

AVI LIMITED

Registration number 1944/017201/06

Share code: AVI

ISIN: ZAE000049433

("AVI" or "the Company" or "the Group")

TRADING STATEMENT AND UPDATE FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

Segmental revenue for the six months ended 31 December 2024

	2024	2023	%
	Rm	Rm	Change
Food & Beverage	6 884,6	6 674,7	3,1
Entyce Beverages	2 616,5	2 420,2	8,1
Snackworks	3 069,9	3 101,1	(1,0)
I&J	1 198,2	1 153,4	3,9
Fashion brands	1 586,3	1 703,4	(6,9)
Personal Care*	506,6	539,3	(6,1)
Footwear & Apparel	1 079,7	1 164,1	(7,3)
Group	8 470,9	8 378,1	1,1

Group revenue increased by 1.1% over the same period last year. Revenue growth in Entyce was underpinned by price increases required to ameliorate significant input cost pressures. Snackworks revenue ended 1% lower off a strong prior year base. I&J's revenue grew 3,9% with the benefit of selling price increases in the fishing business and a weaker exchange rate partially offset by lower fish sales volumes driven by a poorer catch mix and catch performance. The abalone category was impacted by lower selling prices and weaker demand in key Asian markets. Personal care revenue declined with growth in roll-on and colour cosmetics not sufficient to offset lower demand in the aerosol and fragrance categories. The fashion retail brand portfolio had a challenging semester with supplier and global supply chain issues impacting the semester's sales. December retail sales fell short of a strong prior year base and were impacted by stock shortages in some key brands and styles in the month.

The group's consolidated gross profit margin improved over the prior year's underpinned by sound cost control, improved manufacturing efficiency and increased selling prices to recover rising input costs. Selling and administrative expenses were tightly controlled and ended in line with last year, which together with the improved gross profit, supported a sound growth in the Group's operating margin and operating profit over the prior year.

Net finance costs were marginally higher than last year due to increased average borrowing levels following the payment of the special dividend partially offset by lower interest rates. The effective tax rate is largely in line with the corporate tax rate of 27%.

CAPITAL GAINS

Capital gains increased because of the disposal of the assets and business conducted by I&J's Umsobomvu joint venture with effect from July 2024. This transaction resulted in a capital gain of R12,6 million after taxation.

CONSOLIDATED HEADLINE AND ATTRIBUTABLE EARNINGS

The weighted average number of shares in issue is expected to be 0,2% higher than last year due to the issue of new shares in terms of the Group's various share incentive schemes.

We hereby advise shareholders, in accordance with Section 3.4 (b) of the Listings Requirements of the JSE Limited, that:

- Consolidated headline earnings per share for the six months ended 31 December 2024 are expected to increase by between 8% and 10% over the prior year, translating into an increase from last year's 374,3 cents to a range of between 404,2 and 411,7 cents per share; and
- Consolidated earnings per share for the six months ended 31 December 2024, including capital gains and losses, are expected to increase by between 9% and 11% over the prior year, translating into an increase from last year's 374,1 cents to a range of between 407,8 and 415,3 cents per share.

It is expected that AVI will release its full results for the six months ended 31 December 2024 on or about 10 March 2025.

The information above has not been reviewed and reported on by the Group's external auditors.

Illovo
28 January 2025

Sponsor
The Standard Bank of South Africa Limited