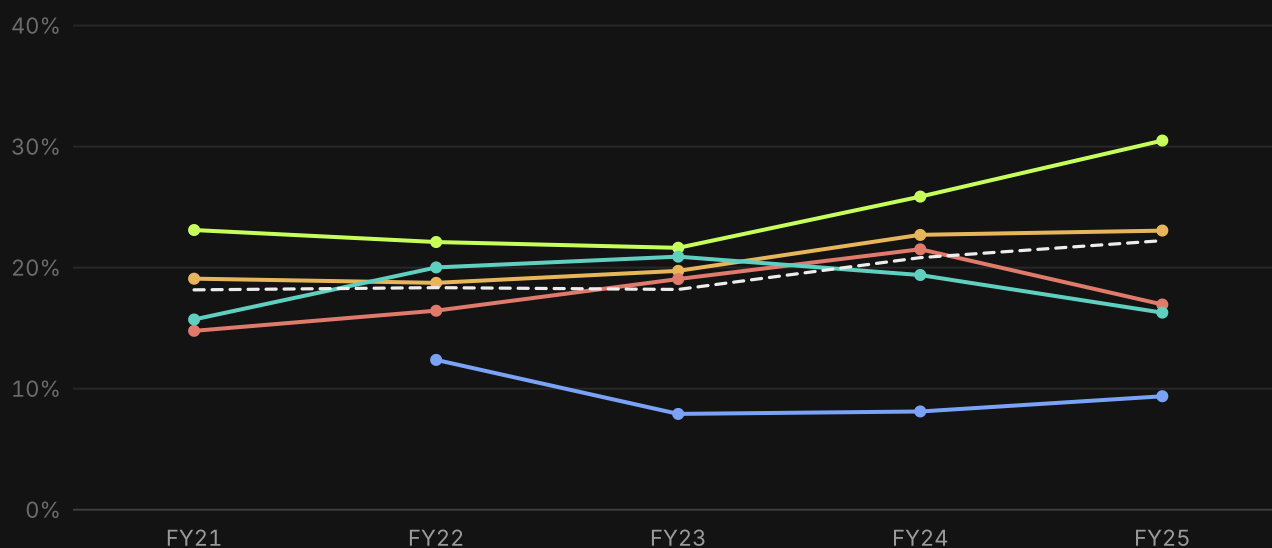
Profit and margins by segment

Segment operating profit (before capital items) divided by segment revenue. The food businesses earn the margin; the Fashion and fishing businesses earn less and move around more.

Segment operating margin

%, dashed line is the group

Entyce Beverages Snackworks I&J Personal Care Footwear & Apparel Group



FY25: share of revenue vs share of profit

Share of segment operating profit, before corporate costs

Share of FY25 revenue



Share of FY25 segment operating profit



■ Entyce Beverages 33% / 45%
 ■ Snackworks 35% / 36%
 ■ I&J 16% / 7%
 ■ Personal Care 6% / 4%
 ■ Footwear & Apparel 10% / 7%

Legend shows revenue share / profit share.

Segment operating profit, R'm

Segment	FY21	FY22	FY23	FY24	FY25
Entyce Beverages	872.8	880.6	920.2	1,300.1	1,615.9
Snackworks	814.6	881.4	1,038.4	1,270.9	1,294.4
I&J	n/a	306.2	196.8	199.7	240.8
Personal Care	170.4	193.4	233.1	220.0	156.7
Footwear & Apparel	230.4	302.5	354.8	340.8	263.7
Corporate & consolidation	n/a	-24.0	-28.5	-26.9	-9.6
I&J + Corporate combined	321.1	282.2	168.3	172.8	231.2
Group operating profit	2,409.3	2,540.1	2,714.8	3,304.6	3,561.9

Segment operating margin, %

Segment	FY21	FY22	FY23	FY24	FY25
Entyce Beverages	23.1	22.1	21.6	25.9	30.5
Snackworks	19.1	18.7	19.7	22.7	23.1
I&J	n/a	12.4	7.9	8.1	9.4
Personal Care	14.8	16.4	19.1	21.5	17.0
Footwear & Apparel	15.7	20.0	20.9	19.4	16.3
Group	18.2	18.3	18.2	20.8	22.2

