

AVI Limited

Margins did the work this year, not sales.

South African branded consumer products group — food, beverages, fishing, personal care, footwear and apparel. Revenue grew just 1.0%, the slowest in five years, but operating profit grew 7.8% as margins expanded across most of the business.

Revenue R16.02bn ▲ +1.0% vs FY24	Operating profit R3.56bn ▲ +7.8% vs FY24	Operating margin 22.2% ▲ from 20.8% in FY24	Cash returned to shareholders R2.98bn ▲ incl. R938m special dividend
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Business health score

FY2021–FY2025 window

Total across four areas

27 / 40

Calculated from AVI's published numbers using fixed thresholds. Not a rating.

How to read this

The score describes how the business has been run and funded, area by area. A higher or lower score is a point of comparison between companies, not a statement that one is better than another: a company that pays out most of its cash will score differently from one that keeps it.

Look at the four area scores and the reasons beside them rather than the total alone. Every threshold is public in the [scoring rubric](#), so you can check any score yourself.

Operations

8 / 10

Is the business making more from what it sells?

WHAT DRIVES THE SCORE

Operating margin **22.2%** in FY25 against **18.2%** in FY21 (+4.1 points); revenue grew **4.8%** a year on average.

COMMENT

Profit growth came from margin rather than sales: revenue growth faded to 1.0% in FY25 while operating margin reached the highest of the five years.

Margin change +4.1 pts **5/5**

Revenue growth 4.8% a year **3/5**

Liquidity

4 / 10

Does profit turn into cash?

WHAT DRIVES THE SCORE

Cash conversion was **80%** of operating profit in FY25; working capital is **21.6%** of revenue, up 2.5 points since FY21.

COMMENT

Cash conversion slipped from 94% to 80% and working capital grew faster than revenue (up 37% against 21%). R777m of new short-term borrowing helped fund FY25 dividends.

Cash conversion 80% **3/5**

Working capital +2.5 pts **1/5**

Solvency

7 / 10

How comfortable is the debt?

WHAT DRIVES THE SCORE

Net debt is **0.64×** operating profit and interest cover is **15.0×**. Two trend deductions apply: equity fell in FY25, and interest cover is down 24% on FY21.

COMMENT

Leverage is modest in absolute terms, but net debt rose 31% over the five years, equity fell in FY25 because dividends exceeded profit, and interest cover fell from 19.9× to 15.0×. AVI reports lower net debt in FY26.

Net debt ÷ profit 0.64× **4/5**

Interest cover 15.0× **5/5**

Trend deductions **-2**

Qualitative

8 / 10

Are the habits and disclosures consistent?

WHAT DRIVES THE SCORE

Four of five yes/no rules passed (2 points each). Dividends were not covered by free cash flow in 2 of the 5 years.

COMMENT

Dividends are consistent, the segment mix is balanced and the audit opinion is unmodified. The one miss is dividend cover: free cash flow did not cover dividends in FY21 and FY25, both years with a special dividend.

Dividend paid every year, none cut ✓

Dividends covered by free cash flow (3 of 5 years; 4 needed) ✗

No segment above 50% of revenue (largest 35.0%) ✓

Audit opinion unmodified ✓

No restatement ✓

Five-year trend

FY21 → FY25, R'm unless noted

Revenue



R16,021.5m

up 21% since FY21

Operating profit



R3,561.9m

up 48% since FY21

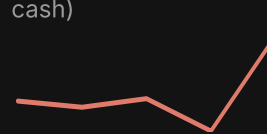
Operating cash flow



R2,856.6m

dipped FY22-23,
recovered since

Net debt (debt less cash)



R2,263.2m

highest point in 5 years

Revenue by segment

FY2025, R'm

Snackworks	<div><div></div></div>	5,611.8
Entyce Beverages	<div><div></div></div>	5,298.4
I&J	<div><div></div></div>	2,567.8
Footwear & Apparel	<div><div></div></div>	1,619.2
Personal Care	<div><div></div></div>	924.3

What sits behind the scores

Direction of travel, not a rating

Operations

▲ Margins higher

- Operating margin expanded for the second straight year, from **18.2%** (FY21) to **22.2%** (FY25), with nearly all of the gain in FY24 and FY25.
- **Entyce Beverages** was the standout — revenue and profit both grew, margin now above 30%.
- **I&J** (fishing) remained the most volatile segment, with profit swinging well below the group average most years.

Liquidity

■ Cash conversion lower

- Cash conversion (operating cash flow ÷ operating profit) slipped from **94%** (FY21) to **80%** (FY25) as working capital grew faster than profit.
- Net working capital rose **37%** over five years — inventory and debtors both outpacing revenue growth.
- FY25 saw **R777m** of new short-term borrowing, partly to help fund that year's dividends.

Solvency

▼ Net debt higher

- Net debt rose to its highest point in five years, up **31%** since FY21.
- Total equity **fell** in FY25 — the first decline in the five-year window — because dividends paid (R2.98bn) exceeded net profit (R2.43bn).
- This was a capital-allocation decision (a special dividend), not a sign of operating weakness — margins and cash generation stayed healthy alongside it.

Bottom line

AVI's FY2025 was a year where **profitability did more work than growth**: revenue barely moved, but disciplined pricing and cost control pushed operating margin to its highest level in at least five years. That improvement came with a quieter cost — the business now holds more inventory and debtors relative to its sales than it used to, and converts a smaller share of its profit into cash as a result.

Management chose to return a large share of that cash to shareholders anyway, including a second special dividend in five years, funded partly by new short-term debt. The result is a balance sheet that looks a little more stretched than it did a year ago — **by design, not by distress**. Whether that trade-off suits a given portfolio is a question of individual goals and risk appetite, which this scorecard doesn't answer.

What to watch next

Sep 2026	AVI reported FY2026 full-year results (year ended 30 Jun 2026) — not yet reflected in this scorecard, which covers FY2021–FY2025.
~Oct 2026	FY2026 Integrated Annual Report typically follows results by about five weeks.
~Mar 2027	Interim results for the six months to 31 December 2026 expected, based on AVI's usual reporting calendar.

This scorecard presents a descriptive summary of AVI Limited's published financial results for FY2021–FY2025. The business health score is a description of the business based on fixed, published thresholds; it is not a rating, and a higher or lower score does not mean one company is better than another. It does not constitute financial, investment or tax advice, a recommendation to buy, hold or sell any security, or a valuation or price target of any kind. Clearview Financial (Pty) Ltd is not a licensed financial services provider. Figures are drawn from AVI Limited's audited consolidated annual financial statements and SENS announcements; some comparative figures are derived where a precise breakdown was not separately disclosed, as noted in the underlying workpapers. Past performance is not indicative of future results.

Source: AVI Limited consolidated annual financial statements, FY2021–FY2025 · [avi.co.za / senspdf.jse.co.za](https://avi.co.za/senspdf.jse.co.za)