



# Q1 2025 MARGIN ANALYSIS

April 29, 2025

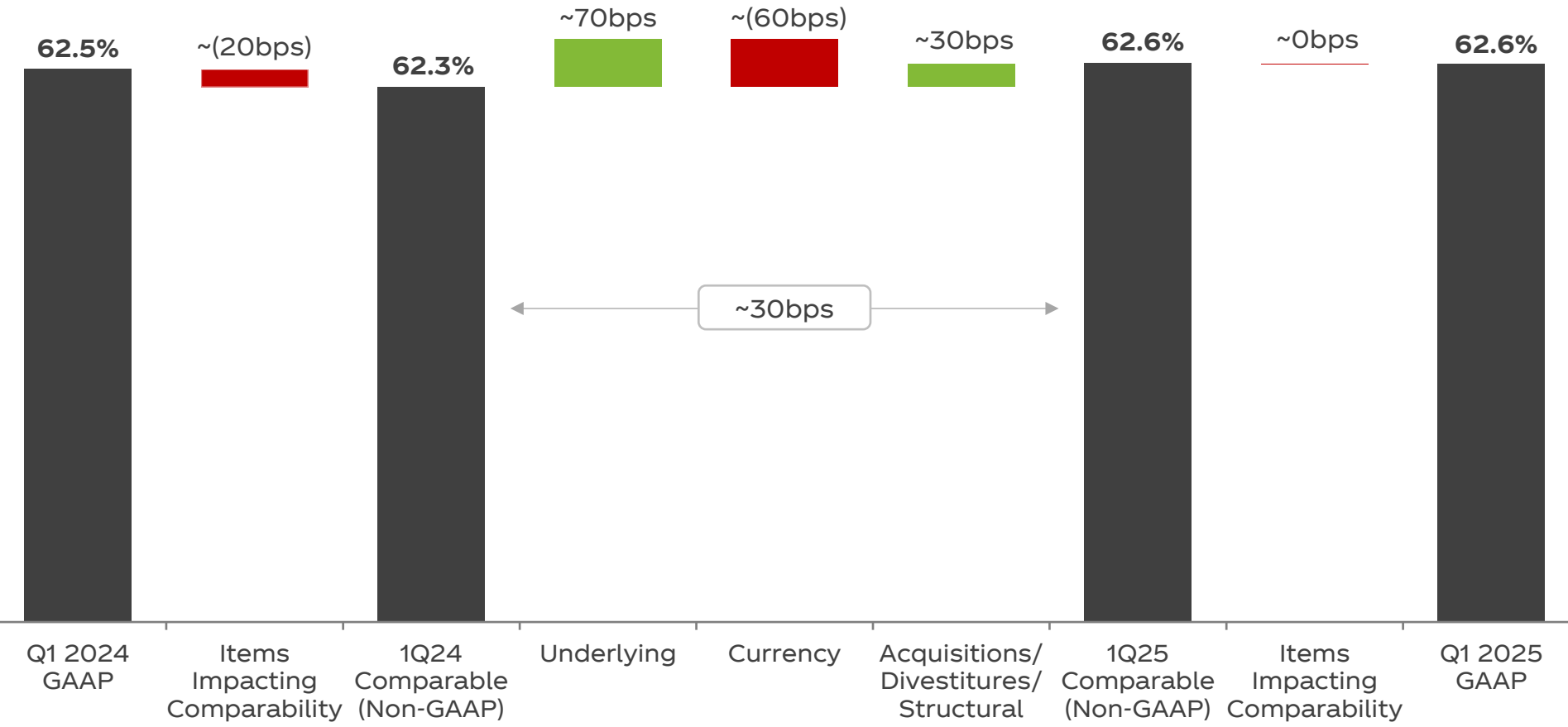
## RECONCILIATION TO U.S. GAAP FINANCIAL INFORMATION

The following presentation includes certain "non-GAAP financial measures" as defined in Regulation G under the Securities Exchange Act of 1934. A schedule which reconciles our results as reported under Generally Accepted Accounting Principles and the non-GAAP financial measures included in the following presentation is attached as an appendix hereto.



