Arcos Dorados

1st Quarter 2026 Results

May 20, 2026

15 YEARS ARCO LISTED NYSE

Disclaimer

This presentation contains forward-looking statements that represent our beliefs, projections and predictions about future events or our future performance. Forward-looking statements can be identified by terminology such as “may,” “will,” “would,” “could,” “should,” “expect,” “intend,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “potential,” “continue” or the negative of these terms or other similar expressions or phrases. These forward-looking statements are necessarily subjective and involve known and unknown risks, uncertainties and other important factors that could cause our actual results, performance or achievements or industry results to differ materially from any future results, performance or achievement described in or implied by such statements.

The forward-looking statements contained herein include statements about the Company’s business prospects, its ability to attract customers, its expectation for revenue generation and its outlook. These statements are subject to the general risks inherent in Arcos Dorados' business. These expectations may or may not be realized. Some of these expectations may be based upon assumptions or judgments that prove to be incorrect. In addition, Arcos Dorados' business and operations involve numerous risks and uncertainties, many of which are beyond the control of Arcos Dorados, which could result in Arcos Dorados' expectations not being realized or otherwise materially affect the financial condition, results of operations and cash flows of Arcos Dorados. Additional information relating to the uncertainties affecting Arcos Dorados' business is contained in its filings with the Securities and Exchange Commission. The forward-looking statements are made only as of the date hereof, and Arcos Dorados does not undertake any obligation to (and expressly disclaims any obligation to) update any forward-looking statements to reflect events or circumstances after the date such statements were made, or to reflect the occurrence of unanticipated events.

Agenda

1 Quarter **Highlights**

2 Marketing, Digital & **Divisional Revenue**

3 Profitability & **Margins**

4 Balance Sheet & **Development**

5 Final **Thoughts**

6 Supplemental **Information**

1 Quarter Highlights

1st Quarter 2026

First Quarter 2026
Key Highlights

1Q 2026 Total Revenue **$1.2b**	Systemwide Comparable Sales **16.0%**
1Q 2026 Adj. EBITDA **$118.0m** 9.7% margin	Digital Sales Contribution[1] **64%** 26% Identified
1Q 2026 Net Income **$36.1m** $0.17 per share	Restaurant Openings **19** 13 Freestanding

Systemwide comparable sales underpinned by positive guest traffic in NOLAD and SLAD

- SLAD's growth was fueled by both guest volume and average check, NOLAD 's growth continued to be driven by higher guest traffic and Brazil increased its average check.

Adj. EBITDA growth of almost 30% and Net Income more than 2.5x prior year, in US dollars

- Profitability was driven mainly by solid revenue growth, strong consolidated margin expansion and sub-franchised restaurant transactions in NOLAD and SLAD.
- Profitability improved in all three divisions, especially in Brazil and SLAD, while NOLAD's result was helped by income from a sub-franchised restaurant transaction.
- Adjusted Free Cash Flow improved by more than $112 million in the last twelve months versus the prior comparable period.

Marketing leveraged brand strength to support profitability and expand market share

- Marketing efforts focused on the Brand's connection with guests through core, affordability and partnerships.
- Market share expanded across the region supported by strong brand equity scores.

Restaurant growth was in-line with the plan for the year

- Total capital expenditures reached $36.8 million, including $16.7 million for new units.

[1]Mobile App, Delivery and Self-order Kiosks (systemwide)

2 Marketing, Digital & Divisional Revenue

Organic Growth Drivers

Marketing, Digital & Loyalty
Leveraging the Brand, Supporting Profitability & Gaining Share

Total Digital Sales Penetration

~59% 1Q 2025 → ~64% 1Q 2026

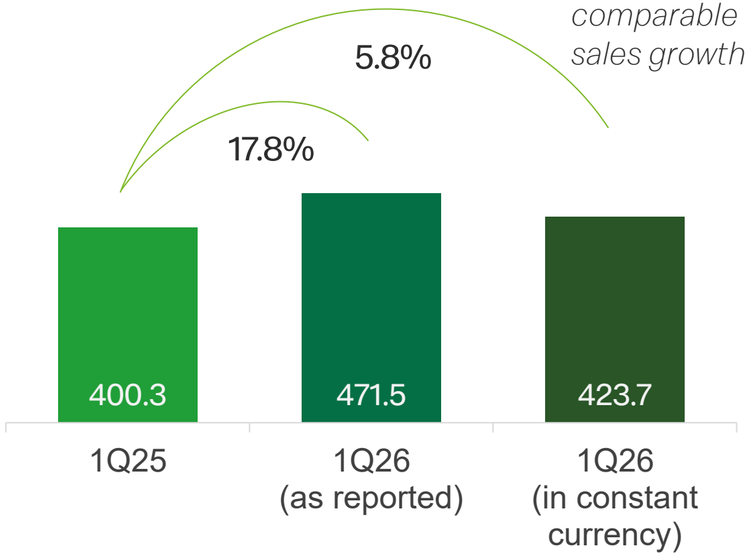
Loyalty Program Registered Members

18.8m 1Q 2025 → 30.4m 1Q 2026

First Quarter 2026
Total Revenues by Division

BRAZIL
($million)