What moved

- Entyce and Snackworks earn **81% of segment profit** from 68% of revenue. Entyce's margin rose from 23.1% to 30.5%; Snackworks from 19.1% to 23.1%.
- **Both Fashion segments lost margin in FY25** (Personal Care 21.5% to 17.0%, Footwear & Apparel 19.4% to 16.3%). For footwear and apparel, AVI cited subdued demand, heavy discounting by retailers and first-half supply chain disruption affecting December sales.
- **I&J** earns 16% of revenue but about 7% of segment profit, with its margin at 9.4% in FY25 against 12.4% in FY22.
- For Entyce, AVI noted that FY24 included windfall creamer gains when a competitor had supply problems; these did not repeat in FY25, yet the segment's margin still rose.

Limitations on this section

No profit or margin by geography. AVI discloses revenue and non-current assets by market, but not profit, so margin by market cannot be built from public disclosure and is deliberately not estimated. **FY21 I&J and Corporate are not split** in the sources used; the combined figure for FY21 was R321.1m. FY22–FY25 are confirmed separately.

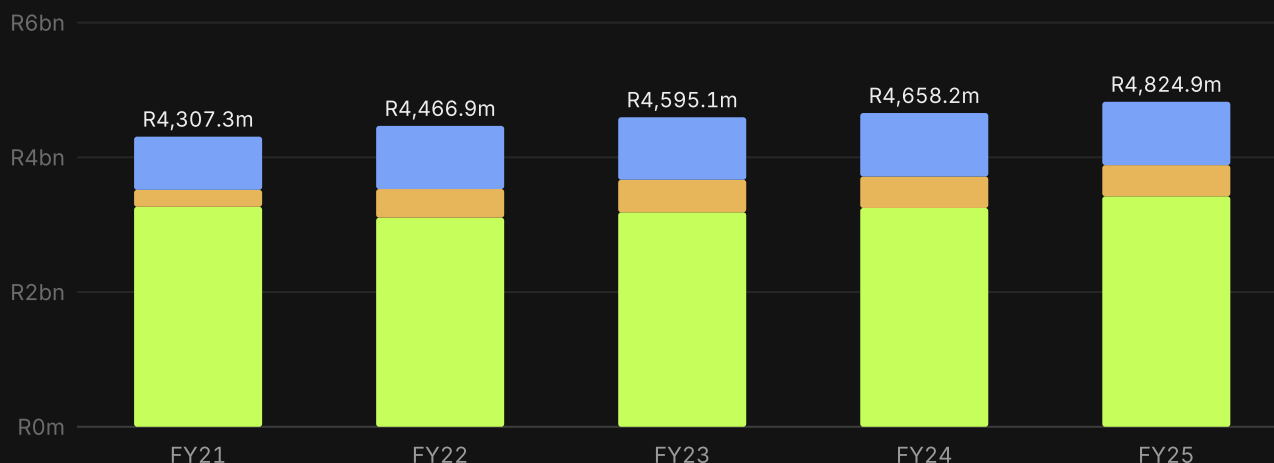
Balance sheet: what changed and why

Three questions: how much has been invested in long-term assets, how much debt carries the business, and how much cash is tied up in day-to-day working capital. Where AVI has explained a movement, the explanation is attributed; otherwise the numbers are shown without a guessed cause.

