INVESTOR UPDATE 2023

Arcos Dorados Holdings Inc.

ARCO
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NYSE

Webcast Instructions

To better view the presentation, scroll over the top left-hand corner of the screen and click on the arrows to maximize the slides

Safe Harbor Statement

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 affordable platform, 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 Recipe for the Future
- ESG Leadership in Latin America and the Caribbean
- Supporting our Communities

2 Business Update
- 4Q22 Systemwide Comparable Sales
- 4Q22 Adjusted EBITDA
- 2023 Openings and Investment Plan

3 3D's Strategy
- Digital
- Delivery
- Drive-thru

4 Capturing the Long-Term Growth Potential
- Development Process
- Market Potential & Post-Pandemic World
- Expansion Strategy to Capture the Potential

1

Recipe for the Future

Woods Staton
Executive Chairman

Gabriel Serber
VP Social Commitment and Sustainable Development

Recipe for the Future

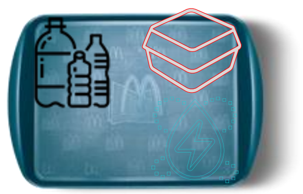
Climate Change

- '29 Sustainability-Linked Bond.
- 3 new solar power plants in 2022
- 64% sustainable energy usage in restaurants in Brazil.
- CDP (improved scores)

CDP
edp Renewables
I-REC STANDARD

Circular Economy

- ~48% less single-use plastic.
- >98% fiber packaging from certified sources.
- ~2 mn liters of used cooking oil recycled annually.



Sustainable Sourcing

- Cattle origin monitored via satellite in Argentina and Brazil with socio-environmental criteria and zero deforestation policy.
- Coffee, soy, and packaging certified by 3rd parties.
- Supplier Code of Conduct and Audits.

RAINFOREST ALLIANCE PEOPLE & NATURE
RTRS
FSC

Commitment to Families

- **Happy Meal menu includes more balanced options for families to enjoy.**
- **Developing reading habits among children by offering books with the Happy Meal.**
- **~$6 mn in donations to support young people in the region.**

Youth Opportunity

- Over 60% of employees are younger than 24 years old.
- Commitment to help 2 mn young people with training and/or access to formal job opportunities by 2025.

CAMPUS
CIDADE DE SÃO PAULO
Great Place To Work

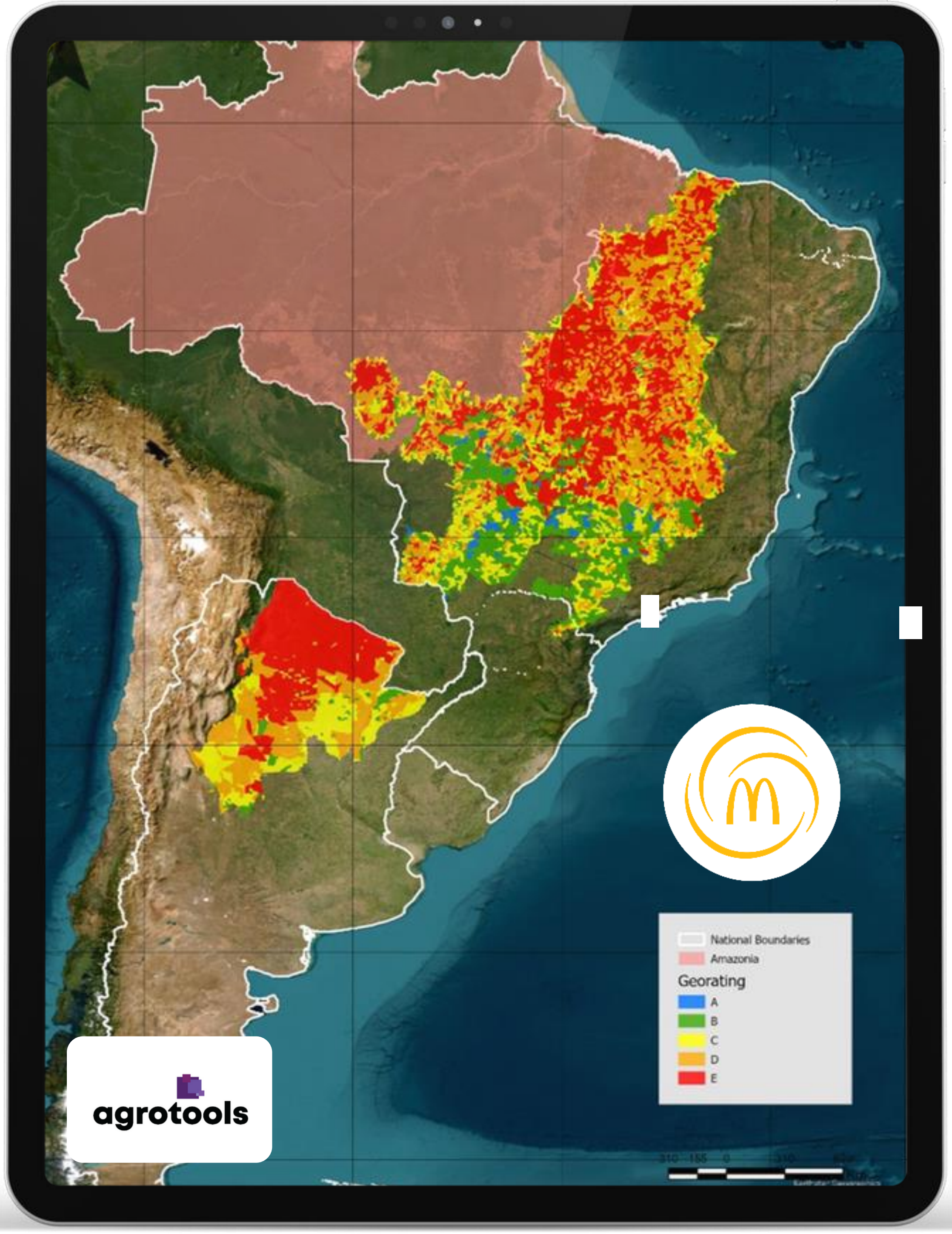
Diversity & Inclusion

- 59% of employees are women.
- More than 1,800 employees with disabilities.
- SOMOS committee focusing on 5 pillars of diversity & inclusion.