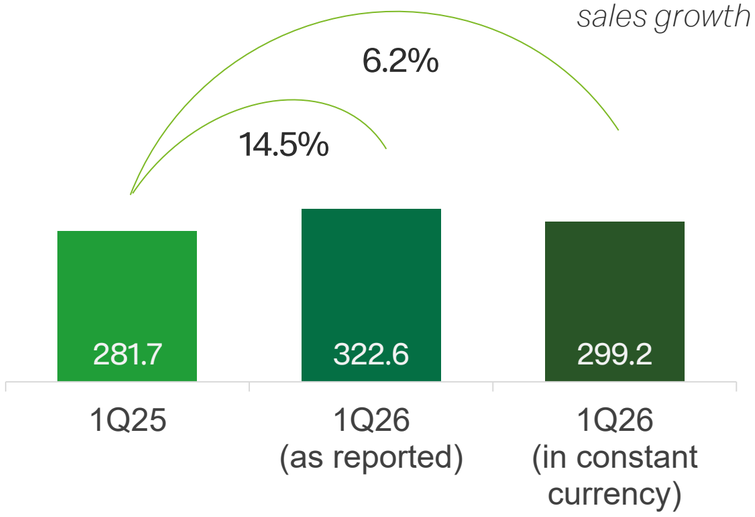
0.5%
Systemwide comparable sales growth



- Total revenue growth in US dollars reflects a stronger local currency, higher average check and restaurant openings.
- Marketing focused on brand love and offering compelling value to guests.
- Guest volume share expanded versus 1Q25, based on the CREST study.

NOLAD
($million)

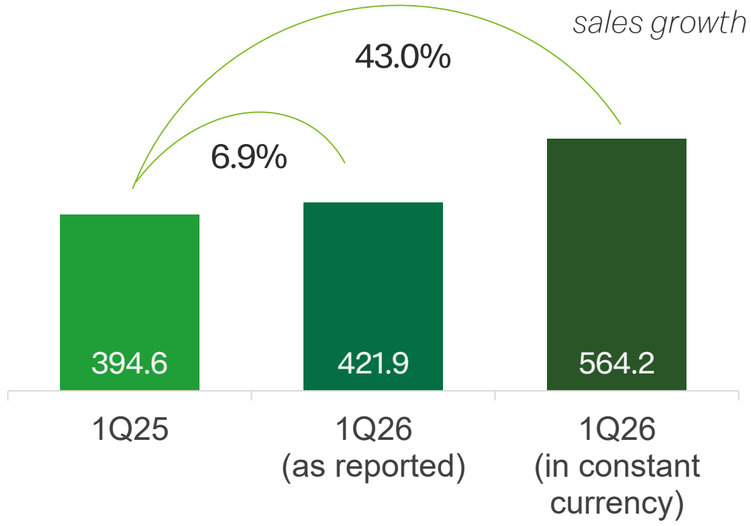
1.6%
Systemwide comparable sales growth



- Comp sales grew with higher guest traffic.
- Mexico's comparable sales grew 4.6%, also driven by higher transaction volume.
- US dollar revenue growth helped by stronger FX in Mexico and Costa Rica.
- Marketing focused on value platforms, core menu items and strong licenses.

SLAD
($million)

47.7%
Systemwide comparable sales growth



- Comp sales supported by positive guest traffic as well as higher average check.
- Solid US dollar revenue growth.
- Marketing included brand partnerships and innovation in chicken and desserts.
- Market share gains of more than 2 pp versus the prior year quarter.