# Q1 2025 MARGIN ANALYSIS

## CONSOLIDATED GROSS MARGIN



### KEY TAKEAWAYS

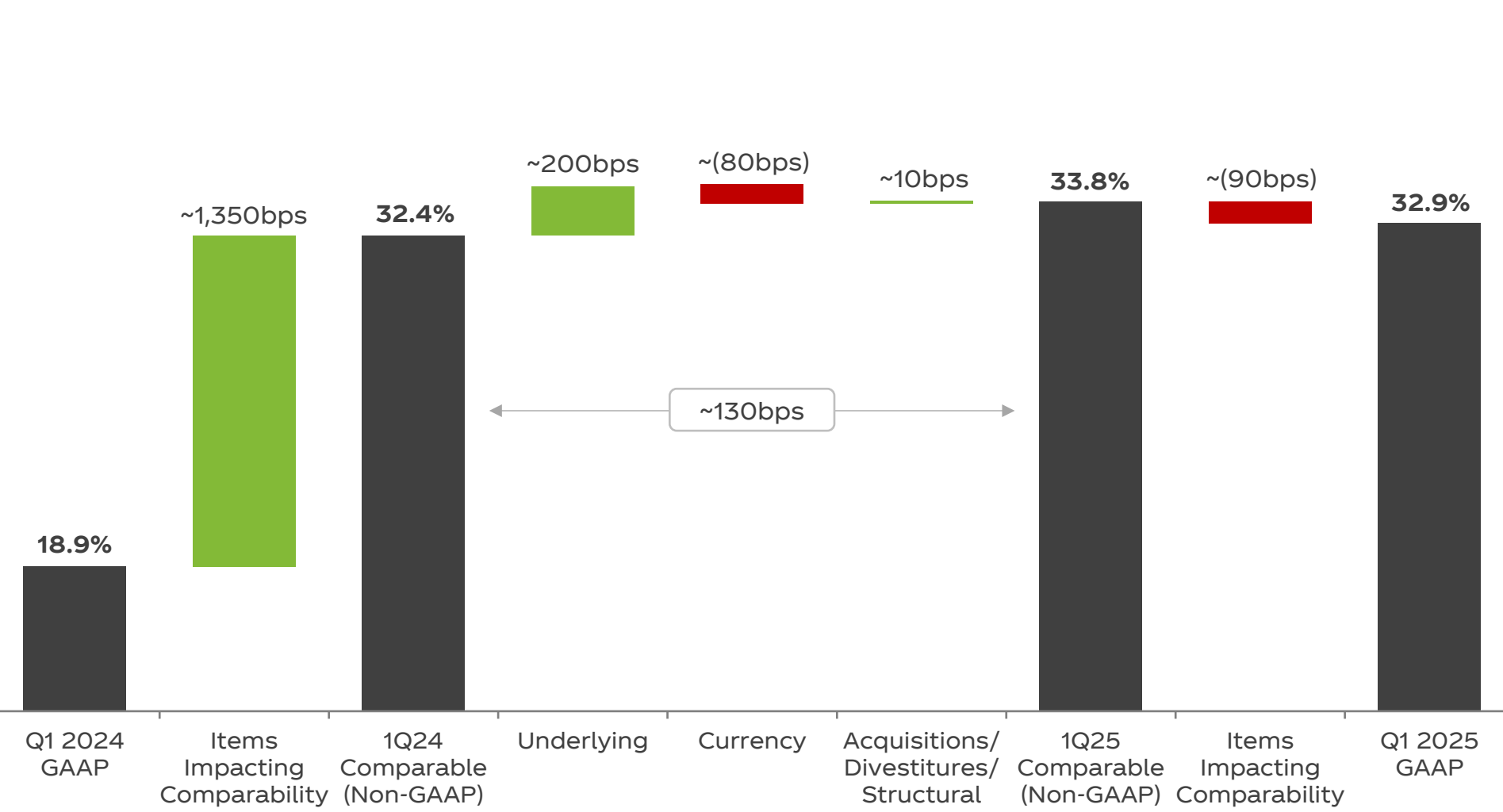
- Items impacting comparability primarily relate to economic hedging activities.
- Underlying gross margin expanded by ~70 bps, driven by strong organic revenue growth, partially offset by higher commodity costs.
- The structural tailwind was due to the impact from refranchising bottling operations mainly in the Philippines.

Note: Numbers may not add due to rounding.



# Q1 2025 MARGIN ANALYSIS

## CONSOLIDATED OPERATING MARGIN



### KEY TAKEAWAYS

- Items impacting comparability primarily relate to the impairment of the BODYARMOR® trademark in the prior year, charges for the remeasurement of the fairlife contingent consideration liability, restructuring initiatives and economic hedging activities.
- Underlying operating margin expanded by ~200 bps, primarily driven by organic revenue growth, effective cost management and the timing of marketing investments.
- The structural tailwind was due to the impact from refranchising bottling operations mainly in the Philippines.

Note: Numbers may not add due to rounding.



# APPENDIX

## RECONCILIATIONS OF GAAP AND NON-GAAP FINANCIAL MEASURES

# THE COCA-COLA COMPANY AND SUBSIDIARIES

## Reconciliation of GAAP and Non-GAAP Financial Measures

(UNAUDITED)

**Gross Margin:**

	Three Months Ended March 28, 2025	Three Months Ended March 29, 2024	Basis Point Growth
<b>Reported Gross Margin (GAAP)</b>	62.59%	62.52%	7
Items Impacting Comparability (Non-GAAP)	(0.01%)	0.24%	
Comparable Gross Margin (Non-GAAP)	62.60%	62.28%	32
Comparable Currency Impact (Non-GAAP)	(0.64%)	0.00%	
Comparable Currency Neutral Gross Margin (Non-GAAP)	63.24%	62.28%	96
Impact of Acquisitions, Divestitures and Structural Changes on Comparable Currency Neutral Gross Margin (Non-GAAP)	(0.01%)	(0.31%)	
Underlying Gross Margin (Non-GAAP)	63.25%	62.59%	66

# THE COCA-COLA COMPANY AND SUBSIDIARIES

## Reconciliation of GAAP and Non-GAAP Financial Measures

(UNAUDITED)

### Operating Margin:

	Three Months Ended March 28, 2025	Three Months Ended March 29, 2024	Basis Point Growth
<b>Reported Operating Margin (GAAP)</b>	<b>32.88%</b>	<b>18.94%</b>	<b>1,394</b>
Items Impacting Comparability (Non-GAAP)	(0.90%)	(13.50%)	
Comparable Operating Margin (Non-GAAP)	33.78%	32.44%	134
Comparable Currency Impact (Non-GAAP)	(0.78%)	0.00%	
Comparable Currency Neutral Operating Margin (Non-GAAP)	34.56%	32.44%	212
Impact of Acquisitions, Divestitures and Structural Changes on Comparable Currency Neutral Operating Margin (Non-GAAP)	(0.01%)	(0.09%)	
Underlying Operating Margin (Non-GAAP)	34.57%	32.53%	204