COCA-COLA KO

RECENT PRICE	P/E RATIO	P/FCF* RATIO	DIV. YLD (TTM)	BOOK VALUE
95.34	31.4x	77.4x	2.2%	7.48

NIANBAO QIYU

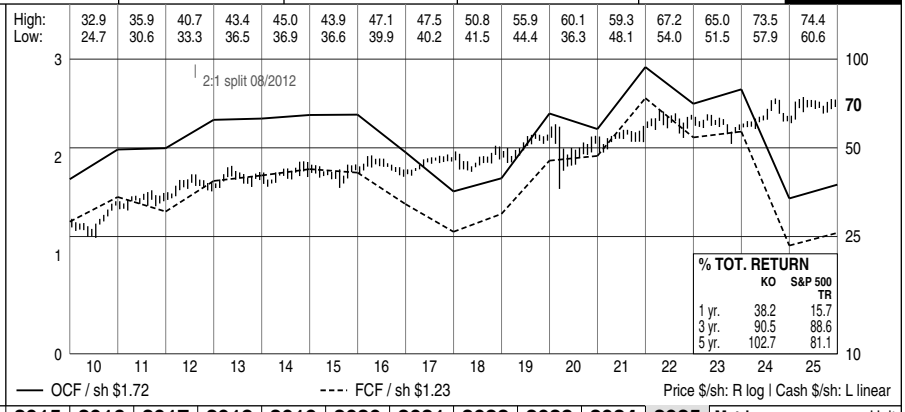
HOW IT EARNS CASH | BUSINESS CHAIN

Brand -> ~2.2B servings/day, 33.8B system cases (flat); Coca-Cola Zero Sugar volume +14%.
Bottler execution: top five 44% of cases; concentrate operations 85% of cases / 59% of KO sales.
KO capture: concentrate +1% + price/mix +4% -> organic sales +5% -> reported FCF $5.30B*.

SEGMENT REVENUE | FY25

Revenue	$B	Mix	YoY	2Y CAGR
EMEA	10.83	22.6%	5.4%	3.3%
Latin America	6.33	13.2%	-2.2%	4.2%
North America	19.58	40.8%	3.8%	7.4%
Asia Pacific	5.33	11.1%	3.9%	5.2%
Bottling Invest.	5.73	11.9%	-7.9%	-14.6%
Corporate*	.14	.3%	30.9%	1.4%
Total	**47.94**	**100.0%**	**1.9%**	**2.4%**

*Corporate is not a segment; FY23-25 recast.