3 Profitability & Margins

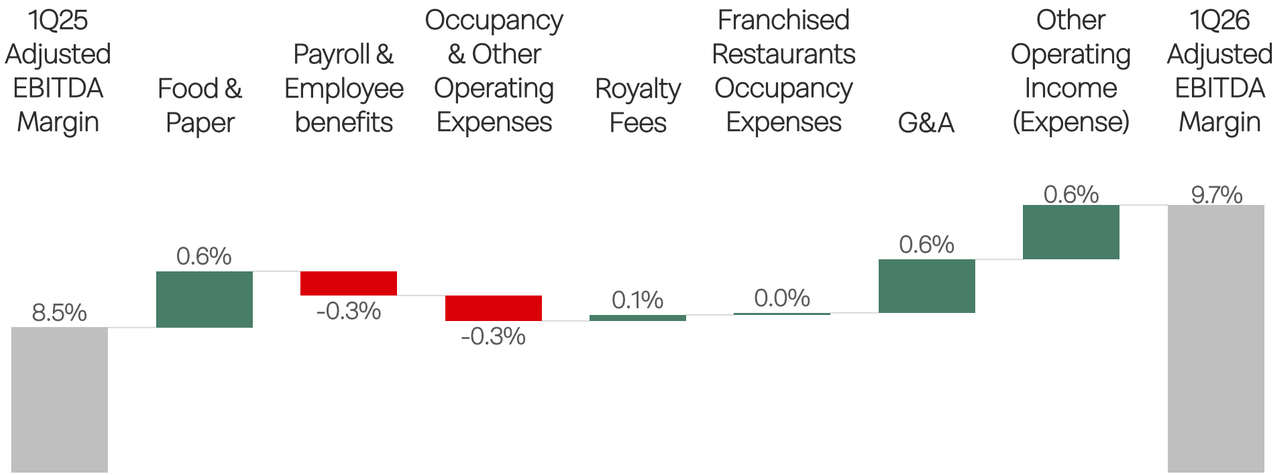
Adjusted EBITDA & Margin Bridge

First Quarter 2026

Consolidated Adj. EBITDA Margin & Margin Bridge

1Q26 – Adj. EBITDA Margin Performance

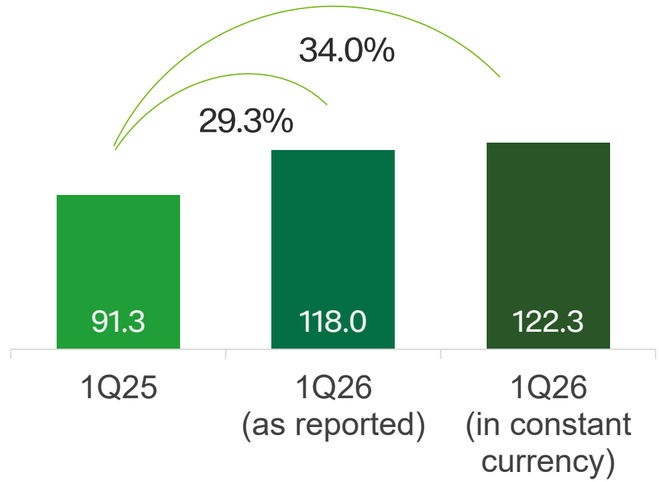
(% of total revenue)



1Q26 – Consolidated Adj. EBITDA

($million)

9.7% *margin*



- Consolidated Adjusted EBITDA grew strongly in US dollars, with margin expansion in all three divisions.
- Food & Paper costs as a percentage of revenue in Brazil and SLAD were lower and flattish in NOLAD.
- Payroll as a percentage of revenue was higher in Brazil and NOLAD, partly offset by lower expenses in SLAD.
- Occupancy and Other operating expenses generated modest margin pressure in all three divisions.
- G&A as percentage of revenue was lower in all divisions as well as in the corporate segment[1].
- Other operating income included $5.8 million income from sub-franchised restaurant transactions in NOLAD and SLAD.

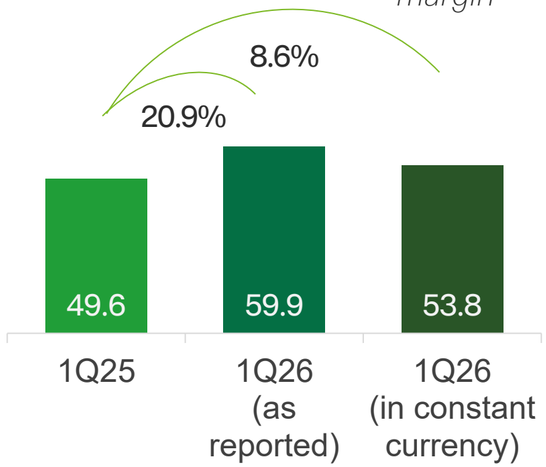
[1]*Reorganization and optimization plan expenses are excluded from G&A in the Adjusted EBITDA calculation.*

First Quarter 2026

Adjusted EBITDA by Division

BRAZIL
($million)

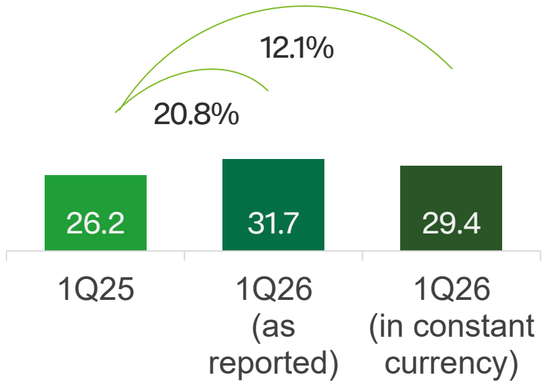
12.7%
Adj. EBITDA margin



- F&P: improved strongly versus 1Q25.
- Payroll: pressure from higher hourly crew cost.
- Occupancy and other operating expenses: modest pressure from various line items.
- G&A: leverage from strong revenue growth and reduced headcount.