Long-term assets

R'm

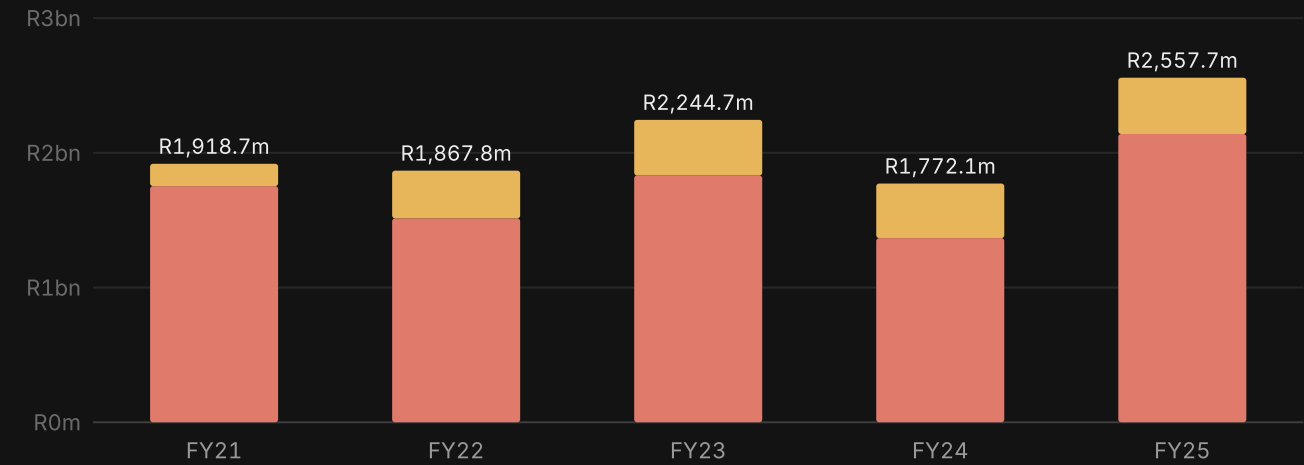
■ PP&E ■ Right-of-use ■ Intangibles & goodwill



Debt

R'm (lease liabilities included)

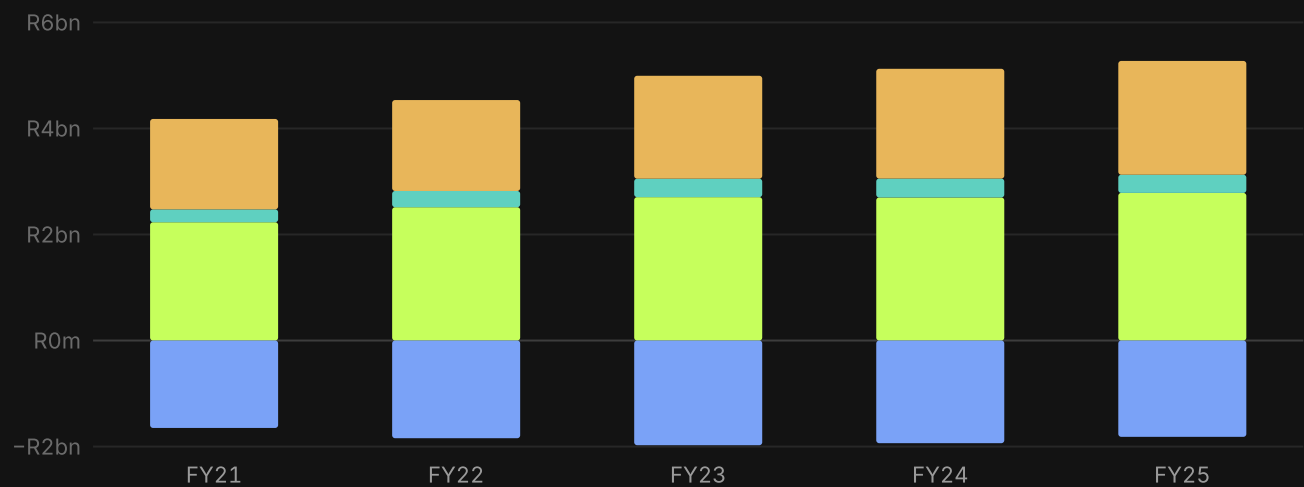
Short-term debt Lease liabilities (long-term)



Net working capital

R'm: inventory, biological assets and receivables less payables

Inventory Biological assets Receivables Payables



Long-term assets: movement by year, R'm

R'm change	FY21	FY22	FY23	FY24	FY25
PP&E	–	–160.8	+79.2	+64.1	+172.8
Right-of-use assets	–	+173.2	+58.3	–16.3	–3.4
Intangibles & goodwill	–	+147.2	–9.3	+15.3	–2.7
Total	–	+159.6	+128.2	+63.1	+166.7

- FY22** PP&E fell R161m because capex (R241m) was below depreciation and disposals; intangibles rose R147m, in line with R165m of intangible purchases in the cash flow statement.
- FY23** Capex rose to R482m, lifting PP&E by R79m after depreciation.
- FY24** Capex of R477m roughly matched depreciation; PP&E rose R64m.
- FY25** PP&E rose R173m on **capex of R601m**, the highest of the period. AVI reported that its first-half capex included a second-hand freezer vessel for I&J, commissioned in February 2025.