Beef Supply Chain – Satellite Monitoring

In 2022:

- 100% of our beef supply chain is monitored via satellite in Brazil and Argentina.
- 99.97% compliance with McDonald's Deforestation-Free Beef Procurement Policy.
- Approximately 7 million hectares monitored across 12,000 farms.
- 100% of our beef, chicken and pork suppliers are audited for their animal welfare practices.




PUXE
McDonald's
Aberto 24h todos os dias.
McDonald's
Aberto 24h todos os dias.
R$

Sustainable Restaurants

25 Sustainability initiatives available for all free-standing openings

4 Circular economy

7 Interior quality

10 Energy & atmosphere

4 Water efficiency

All initiatives have an educational impact thanks to easy to-understand communication throughout the restaurants.

2

Business Update

Marcelo Rabach
Chief Executive Officer

Systemwide Comparable Sales[1]

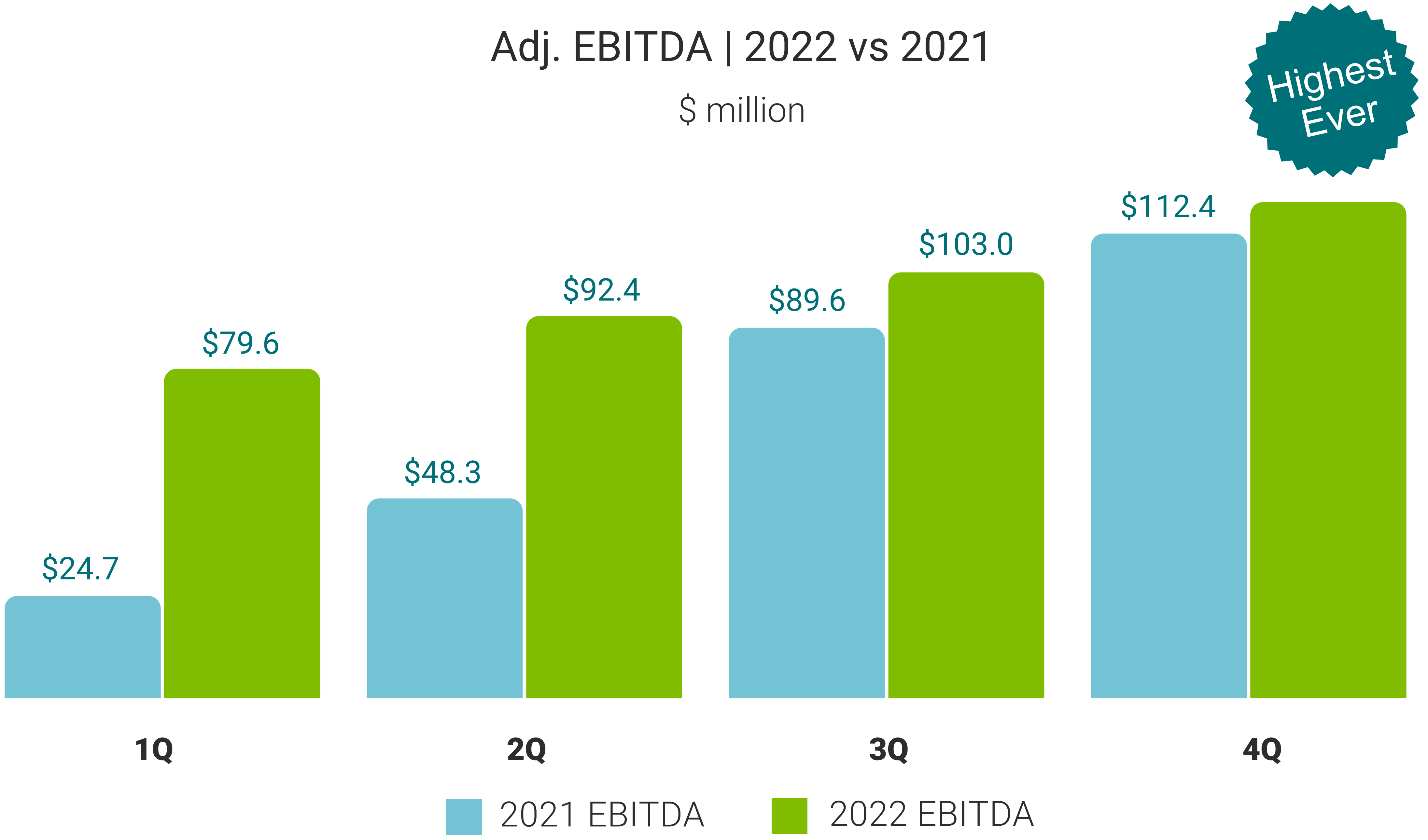
	Increase / (Decrease)				
	1Q22	**2Q22**	**3Q22**	**4Q22**	**FY 2022**
Brazil	39.0%	37.4%	21.8%	21.9%	28.8%
NOLAD	24.1%	20.9%	18.2%	19.6%	20.6%
SLAD, excl. Venezuela	64.3%	98.8%	67.8%	70.7%	74.2%
Total, excl. Venezuela	**42.0%**	**47.9%**	**34.2%**	**35.7%**	**39.4%**

- Total Arcos Dorados revenue surpassed $1.0 billion for the first time in a single quarter.
- Comparable sales growth was stronger than the 3Q22, despite difficult comparisons and World Cup headwinds.
- Volume remained the main sales growth driver in Brazil, NOLAD and most of SLAD.
- Systemwide comparable sales grew at a rate of 2.0x to 3.3x blended inflation in the Company's divisions.