NOLAD
($million)

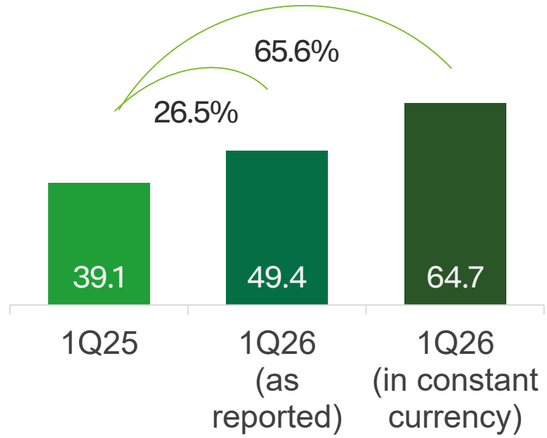
9.8%
Adj. EBITDA margin



- F&P: flattish versus the prior year quarter.
- Payroll: modest hourly crew cost pressure.
- Occupancy and other operating expenses: modest pressure from various line items.
- G&A: leverage from strong revenue growth and reduced headcount.
- Other operating income: $3.1 million from a sub-franchised restaurant transaction.

SLAD
($million)

11.7%
Adj. EBITDA margin



- F&P: improved versus 1Q25.
- Payroll: leverage from strong revenue growth.
- Occupancy and other operating expenses: flattish versus the prior year.
- G&A: leverage from strong revenue growth and reduced headcount.
- Other operating income: $2.7 million from a sub-franchised restaurant transaction.

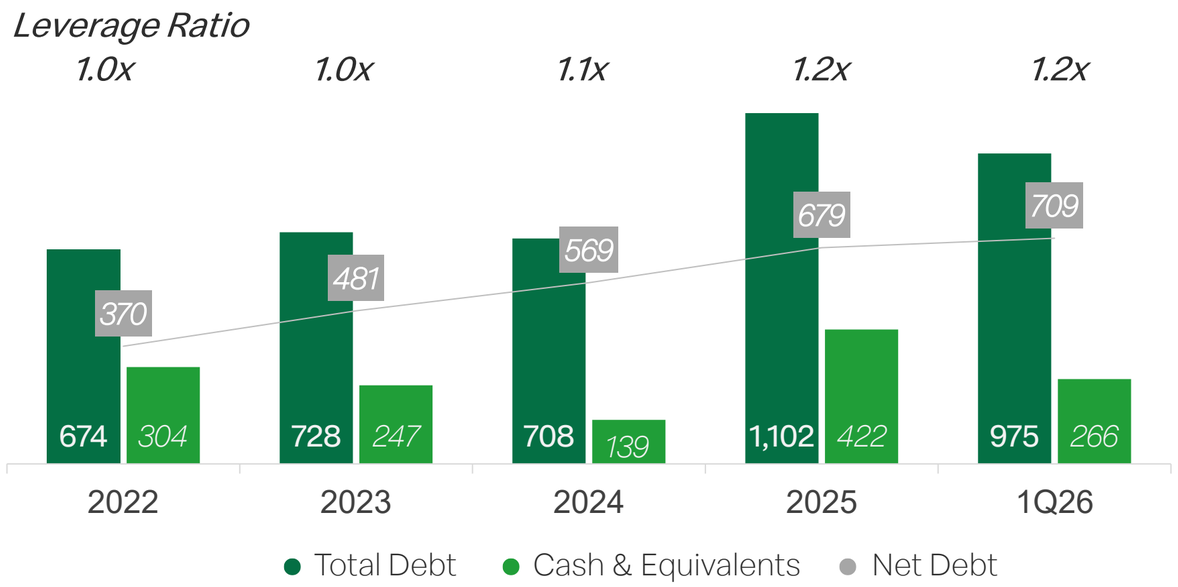
4

Balance Sheet & Development

Capital Allocation

Healthy Balance Sheet & Cash Flow to Support Future Growth
Strong Cash Generation