Debt: movement by year, R'm

R'm change	FY21	FY22	FY23	FY24	FY25
Short-term debt	–	–239.2	+318.2	–464.7	+772.7
Lease liabilities (long-term)	–	+188.3	+58.7	–7.9	+12.9
Total debt	–	–50.9	+376.9	–472.6	+785.6
Net debt	–	–48.2	+73.4	–330.6	+844.0

- FY22** Short-term debt fell R239m (R213m net repaid).
- FY23** Short-term debt rose R318m (R305m raised) in a year when net working capital rose R326m.
- FY24** Short-term debt fell R465m (R472m repaid) as operating cash flow rose R485m.
- FY25** Short-term debt rose R773m (R777m raised). Dividends paid were R2,975m (R2,037m ordinary plus a R938m special) against operating cash flow of R2,857m. On its FY25 results call, AVI said the October 2024 special dividend raised borrowing and finance costs.

Net working capital: movement by year, R'm

Positive = more cash tied up; a fall in payables also ties up cash

R'm change	FY21	FY22	FY23	FY24	FY25
Inventory	–	+283.4	+189.8	–5.8	+85.7
Biological assets	–	+63.1	+42.1	+8.2	–13.4
Receivables	–	+9.9	+226.1	+129.2	+76.0
Payables (decrease = more cash tied up)	–	–193.7	–131.8	+38.1	+119.7
Net working capital	–	+162.7	+326.2	+169.7	+268.0

FY22 Inventory rose R283m (+12.7% against revenue +4.3%), partly funded by R194m more payables.

FY23 Receivables grew 13.2% against revenue growth of 7.8% (+R226m); inventory grew 7.5%, broadly in line with revenue.

FY24 Receivables rose R129m (+6.7%, in line with revenue); inventory was flat; payables fell R38m.

FY25 Net working capital rose R268m, **45% of it from lower payables** (down R120m) rather than from stock or debtors, meaning suppliers funded less of the business than a year earlier.