[1]*All figures and comments refer to results excluding Venezuela due to past distortions caused by its macroeconomic volatility, including its current hyperinflationary environment and heavily regulated currency.*

Adjusted EBITDA[1]

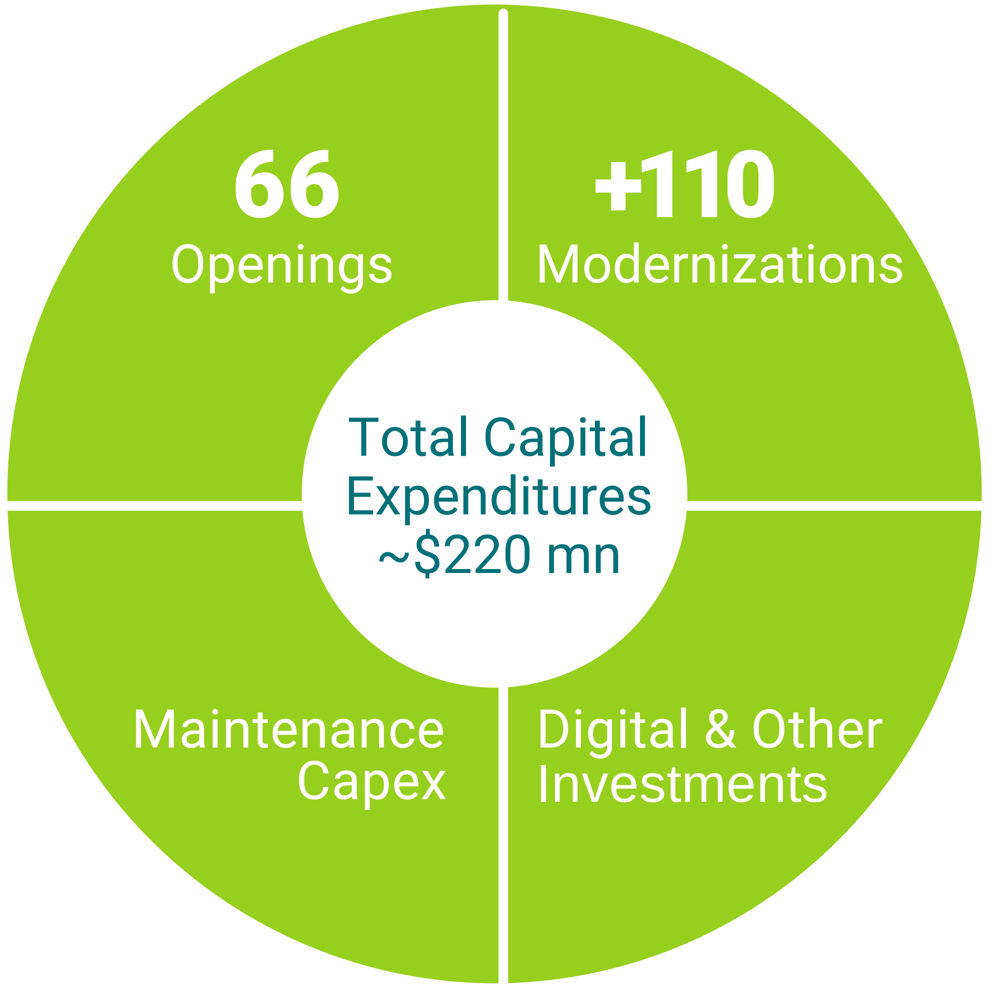
Full Year 2022 included record US dollar results for each quarter.



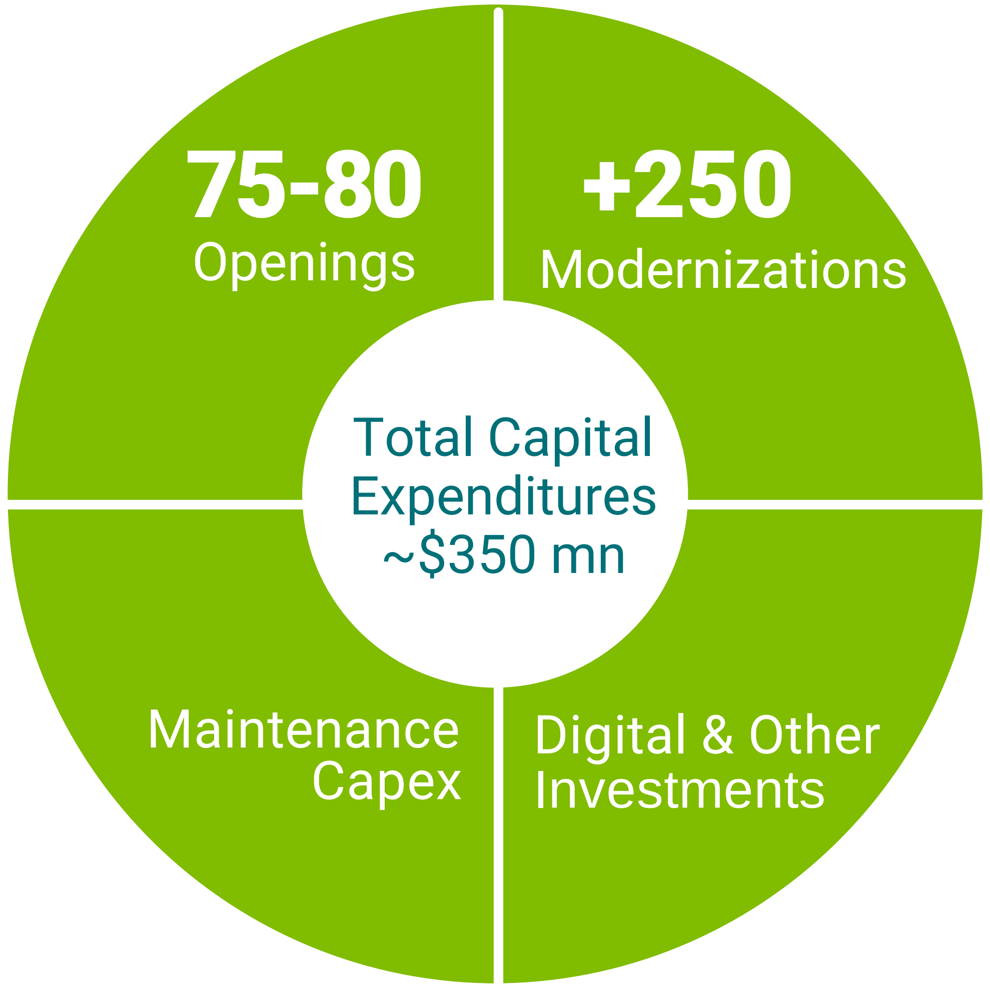
[1]All figures and comments refer to results excluding Venezuela due to past distortions caused by its macroeconomic volatility, including its current hyperinflationary environment and heavily regulated currency. Note: 4Q22 estimate based on unaudited, preliminary results.