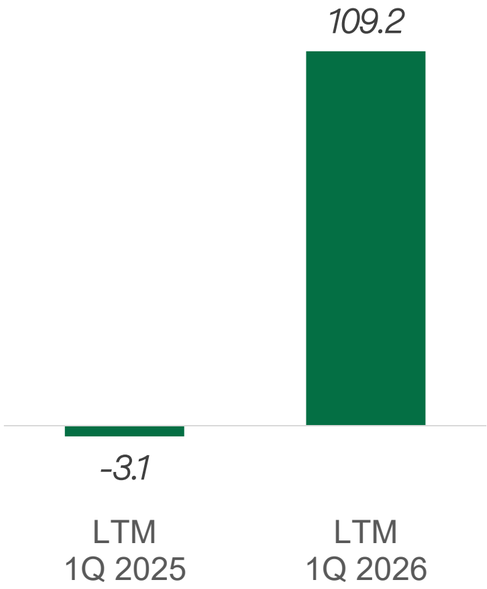
Key Debt Metrics – at period end
($million)



FitchRatings
BBB-
Stable

S&P Global
Ratings
BBB-
Stable

Adjusted Free Cash Flow
($million)



- Strong LTM (last twelve months) EBITDA conversion, combined with lower capex, drove a material improvement in cash generation

Notes
- *Total financial debt includes long-term debt, accrued interest payable and derivative instruments (net of asset portion)*
- *Net Debt = Total financial debt less cash and cash equivalents*
- *Leverage ratio = Net financial debt / LTM adjusted EBITDA*

Development & Capital Allocation
Growth and Modernization

1Q 2026 Quarter-end Restaurant Footprint

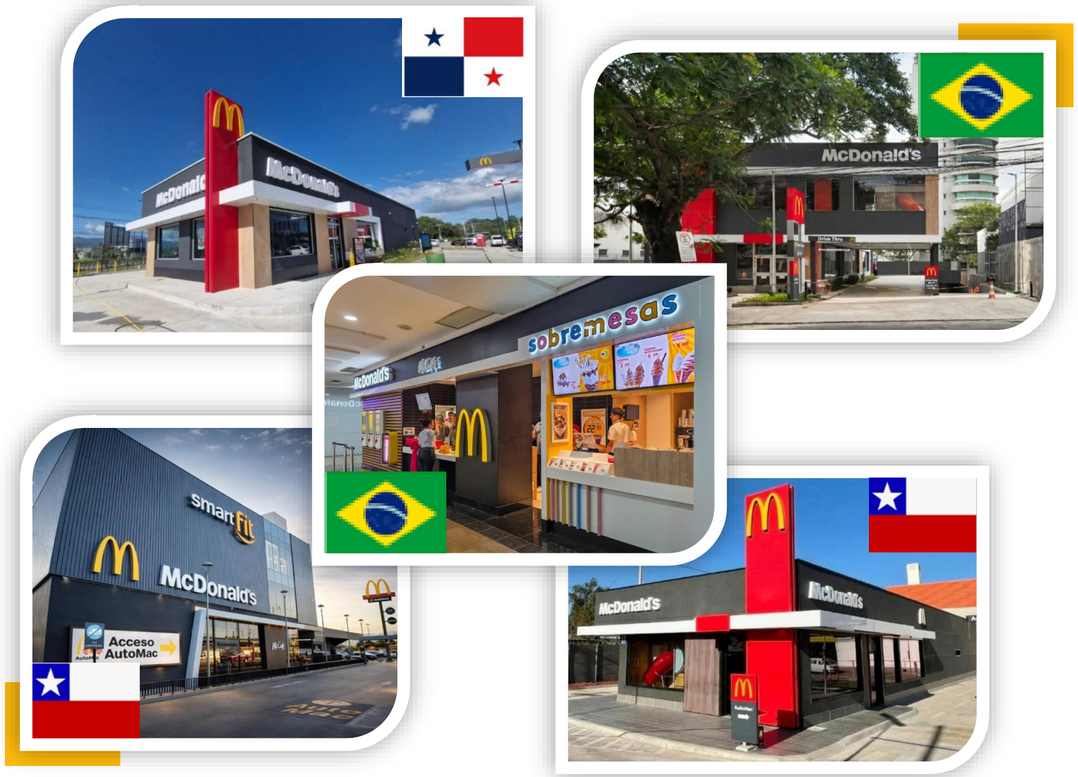
Division	Store Type			Total Restaurants	McCafé	Dessert Centers
	Freestanding	In Store	MS & FC			
BRAZIL	684	90	467	1,241	214	2,019
NOLAD	427	48	195	670	20	524
SLAD	286	124	215	625	248	740
TOTAL	**1,397**	**262**	**877**	**2,536**	**482**	**3,283**

1Q26 Openings

- 19 restaurant openings.
- 12 restaurant openings in Brazil.
- 13 free-standing openings.

1Q26 Capital Allocation

- $36.8 million capital expenditures.
- Including $16.7 million for unit growth.