Efficiency and strength ratios

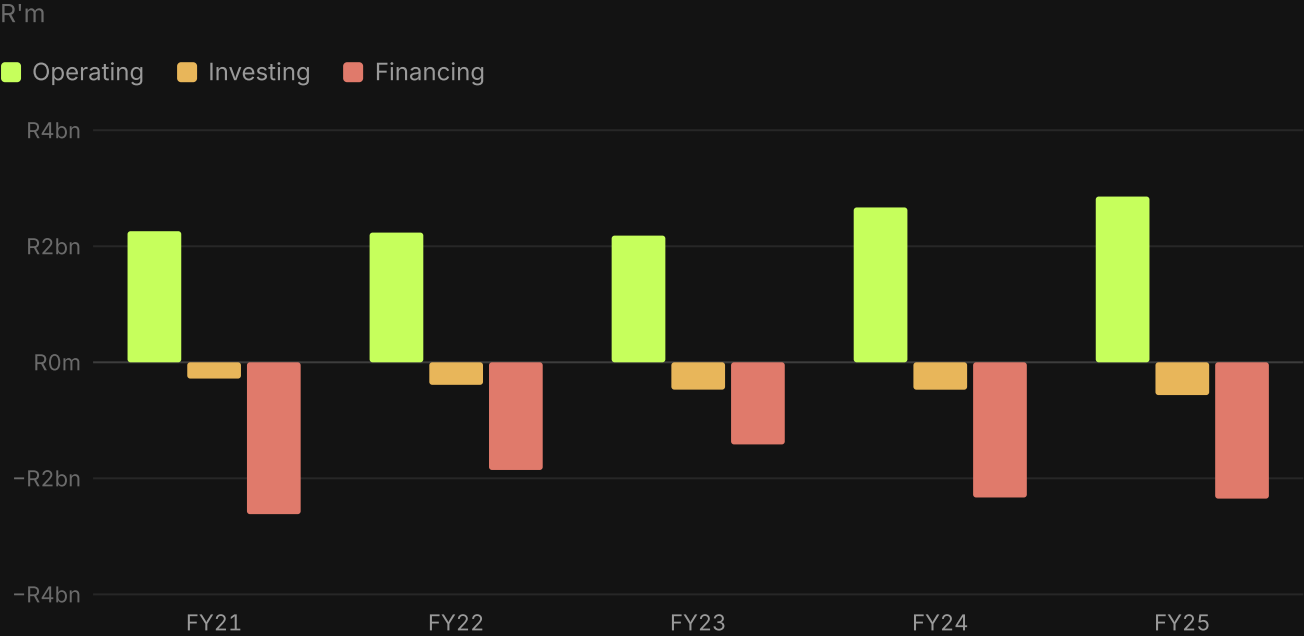
Calculated from the reported statements

Ratio	FY21	FY22	FY23	FY24	FY25
Net working capital % of revenue	19.1%	19.5%	20.2%	20.1%	21.6%
Operating cash flow ÷ operating profit	94%	88%	80%	81%	80%
Net debt (R'm)	1,724.6	1,676.4	1,749.8	1,419.2	2,263.2
Net debt ÷ operating profit	0.72×	0.66×	0.64×	0.43×	0.64×
Interest cover (operating profit ÷ finance costs)	19.9×	22.0×	13.6×	16.6×	15.0×
Current ratio	1.28	1.39	1.39	1.64	1.39
Total debt ÷ equity	0.44	0.39	0.44	0.31	0.48
Total equity (R'm)	4,401.9	4,793.7	5,116.9	5,784.9	5,346.9

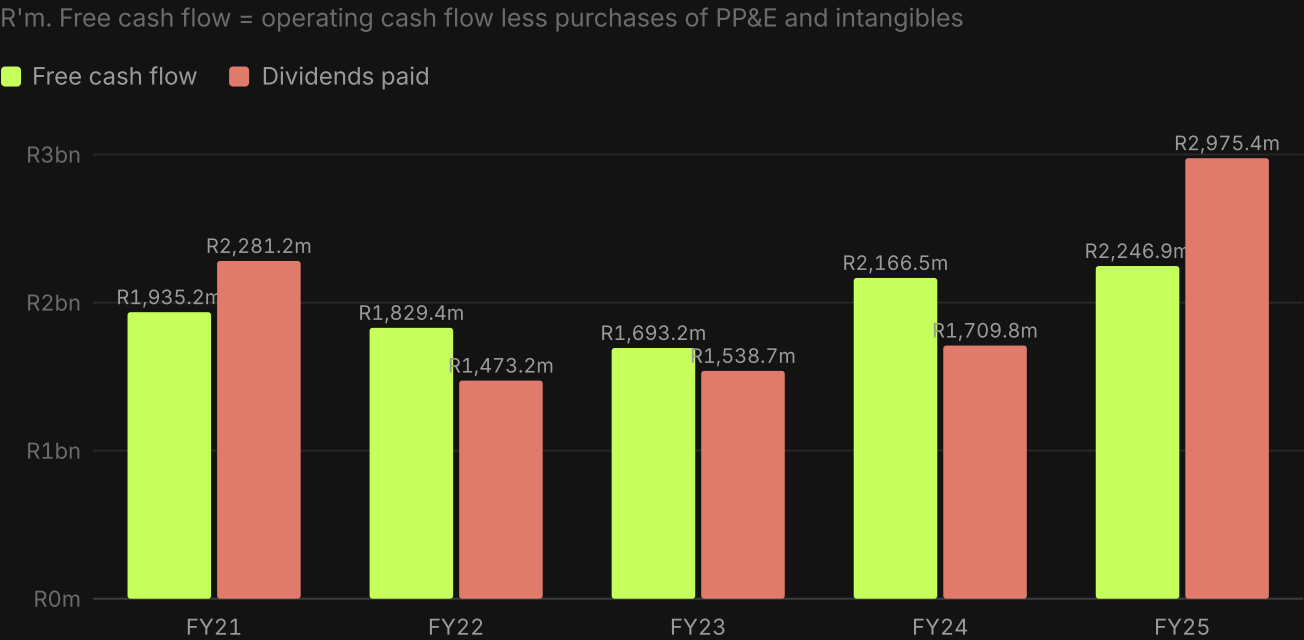
Cash flow: where the cash came from and went

Operating cash flow is what the business generates; investing is mostly capital spending; financing is mainly dividends and borrowing. The dividend picture matters most for income-focused portfolios.