Capturing the Unit Growth Opportunity

2022 Actual



2023 Guidance



Growth Support from McDonald's expected to lower effective royalty rate to around 6.0% in both 2023 and 2024

Potential to open at least 1,000 new restaurants in the next 10 years

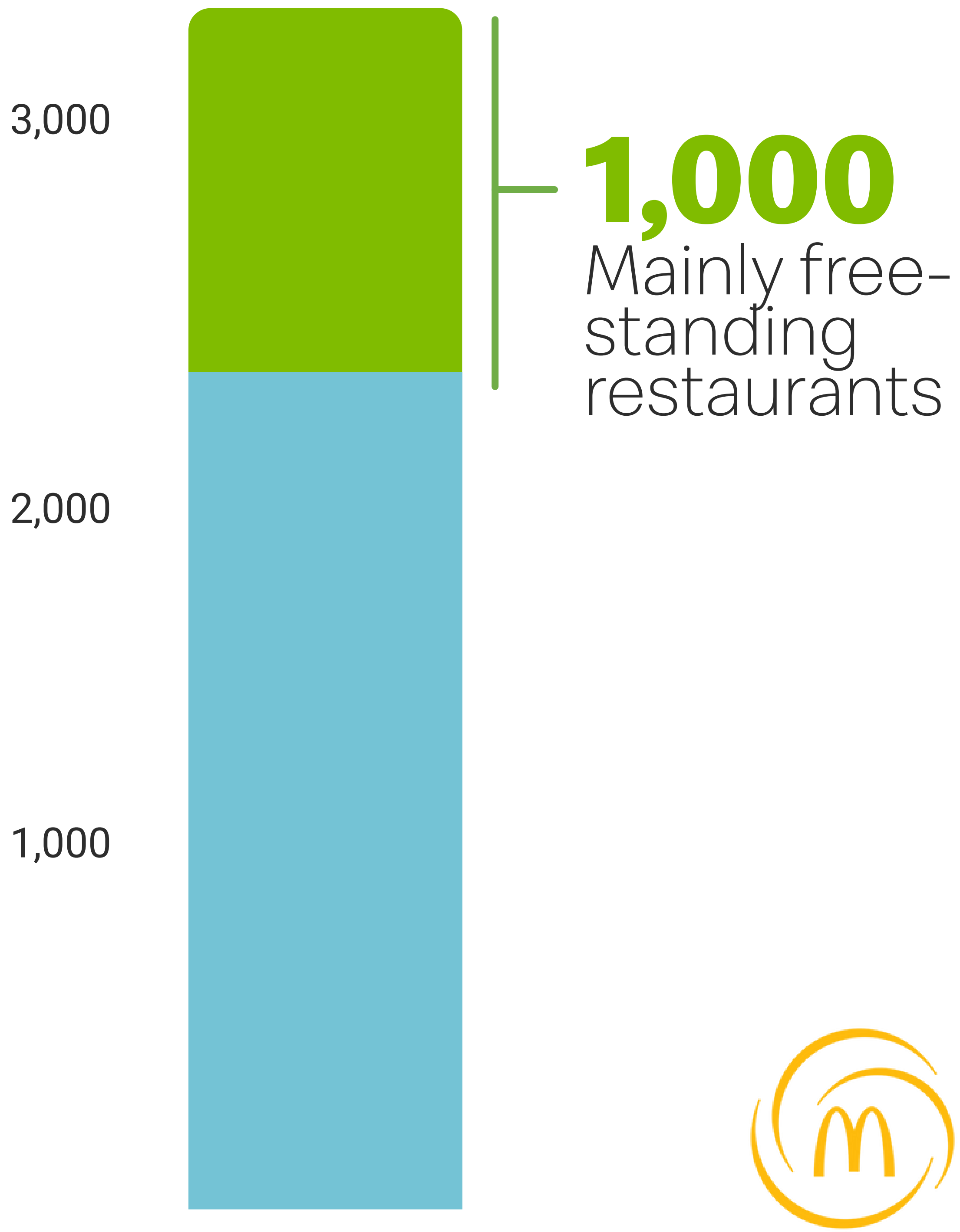
Technical Approach
Empirical Approach
Third Party Validation
+ New Consumer Habits

>1,000 new restaurants

Technical Approach
- Low end: raising Arcos Dorados' underpenetrated markets up to Company average penetration rate.
- High end: correlation of factors to McDonald's International benchmarks.

Empirical Approach
- Mini-Markets in contiguous geographic areas with multiple trade areas, low penetration and similar customer attributes.
- Focal points with multiple traffic generators.

Third Party Validation
- McDonald's Strategy & Analytics team.
- Real estate development experts and investment banking partners.