VALUE CREATION	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Metric	Unit
BRAND INPUT Ads $5.4B (~11.3% of sales) -> 33.8B cases. Coke Zero volume +14%; brand ROI: ND.	35119	46542	48017	46854	45998	44294	41863	36212	34300	37266	33014	38655	43004	45754	47061	47941	Revenue	$M
	13.3%	32.5%	3.2%	-2.4%	-1.8%	-3.7%	-5.5%	-13.5%	-5.3%	8.6%	-11.4%	17.1%	11.3%	6.4%	2.9%	1.9%	Rev. YoY	%
	63.9%	60.9%	60.3%	60.7%	61.1%	60.5%	60.7%	62.1%	61.9%	60.8%	59.3%	60.3%	58.1%	59.5%	61.1%	61.6%	Gross Margin	%
	8413.0	10173	10779	10228	9708.0	8728.0	8626.0	7755.0	9152.0	10086	8997.0	10308	10909	11311	9992.0	13762	Op. Income	$M
	24.0%	21.9%	22.4%	21.8%	21.1%	19.7%	20.6%	21.4%	26.7%	27.1%	27.3%	26.7%	25.4%	24.7%	21.2%	28.7%	Op. Margin	%
	11787	8584.0	9019.0	8584.0	7098.0	7351.0	6527.0	1248.0	6434.0	8920.0	7747.0	9771.0	9542.0	10714	10631	13107	Net Income	$M
	33.6%	18.4%	18.8%	18.3%	15.4%	16.6%	15.6%	3.4%	18.8%	23.9%	23.5%	25.3%	22.2%	23.4%	22.6%	27.3%	Net Margin	%
TWO ROUTES **Concentrate** 85% of system cases / 59% of KO revenue. Incidence-based pricing.	9532.0	9474.0	10645	10542	10615	10528	8796.0	7041.0	7627.0	10471	9844.0	12625	11018	11599	6805.0	7408.0	OCF	$M
	27.1%	20.4%	22.2%	22.5%	23.1%	23.8%	21.0%	19.4%	22.2%	28.1%	29.8%	32.7%	25.6%	25.4%	14.5%	15.5%	OCF Margin	%
	.8x	1.1x	1.2x	1.2x	1.5x	1.4x	1.3x	5.6x	1.2x	1.2x	1.3x	1.3x	1.2x	1.1x	.6x	.6x	OCF / Net Inc.	x
	2215.0	2920.0	2780.0	2550.0	2406.0	2553.0	2262.0	1750.0	1548.0	2054.0	1177.0	1367.0	1484.0	1852.0	2064.0	2112.0	Capex	$M
	23.2%	30.8%	26.1%	24.2%	22.7%	24.2%	25.7%	24.9%	20.3%	19.6%	12.0%	10.8%	13.5%	16.0%	30.3%	28.5%	Capex / OCF	%
Finished 15% of cases / 41% of revenue. More physical production capital.	7317.0	6554.0	7865.0	7992.0	8209.0	7975.0	6534.0	5291.0	6079.0	8417.0	8667.0	11258	9534.0	9747.0	4741.0	5296.0	FCF (OCF-PPE)	$M
	20.8%	14.1%	16.4%	17.1%	17.8%	18.0%	15.6%	14.6%	17.7%	22.6%	26.3%	29.1%	22.2%	21.3%	10.1%	11.0%	FCF Margin	%
SYSTEM CHECK Top five: 44% of cases. BI uses 25.9% of KO capex. Bottler returns / availability: ND.	2511.0	977.00	1535.0	353.00	389.00	2491.0	838.00	3809.0	1263.0	5542.0	1052.0	4766.0	73.00	62.00	315.00	461.00	Acq. & Invest.*	$M
	26.3%	10.3%	14.4%	3.3%	3.7%	23.7%	9.5%	54.1%	16.6%	52.9%	10.7%	37.8%	.7%	.5%	4.6%	6.2%	Acq./Inv. / OCF*	%
	380.00	354.00	259.00	227.00	209.00	236.00	258.00	219.00	225.00	201.00	126.00	337.00	356.00	254.00	286.00	279.00	SBC Expense	$M
	4.0%	3.7%	2.4%	2.2%	2.0%	2.2%	2.9%	3.1%	3.0%	1.9%	1.3%	2.7%	3.2%	2.2%	4.2%	3.8%	SBC / OCF	%
CASH RECYCLE FCF $5.30B; ex-fairlife payment ~$11.4B*, not normalized. Ads already in OCF; no repeat deduction.	2961.0	4513.0	4559.0	4832.0	4162.0	3564.0	3681.0	3682.0	1912.0	1103.0	118.00	111.00	1418.0	2289.0	1795.0	746.00	Repurchases	$M
	31.1%	47.6%	42.8%	45.8%	39.2%	33.9%	41.8%	52.3%	25.1%	10.5%	1.2%	.9%	12.9%	19.7%	26.4%	10.1%	Repurchases / OCF	%
	4068.0	4300.0	4595.0	4969.0	5350.0	5741.0	6043.0	6320.0	6644.0	6845.0	7047.0	7252.0	7616.0	7952.0	8359.0	8779.0	Dividends	$M
	42.7%	45.4%	43.2%	47.1%	50.4%	54.5%	68.7%	89.8%	87.1%	65.4%	71.6%	57.4%	69.1%	68.6%	122.8%	118.5%	Dividends / OCF	%
	19.8%	17.1%	16.9%	14.6%	13.8%	12.4%	13.3%	2.9%*	14.5%	16.2%	13.4%	15.0%	16.6%	17.3%	14.5%	18.8%	Base ROIC*	%
	42.2%	27.4%	28.0%	26.0%	22.4%	26.3%	26.9%	6.2%	37.8%	49.6%	40.5%	46.2%	40.5%	42.8%	41.9%	46.0%	ROE	%
	19.5%	11.3%	10.9%	9.8%	7.8%	8.1%	7.4%	1.5%	7.6%	10.6%	8.9%	10.8%	10.2%	11.2%	10.7%	12.8%	ROA	%
PER-SHARE TEST FCF/sh $1.23; shares ~flat. Dividends $8.78B; repeatable cash must cover payouts.	4583.0	4526.0	4469.0	4402.0	4366.0	4324.0	4288.0	4259.0	4268.0	4280.0	4302.0	4325.0	4328.0	4308.0	4302.0	4302.0	Shares Out.	M sh
	7.66	10.28	10.74	10.64	10.54	10.24	9.76	8.50	8.04	8.71	7.67	8.94	9.94	10.62	10.94	11.14	Revenue / Sh.	$/sh
	2.53	1.85	1.97	1.90	1.60	1.67	1.49	.29	1.50	2.07	1.79	2.25	2.19	2.47	2.46	3.04	Diluted EPS	$/sh
	2.08	2.09	2.38	2.39	2.43	2.43	2.05	1.65	1.79	2.45	2.29	2.92	2.55	2.69	1.58	1.72	OCF / Sh.	$/sh
	.48	.65	.62	.58	.55	.59	.53	.41	.36	.48	.27	.32	.34	.43	.48	.49	Capex / Sh.	$/sh
	1.60	1.45	1.76	1.82	1.88	1.84	1.52	1.24	1.42	1.97	2.01	2.60	2.20	2.26	1.10	1.23	FCF / Sh.	$/sh
	.88	.94	1.02	1.12	1.22	1.32	1.40	1.48	1.56	1.60	1.64	1.68	1.76	1.84	1.94	2.04	Dividend / Sh.	$/sh
	11.2x	18.0x	18.8x	20.9x	25.5x	24.7x	29.2x	152.9x*	30.3x	24.6x	27.9x	24.0x	28.2x	24.2x	26.0x	22.8x	Avg. P/E	x
	4.9%	4.1%	4.9%	4.4%	4.5%	4.3%	3.7%	2.7%	3.0%	3.6%	3.7%	4.4%	3.5%	3.8%	1.8%	1.8%	FCF Yield	%
	2.7%	2.7%	2.8%	2.7%	2.9%	3.1%	3.4%	3.2%	3.3%	2.9%	3.0%	2.8%	2.8%	3.1%	3.1%	2.9%	Dividend Yield	%