75% of systemwide restaurant portfolio offers the most modernized restaurant experience in the Latin America and Caribbean QSR

5 Wrap Up

Closing Remarks

Closing Remarks

Uniquely positioned within the Latin American consumer space:

- Key segment of the economy, meeting a basic need.
- Significant competitive advantages spanning brand, sales channels and capital structure.
- A foundation of operational excellence on which the business is built.

2025 Social Impact and Sustainable Development Report

- Update on the six pillars of the Recipe for the Future.
- Achievement of 2029 Senior Notes' Sustainability Performance Targets.
- To be published in coming weeks on www.recipeforthefuture.com

2026 Arcos Dorados Investor Day

- October 1, 2026, in New York City.
- Executive leadership team update on the business' pillars: Today, Growth and Tomorrow.
- Details on how to participate to be released in coming weeks.

Key Messages

- 2026 Plan designed to optimize sales growth drivers and capture efficiencies to improve profitability.
- Generate Adjusted Free Cash Flow to create additional shareholder value.
- Second quarter 2026 is off to a good start.

Questions & Answers

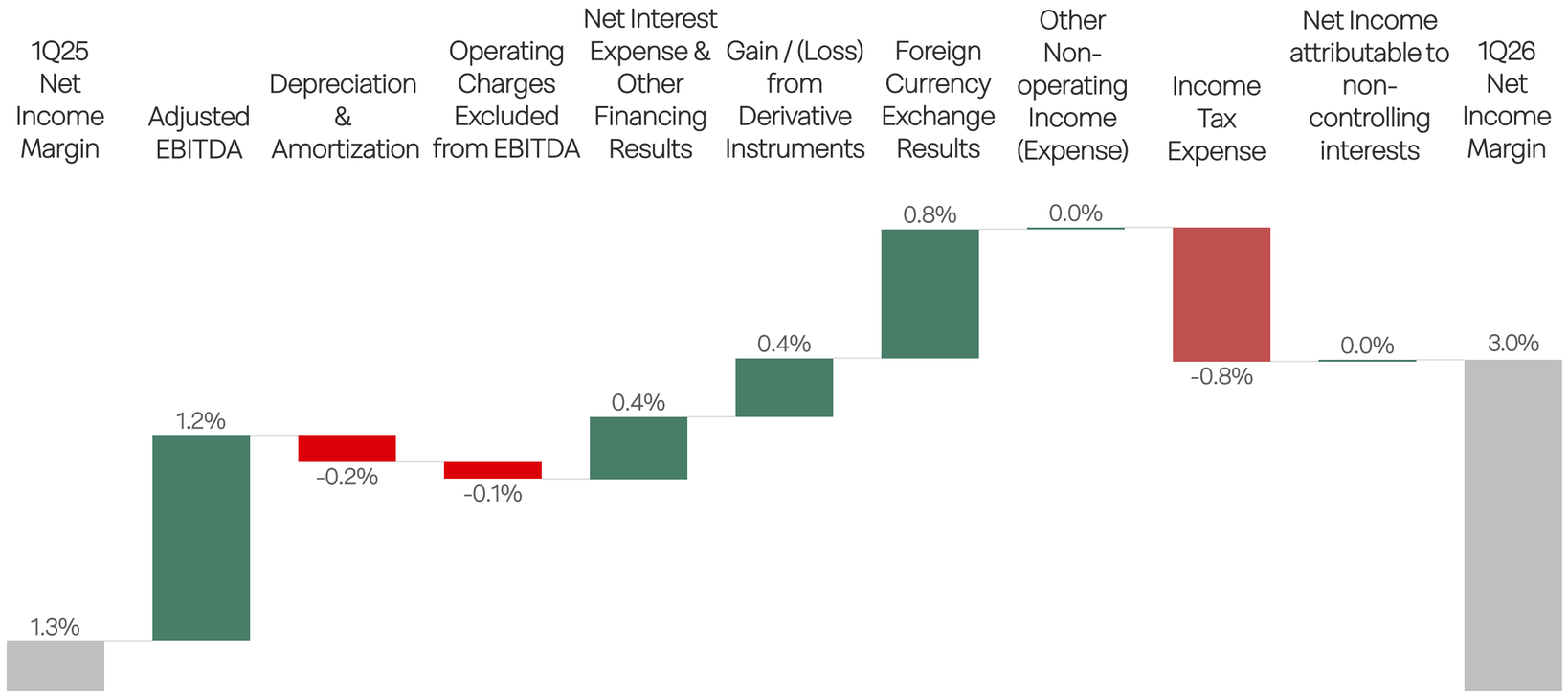
