



# Q1 2024 MARGIN ANALYSIS

April 30, 2024

## 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.

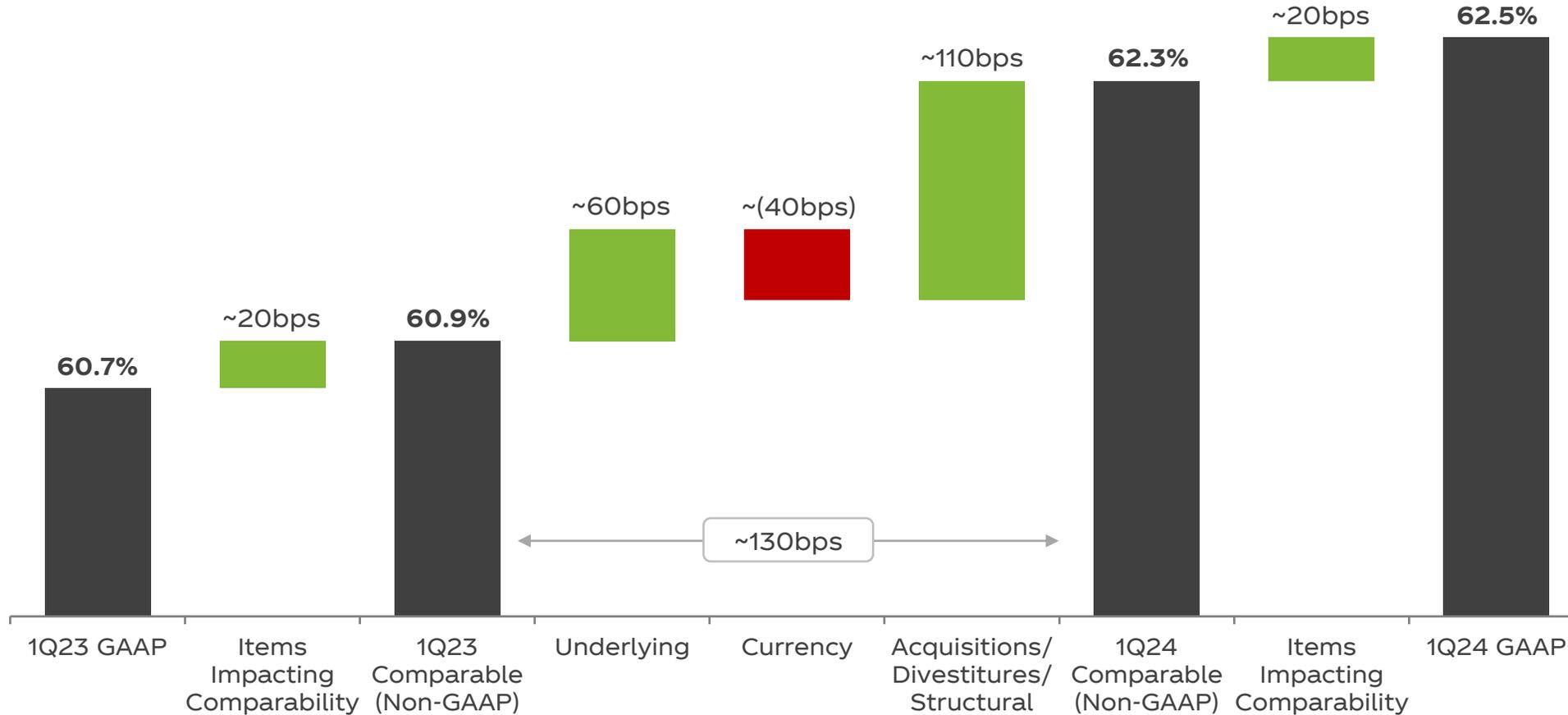


# Q1 2024 MARGIN ANALYSIS

## CONSOLIDATED GROSS MARGIN

### KEY TAKEAWAYS

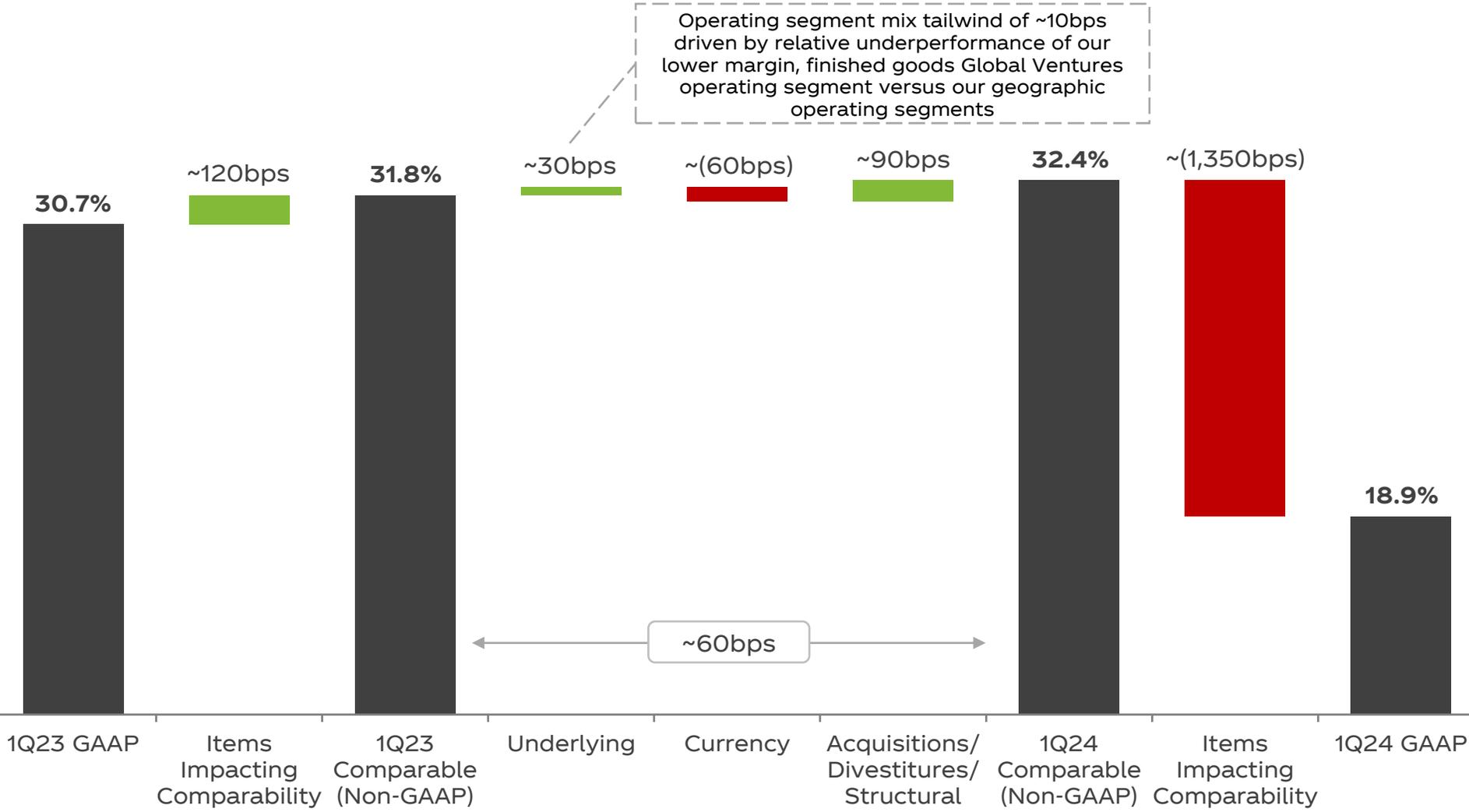
- Items impacting comparability primarily relate to economic hedging activities.
- Underlying gross margin expanded by ~60 bps, driven by strong price/mix accelerating top line growth across segments, partially offset by higher commodity prices.
- The structural tailwind was due to the impact from refranchising bottling operations mainly in the Philippines.



Note: Numbers may not add due to rounding.

# Q1 2024 MARGIN ANALYSIS

## CONSOLIDATED OPERATING MARGIN



## KEY TAKEAWAYS

- Items impacting comparability primarily relate to the current period charges for the remeasurement of the fairlife contingent consideration liability and the impairment of the BODYARMOR® trademark, other transaction gains & losses, restructuring initiatives and economic hedging activities.
- Underlying operating margin expanded by ~30 bps, primarily driven by flowthrough from strong organic revenue growth across segments, partially offset by an increase in marketing investments.
- The structural tailwind was due to the impact from refranchising bottling operations mainly in the Philippines.