CORE KPI TRACKER

Metric	FY21	FY22	FY23	FY24	FY25
System cases B	31.3	32.7	33.3	33.7	**33.8**
Case growth	8%	5%	2%	1%	**0%**
Conc. sales YoY	9%	5%	2%	2%	**1%**
Price / mix	6%	11%	10%	11%	**4%**
Coke Zero YoY*	DD*	11%	5%	9%	**14%**
Conc. cases %	83%	82%	83%	85%	**85%**

COMPOUND ANNUAL GROWTH RATE

	1Y	3Y	5Y	10Y	15Y
Revenue	1.9%	3.7%	7.7%	.8%	2.1%
Op. income	37.7%	8.1%	8.9%	4.7%	3.3%
Net income	23.3%	11.2%	11.1%	6.0%	.7%
OCF	8.9%	-12.4%	-5.5%	-3.5%	-1.7%
FCF	11.7%	-17.8%	-9.4%	-4.0%	-2.1%
Diluted EPS	23.6%	11.6%	11.2%	6.2%	1.2%
FCF/share	11.7%	-17.6%	-9.4%	-4.0%	-1.7%

FINANCIAL POSITION | $B

	FY21	FY22	FY23	FY24	FY25
Tot. assets	94	93	98	101	105
Tot. liabilities	69	67	70	74	71
Net assets	25	26	27	26	34
Mkt cap*	256	275	254	268	410
Cash + ST	11	11	12	13	14
Liab./assets	73.7%	72.2%	71.9%	73.8%	67.3%

CAPITAL RETURNS: FY16-25 OCF $93.23B - PPE $17.67B = **$75.56B FCF.** Dividends $72.86B + buybacks $16.86B = **118.7% payout.** Residual -$14.15B precedes other investing/financing; fairlife is already in OCF.

NET SHARES: FY15 4,324M -> FY25 4,302M (-.5%). FY25 rounded: 4,302M +9M issued to staff -9M bought = **4,302M.** Buybacks/FCF 14.1%; net debt $31.62B. Buyback cash is not net share shrinkage.

Pricing needs a demand test. Cases flat; price/mix +4% includes mix. North America volume -1%, Mexico -4%: watch affordability before treating monetization as a stronger moat.

Bottlers must earn a return. Top five handle 44% of cases. BI volume -8% was flat after structural changes. Refranchising changes KO scope; better partner returns remain unproven.

Keep funding the brand. Ads $5.1B -> $5.4B (~11.3% of sales); Coke Zero +14%. Neither proves brand ROI. Weaker cases alongside cuts in brand support would challenge the moat.

Separate base effects from progress. Operating profit +37.7% includes $2.90B lower other charges. Company-comparable margin 30.0% -> 31.2% is non-GAAP; all-charge add-backs are not normalized earnings.

Cash diagnostics are not normal FCF. FCF $5.30B includes ~$6.1B fairlife operating payment; ex-payment ~$11.4B is not normalized. FY24 IRS $6B remains at risk; assume no refund.

Test acquisition returns. BODYARMOR write-downs: $1.72B in FY24-25. Fairlife payment: $6.17B real capital cost. Standalone FCF / IRRs are ND; brand strength does not prove M&A returns.

FY10-25 actuals; FY25 operating analysis. Header/TR: Oct22,2026; chart:2010-25. Ratings unassessed; no valuation.
Cases are bottler finished-product sales, not direct consumption. DD*=FY21 Coke Zero double-digit growth; all cases/% rounded.
*Cash bridge: FY25 FCF $5.30B + ~$6.1B fairlife payment = ~$11.4B ex-payment, not normalized. FY24 IRS $6B still cash at risk.
Base ROIC*: operating leases excluded; finance leases embedded, no add-on. FY17 tax reform ETR 81.4%, EPS $0.29; reported GAAP retained.
Acq./Invest.* includes business/equity-method/nonmarketable investments. Cash/sh uses FYE shares; FY25 share bridge rounded to M.
Mkt cap*: FY21-24 use FY-end prices/shares; FY25 uses Oct 22, 2026 price x Dec 31, 2025 economic shares (approx.).
Sources: supplied A/B, Parts1-7, SEC/KO IR. Header EPS/FCF FY25, not TTM; net assets includes NCI, BVPS parent. No full source/print audit.

Financial Strength	--
Stock Price Stability	--
Price Growth Persistence	--
Cash Generation Stability	--

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