6 Supplemental Information

First Quarter 2026

Consolidated Net Income Growth & Margin Bridge

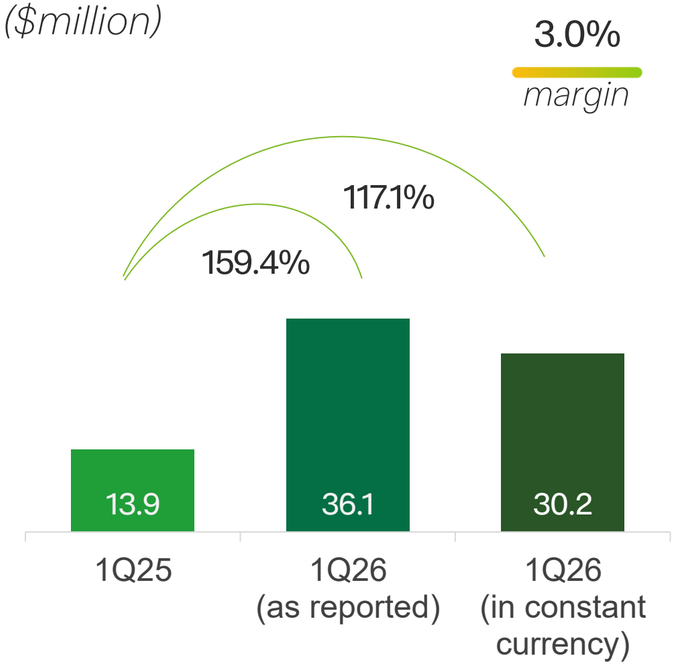
1Q26 – Net Income Margin Performance

(% of total revenue)



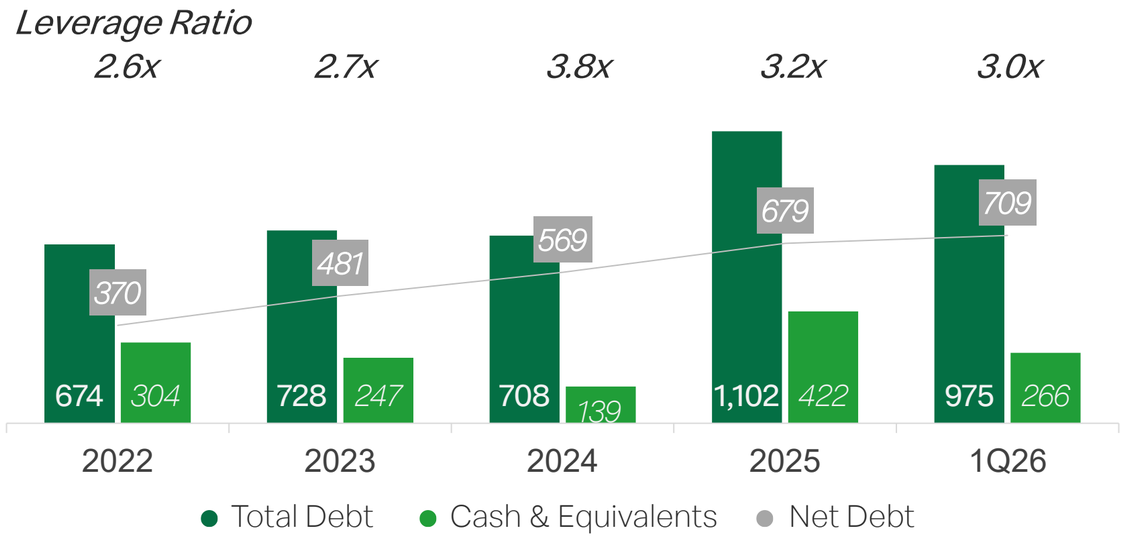
1Q26 – Net Income, attributable to AD

($million)



Net Debt to Net Income &
Adjusted Free Cash Flow Reconciliation

Key Debt Metrics – at period end
($million)



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- *Net Debt = Total financial debt less cash and cash equivalents*
- *Leverage ratio = Net financial debt / Last Twelve-Month Net Income*

Adjusted Free Cash Flow Reconciliation
($million)

($ million)	LTM ended Mar 31, 2026	LTM ended Mar 31, 2025
Net cash provided by operating activities	**327,906**	**262,799**
Interest paid	76,452	55,358
Interest collected	(20,182)	(11,072)
Adjusted net cash provided by operating activities	**384,176**	**307,085**
Property and equipment expenditures	(269,369)	(315,232)
Purchases of restaurant business paid at acquisition date	(10,557)	(1,060)
Proceeds from sales of property and equipment, restaurant businesses and related advances	4,919	6,091
Adjusted Free Cash Flow	**109,169**	**(3,116)**