# 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 29, 2024	Three Months Ended March 31, 2023	Basis Point Growth
<b>Reported Gross Margin (GAAP)</b>	<b>62.52%</b>	<b>60.68%</b>	<b>184</b>
Items Impacting Comparability (Non-GAAP)	0.24%	(0.25%)	
Comparable Gross Margin (Non-GAAP)	62.28%	60.93%	135
Comparable Currency Impact (Non-GAAP)	(0.36%)	0.00%	
Comparable Currency Neutral Gross Margin (Non-GAAP)	62.64%	60.93%	171
Impact of Acquisitions, Divestitures and Structural Changes on Comparable Currency Neutral Gross Margin (Non-GAAP)	0.50%	(0.63%)	
Underlying Gross Margin (Non-GAAP)	62.14%	61.56%	58

# THE COCA-COLA COMPANY AND SUBSIDIARIES

## Reconciliation of GAAP and Non-GAAP Financial Measures

(UNAUDITED)

**Operating Margin:**

	Three Months Ended March 29, 2024	Three Months Ended March 31, 2023	Basis Point Growth (Decline)
<b>Reported Operating Margin (GAAP)</b>	<b>18.94%</b>	<b>30.66%</b>	<b>(1,172)</b>
Items Impacting Comparability (Non-GAAP)	(13.50%)	(1.16%)	
Comparable Operating Margin (Non-GAAP)	32.44%	31.82%	62
Comparable Currency Impact (Non-GAAP)	(0.58%)	0.00%	
Comparable Currency Neutral Operating Margin (Non-GAAP)	33.02%	31.82%	120
Impact of Acquisitions, Divestitures and Structural Changes on Comparable Currency Neutral Operating Margin (Non-GAAP)	0.51%	(0.35%)	
Underlying Operating Margin (Non-GAAP)	32.51%	32.17%	34