Cash flow by type



Free cash flow vs dividends paid



Cash flow movement, R'm

R'm	FY21	FY22	FY23	FY24	FY25
Operating cash flow	2,259.4	2,235.5	2,183.4	2,668.8	2,856.6
change	–	–23.9	–52.1	+485.4	+187.8
Investing cash flow	–280.4	–388.2	–471.1	–472.3	–564.7
change	–	–107.8	–82.9	–1.2	–92.4
Financing cash flow	–2,616.9	–1,855.7	–1,415.3	–2,330.0	–2,349.4
change	–	+761.2	+440.4	–914.7	–19.4
Free cash flow (after capex)	1,935.2	1,829.4	1,693.2	2,166.5	2,246.9
Dividends paid (ordinary + special)	2,281.2	1,473.2	1,538.7	1,709.8	2,975.4
of which special	925.7	–	–	–	938.1

Operating **FY22 (–R24m)**: cash generated by operations slipped R22m while net working capital rose R163m. **FY23 (–R52m)**: cash generated rose R80m, but interest paid rose R83m and tax paid R49m. **FY24 (+R485m)**: cash generated rose R699m on R590m more operating profit, partly offset by R213m more tax paid. **FY25 (+R188m)**: cash generated rose R208m; interest paid rose R38m.

Investing Outflows rose from R280m (FY21) to R565m (FY25), almost entirely capex. FY22 included R165m of intangible purchases; FY25 capex was R601m, partly offset by R22m of other inflows.

Financing **FY21 (–R2,617m)** included a R926m special dividend. **FY22–FY23** were lighter: ordinary dividends of R1.47bn and R1.54bn, with R305m of new short-term funding in FY23. **FY24 (–R2,330m)**: ordinary dividends R1.71bn plus R472m of debt repaid. **FY25 (–R2,349m)**: ordinary R2.04bn plus a R938m special, with R777m of new short-term funding offsetting part of it.

Reading the dividend chart

In FY25, dividends paid (R2,975m) were about 1.3× free cash flow (R2,247m). The only other year in which dividends exceeded free cash flow was FY21 (1.2×, also a year with a special dividend). In FY25 the difference was covered by new borrowing, which is the link between this section and the debt movement above.

The share price

Daily closing prices from 30 June 2021 to 2 October 2026, with the 50-day and 200-day moving averages. Markers show when results were announced, not when the financial year ended, because that is when the market receives new information. Full-year announcements are labelled; interim (half-year) announcements are the small open circles, and you can hover or tap any marker for the date and the share price move that day.



How to read the averages

- A **moving average** is the average closing price over the last 50 or 200 trading days. It smooths daily noise.
- On 2 October 2026 the close (R82.11) was below the 50-day average (R86.70) and the 200-day average (R98.50), and the 50-day was below the 200-day.
- These describe **past price behaviour**. They are not forecasts or signals.

The price on results day

Close on announcement day vs the previous close. Results are published around 07:00, before the market opens.



Small sample (11 announcements). A one-day move captures only the first reaction. AVI also publishes a trading statement five to eight weeks earlier giving an earnings range, so much of the news is usually public by results day. Average absolute move: 1.6% (full-year 1.1%, interim 2.3%); all five interim days closed lower.