Adjusted EBITDA
Reconciliation

($million)	For Three-Months March 31,	
	2026	2025
Net income attributable to Arcos Dorados Holdings Inc.	36,141	13,930
Net income attributable to non-controlling interests	90	147
Income tax expense, net	23,815	12,505
Other non-operating expenses, net	16	122
Foreign currency exchange results	(7,187)	1,961
Gain from derivative instruments	(4,369)	(110)
Net interest expense and other financing results	14,258	16,592
Depreciation and amortization	54,261	46,295
Operating charges excluded from EBITDA computation	984	(163)
Adjusted EBITDA	**118,009**	**91,279**
Adjusted EBITDA Margin as % of total revenues	**9.7%**	**8.5%**

Definitions

In addition to financial measures prepared in accordance with generally accepted accounting principles (GAAP), management analyzes business trends using a variety of performance, financial and liquidity measures, which are considered non-GAAP. This presentation and the accompanying tables use the following non-GAAP measures: Adjusted EBITDA, Adjusted net cash provided by operating activities, Adjusted Free Cash Flow, Constant Currency basis, Systemwide sales, and Systemwide comparable sales growth.

Adjusted EBITDA: Management uses Adjusted EBITDA to facilitate operating performance comparisons from period to period.
Adjusted EBITDA is defined as the Company's operating income plus depreciation and amortization plus/minus the following losses/gains: gains from sale or insurance recovery of property and equipment, write-offs of long-lived assets, impairment of long-lived assets, and reorganization and optimization plan expenses.
Management believes Adjusted EBITDA facilitates company-to-company operating performance comparisons by backing out potential differences caused by variations such as capital structures (affecting net interest expense and other financing results), taxation (affecting income tax expense) and the age and book depreciation of facilities and equipment (affecting relative depreciation expense), which may vary for different companies for reasons unrelated to operating performance. Slide 22 of this presentation includes a reconciliation of Adjusted EBITDA to Net Income attributable to Arcos Dorados. For more information, please see the Adjusted EBITDA reconciliation in Note 8 – Segment and geographic information – of our financial statements filed today with the Securities and Exchange Commission (the "SEC") on Form 6-K.

Adjusted net cash provided by operating activities and Adjusted free cash flow: Management uses Adjusted net cash provided by operating activities and Adjusted Free Cash Flow as supplemental measure to facilitate the analysis of the Company's cash generation performance and liquidity from period to period.
Adjusted net cash provided by operating activities is defined as net cash provided by (used in) operating activities plus interest paid less interest collected. Adjusted Free Cash Flow is defined as Adjusted net cash provided by operating activities less property and equipment expenditures, and purchases of restaurant businesses paid at acquisition date plus proceeds from sales of property and equipment, restaurant businesses and related advances.
Management believes Adjusted net cash provided by operating activities and Adjusted Free Cash Flow provide useful information to investors, when considered together with GAAP measures, in evaluating the Company's ability to generate cash to fund capital expenditures and financing activities. Management evaluates these measures prior to investing and financing decisions.
Adjusted net cash provided by operating activities and Adjusted Free Cash Flow are non-GAAP financial measures and should not be considered as an alternative to net cash provided by operating activities or any other measure of financial performance or liquidity prepared in accordance with GAAP. These non-GAAP financial measures are not defined in the same manner by all companies and may not be comparable to similarly titled measures used by other companies. Slide 20 of this presentation includes a reconciliation of Adjusted Free Cash Flow to net cash provided by operating activities.

Definitions

Constant Currency basis: refers to amounts calculated using the same exchange rate over the periods under comparison to remove the effects of currency fluctuations from this trend analysis. To better discern underlying business trends, this release uses non-GAAP financial measures that segregate year-over-year growth into two categories: (i) Currency translation reflects the impact on growth of the appreciation or depreciation of the local currencies in which the Company conducts its business against the US dollar (the currency in which the Company's financial statements are prepared). (ii) Constant currency growth reflects the underlying growth of the business excluding the effect from currency translation. The Company also calculates variations as a percentage in constant currency, which are also considered to be non-GAAP measures, to provide a more meaningful analysis of its business by identifying the underlying business trends, without distortion from the effect of foreign currency fluctuations.

Systemwide sales: Systemwide sales represent measures for both Company-operated and sub-franchised restaurants. While sales by sub-franchisees are not recorded as revenues by the Company, management believes the information is important in understanding its financial performance because these sales are the basis on which it calculates and records sub-franchised restaurant revenues and are indicative of the financial health of its sub-franchisee base.

Systemwide comparable sales growth: this non-GAAP measure, refers to the change, on a constant currency basis, in Company-operated and sub-franchised restaurant sales in one period from a comparable period for restaurants that have been open for thirteen months or longer (year-over-year basis) including those temporarily closed. Management believes it is a key performance indicator used within the retail industry and is indicative of the success of the Company's initiatives as well as local economic, competitive and consumer trends. Sales by sub-franchisees are not recorded as revenues by the Company.

Thank you!

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