3D'S

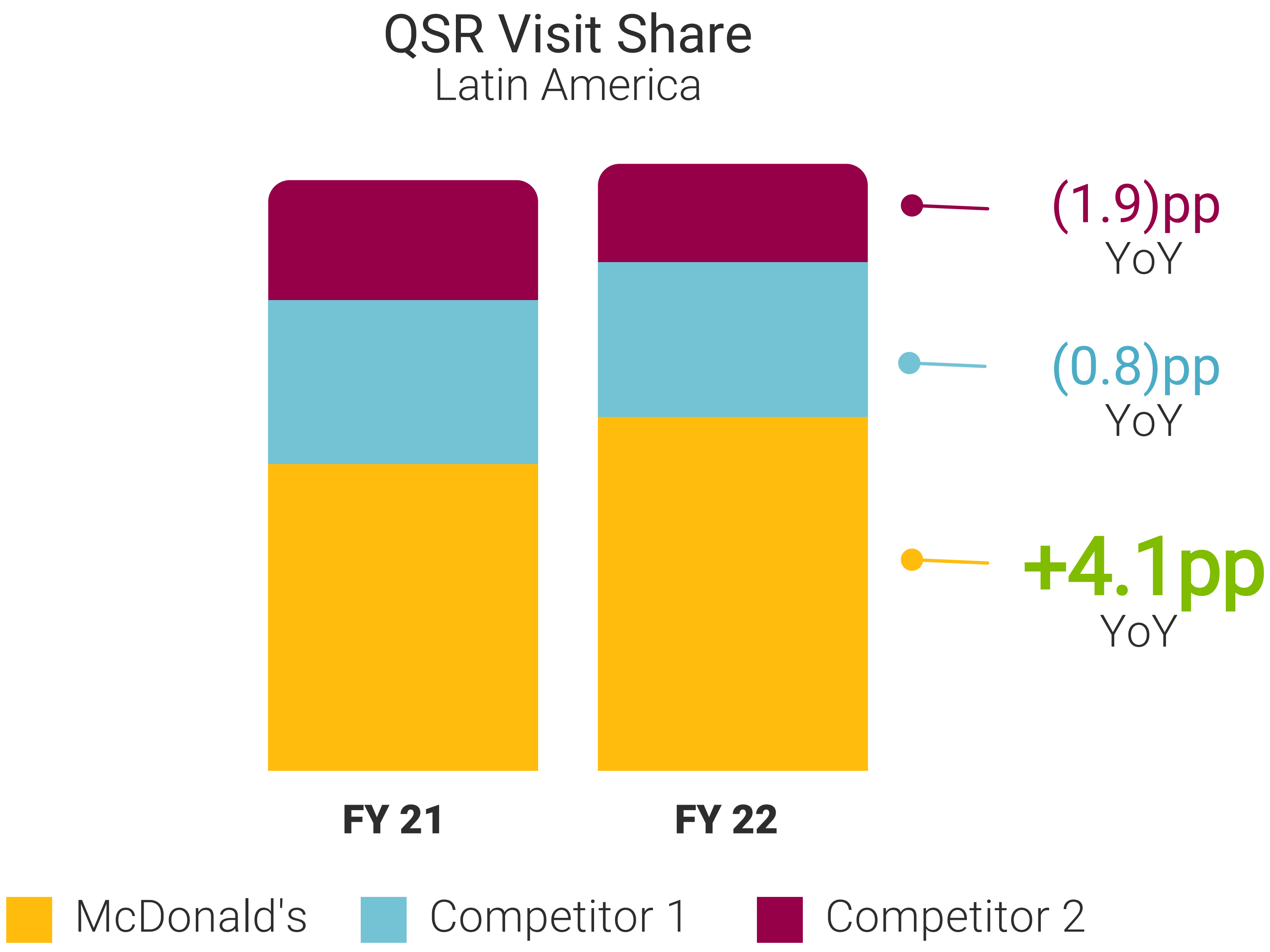
Digital Delivery Drive-thru

Luis Raganato
Chief Operating Officer

Magdalena Gonzalez-Victorica
Chief Technology Officer

Santiago Blanco
Chief Marketing Officer

Consolidated Market Share gains in 2022 across the Arcos Dorados footprint in Latin America and the Caribbean



Source: Proprietary reserach by IPSOS

Improved 24 of 25 Brand Attributes in 2022 versus 2021

Source: Proprietary research by Kantar, full year results 2022 vs 2021

Digital

The LatAm QSR industry's
Leading Digital Platform

Digital Aspiration

Today we are leaders in Digital in Latin America’s QSR industry

Going forward our aspiration is to strengthen our digital capabilities and build on the successes of the last few years

Arcos Dorados' Digital Journey began several years ago, accelerating & strengthening its leadership from 2020 to 2022

2014 2015 2016 2017 2018 2019 2020 2021 2022 2023

Chief Digital Officer
First CDO hired in late 2014 to begin the Company's Digital Transformation

EOTF Kickoff
2016 Initial Launch EOTF with Digital elements (Digital kiosks, Digital Menu Board)

Arcos App
Digital marketing Foundation launch in 2017 with our proprietary McDonalds App (Offers)

CRM
2018 We initiate our CRM and personalization efforts including Marketing automation for email and push notifications

McDelivery
We launched in 2019 our McDelivery squad: Partnerships with food aggregators.

During 2020, as part of our strategy to accelerate Arcos Dorados Digital Transformation, we formed a Digital unit called ADvance to deliver the best experience to our customers and employees, generating delicious moments through technology that make people's lives easier.

Flex Digital Platform
We deployed our hub integrator for all digital channels

Own Delivery & MOP (Table Service, Drive Thru Pickup & Curbside)
In 2021 we expanded our e-commerce capabilities offering new pick up and delivery options for our clients

ADvance Revamp: + IT + Data & Analytics
We merged IT + Data & Analytics into ADvance, working with a unified Vision of Arcos Dorados Digital Transformation using Agile Methodology

MyMcDonald's
Hyper-Personalized Offers
Loyalty Rewards
WhatsApp Delivery Bot

Flex Digital Platform
We designed and deployed our Backoffice solution, replacing older SMS Backoffice and homologating all back-office processes at the restaurant