Headline earnings per share

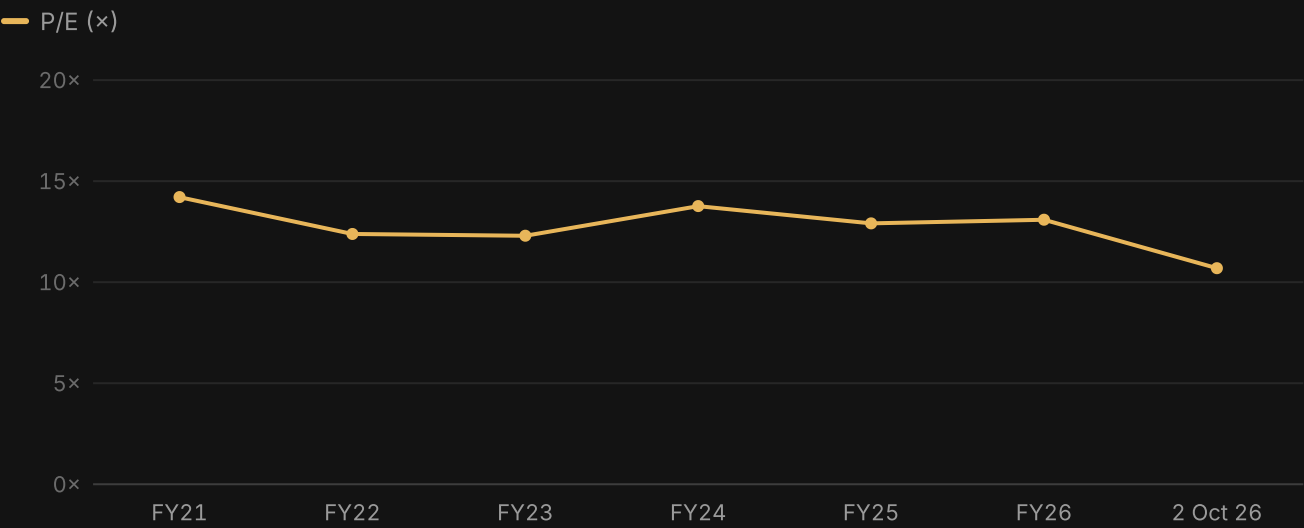
Cents, years ended 30 June

■ HEPS (cents)



Price-to-earnings ratio

Closing price at year-end ÷ that year's HEPS. The last point uses the 2 Oct 2026 close and FY26 HEPS.



Market metrics

HEPS = headline earnings per share. Dividends are declared per share, in cents.

	FY21	FY22	FY23	FY24	FY25	FY26
HEPS (cents)	499.9	530.6	553.6	687.1	729.1	767.9
growth %	–	+6.1	+4.3	+24.1	+6.1	+5.3
Normal dividend per share (cents)	n/a	462	483	590	626	663
Special dividend declared (cents)	n/a	–	–	280	–	300
Normal dividend ÷ HEPS	n/a	87%	87%	86%	86%	86%
Year-end closing price (cents)	7,105	6,572	6,809	9,459	9,413	10,053
P/E at year-end	14.2×	12.4×	12.3×	13.8×	12.9×	13.1×
Latest: close 2 Oct 2026 ÷ FY26 HEPS						10.7×

About the P/E figures

P/E here divides the year-end closing price by that year's reported HEPS, so each year is a point-in-time reading, not a forecast. FY24 uses the 28 June 2024 close because 30 June fell on a Sunday. P/E is shown as a market metric only; this report does not label the shares cheap or expensive.

Data notes and gaps

Every gap is shown rather than hidden. The rule applied: a line missing for one year is kept and flagged; a line missing for two or more years is left out of the standard comparison.

Item	Status	Treatment
I&J vs Corporate operating profit, FY21	Single-year gap	Not separately sourced. Kept and flagged; combined R321.1m shown.
Revenue by market, FY21	Single-year gap	AVI grouped Europe within "Rest of the world" before FY22, so FY21 is not comparable. FY22–FY25 kept.
I&J revenue, FY21	Derived	R2,605.4m = group revenue less the other four segments; cross-checked two ways.
Profit or margin by market	Not disclosed	AVI reports revenue and non-current assets by market, not profit. Excluded, not estimated.
Segment × market revenue	Not disclosed	No split of segment revenue by geography is published.
FY21 normal dividend per share	Not yet sourced	Shown as n/a. FY22–FY26 are confirmed from results announcements.
FY2026 financial statements	Not yet in workbook	FY26 headline figures come from Business Day and Quartr coverage of the results; the full audited statements are still to be processed. HEPS of 767.9c should be confirmed against AVI's own announcement.
Share price display	Sampled	Chart uses about one point a week; averages are calculated on every trading day in the workbook.
Explanations of movements	Attributed or numeric	Where AVI has explained a movement the source is named; otherwise only the arithmetic is shown. Lease and intangible movements in FY22 have not yet been traced to the AFS notes.

Sources. AVI Limited audited consolidated annual financial statements FY2021–FY2025 and SENS announcements (JSE); AVI trading statements and results announcements; AVI FY2025 results call (8 Sep 2025); Business Day (7 Sep 2026) and Quartr summary of the FY2026 results; closing prices from the Clearview Financial workbook.

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