Agile Methodology is in the DNA of ADVANCE

01
Customer Centric
Solve a customer need

02
Digital Experience
Design the best Digital Solution

03
Technology & Infrastructure
Enable our restaurant systems

04
Operations & Logistics
Ensure operational excellence

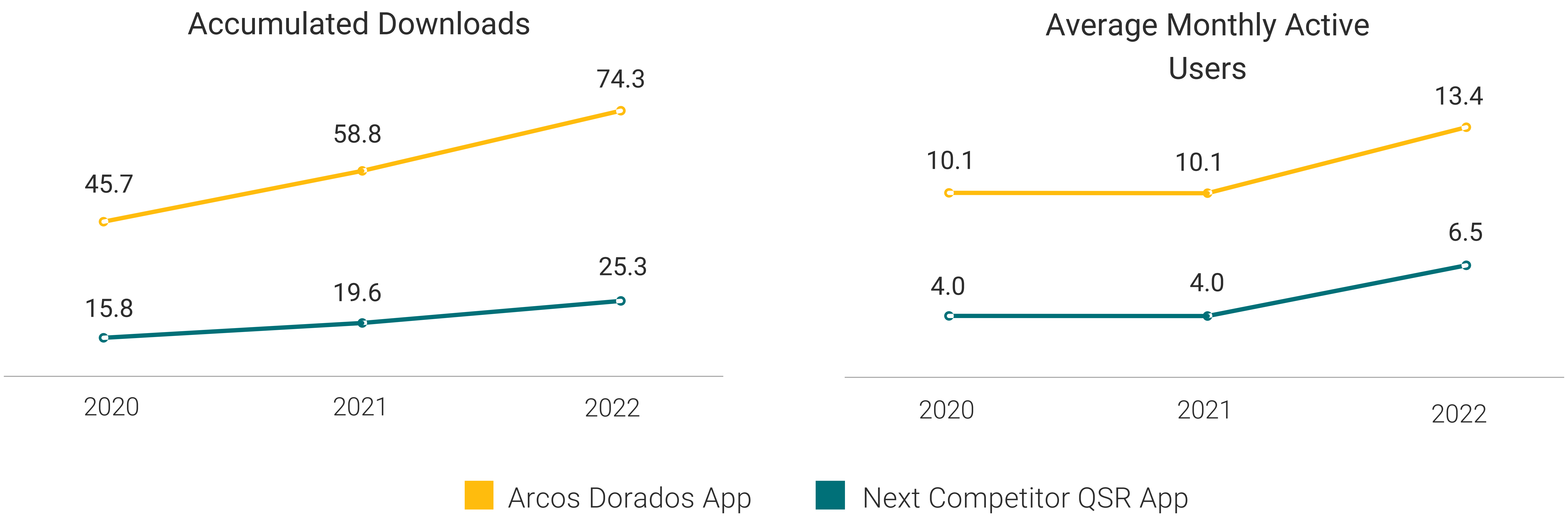
05
Marketing & Digital Activation
Increase awareness & Digital Performance

06
Data Analytics
Measure the impact of our initiatives

AGILE
RAPID ITERATIONS & UNIFIED BACKLOG

Demonstrating Digital Leadership with strong mobile App usage and a widening gap versus the competition

About 10% of smartphones in LatAm have downloaded the McDonald's App, 12% in Brasil and 19% in Argentina

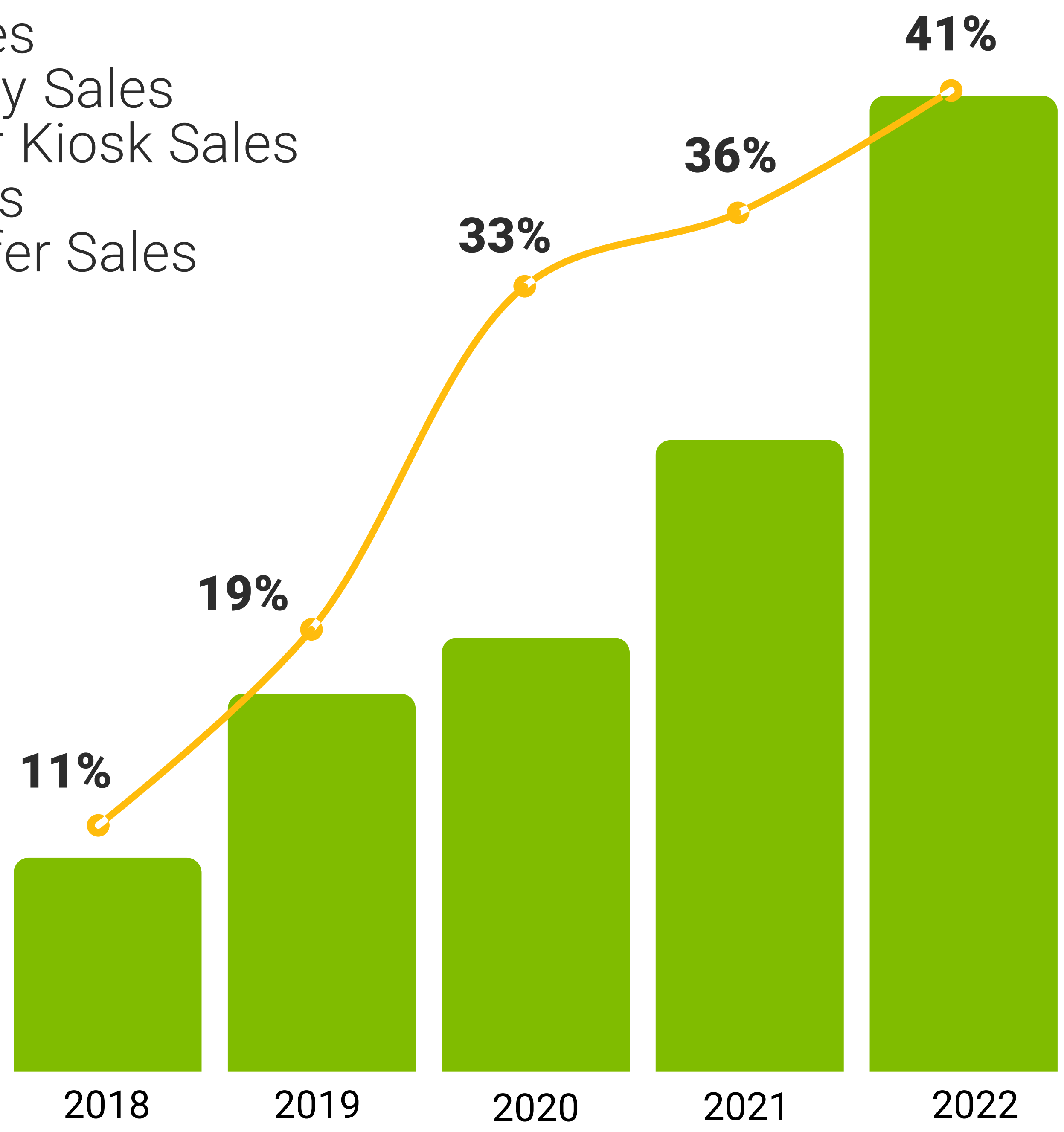


Source: App Annie Intelligence - https://www.appannie.com/

Digital Sales Penetration expanded significantly over the last 3 years

Digital Sales include:

- 3POs Sales
- McDelivery Sales
- Self-Order Kiosk Sales
- MOP Sales
- Digital Offer Sales



Key Milestones 2022:

- **+55% in Total Digital Sales vs 2021**
- +328% Delivery Sales vs. 2019
- +346% App Sales across all channels:
  - Mass Marketing to Mass Personalization
  - Introduction of ecommerce platform, Mobile Order and Pay (MOP).

Guests' main Digital connection with McDonald's is through our App and we are offering more ways to connect more often!

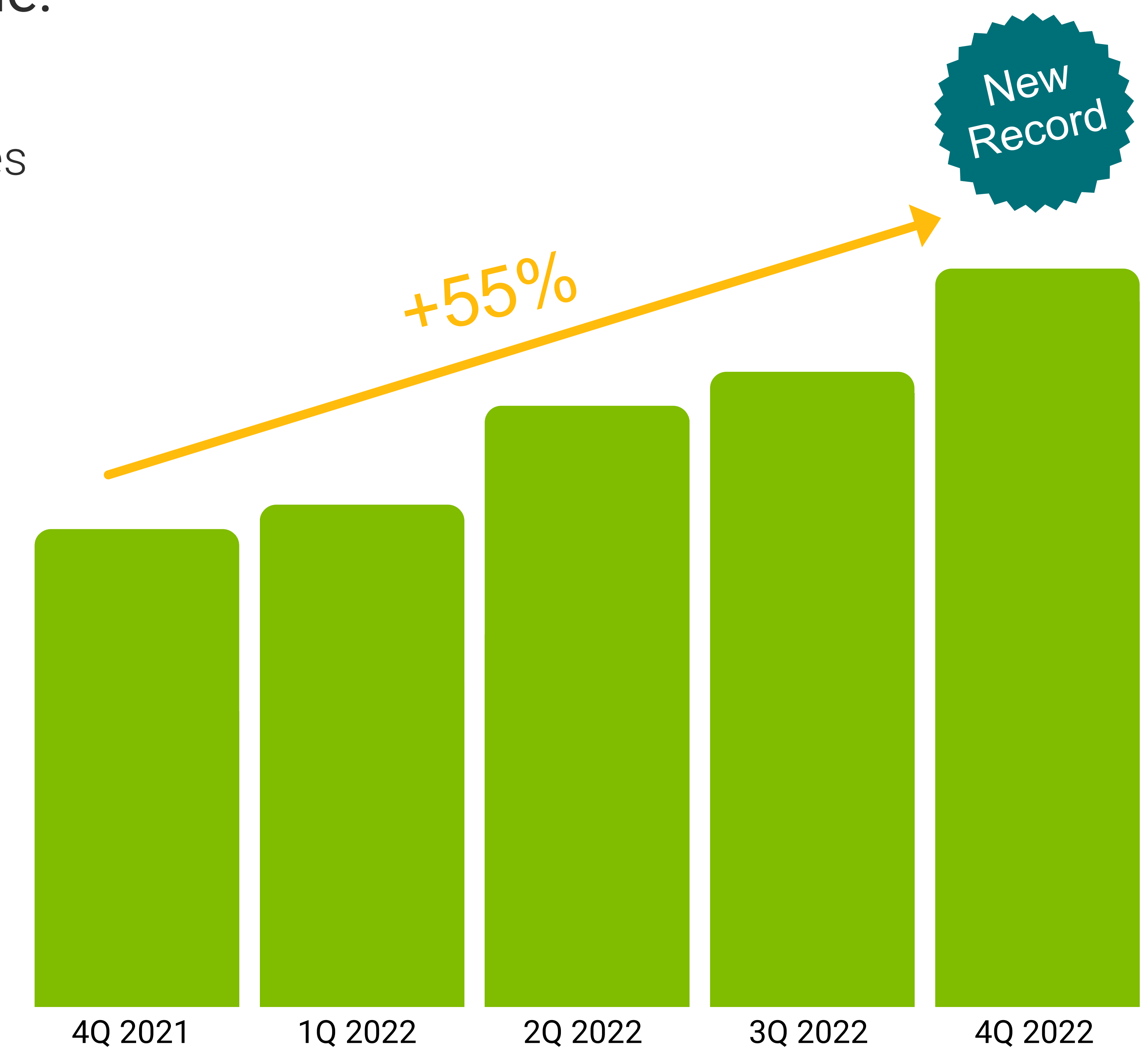
Today's guests want optionality,
choosing what they want,
how they want it,
where they want it,
and when they want it.

- Our App is currently being used in 18 markets and over 2,200 restaurants.
- MOP operates in over 1,850 restaurants across 11 countries while our own delivery now reaches more than 740 locations in 7 geographies.

Sustained Growth in Digital Sales throughout 2022

Digital Sales include:

- 3POs Sales
- McDelivery Sales
- Self-Order Kiosk Sales
- MOP Sales
- Digital Offer Sales



Total Digital
Sales Penetration

37% Q4 2021

44% Q4 2022

Identified
Sales Penetration

14% Q4 2021

17% Q4 2022

Our ambition

Unlock **40%** **identifiable digital sales** for our System by the end of **2025**

Identifiable Sales: Linking transactions & customers will enable us to drive results through further personalization

How will more identified sales give us an edge?

It enables us to engage our guests in more meaningful ways.

- Hyper Personalized campaigns are up to 3x more efficient than non personalized campaigns.
- It allows us to drive behavior based on frequency and individual guest preferences using Data Analytics and Marketing Automation tools.
- In order to identify a sale, we need our Guests' Data and, just as important, their General Data Protection Regulation Opt-In.

Our digital strategy is increasing our Revenue per User

Average Revenue per Active User (ARPU)

(Total Annual Identifiable Sales / Average Monthly Active Users - $USD)

2020	2021	2022
$38	$44	$55

New functionalities, such as Mobile Order and Pay or Own Delivery, are increasing our guests' engagement and the revenue we generate from our digital users.

Our acquisition efforts continue driving identified sales penetration, which will take a significant step up with the launch of our Loyalty program in 2023.

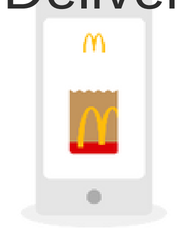
MyMcDonald’s Rewards

- Loyalty Program Pilot initiated in Brazil.
- MyMcDonald’s Rewards will:
  - Provide a powerful tool to capture guest data.
  - Allow us to double down on our precision marketing initiatives.
- Loyalty members will receive rewards based on their purchases.
- The Program will allow us to offer more convenience and value for our guests.

Reward
s

Personalized Deals

Mobile Order Pay Own Delivery



McDelivery

The #1 Delivery option in Latin America

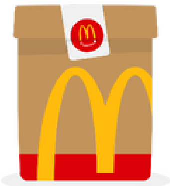
- Free-standing restaurant footprint guarantees our leadership position.
- Strong food aggregator relationships to support continued growth, including with our Own Delivery.
- McDelivery is the fastest and most accurate food delivery service in the Latin American QSR industry.

McDelivery

2018

3PO
1st Delivery Aggregator Partnership

2019



McDelivery
We launched in **2019** our McDelivery squad: Partnerships with food aggregators

1st Squad Launches the McDelivery Playbook

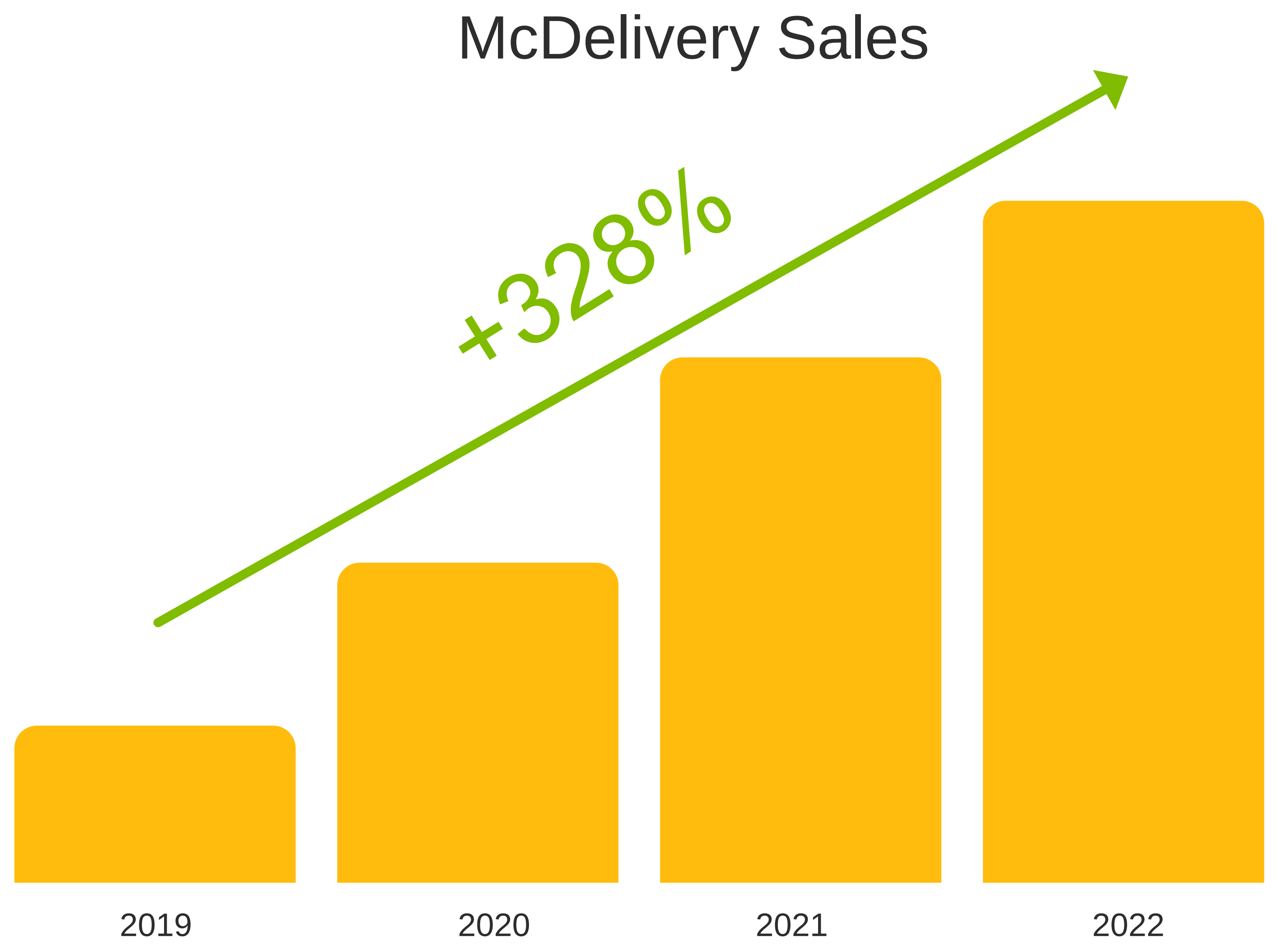
2020 Covid 19

- Playbook implementation
- New packaging deployed
- Expanded quickly to 17 markets

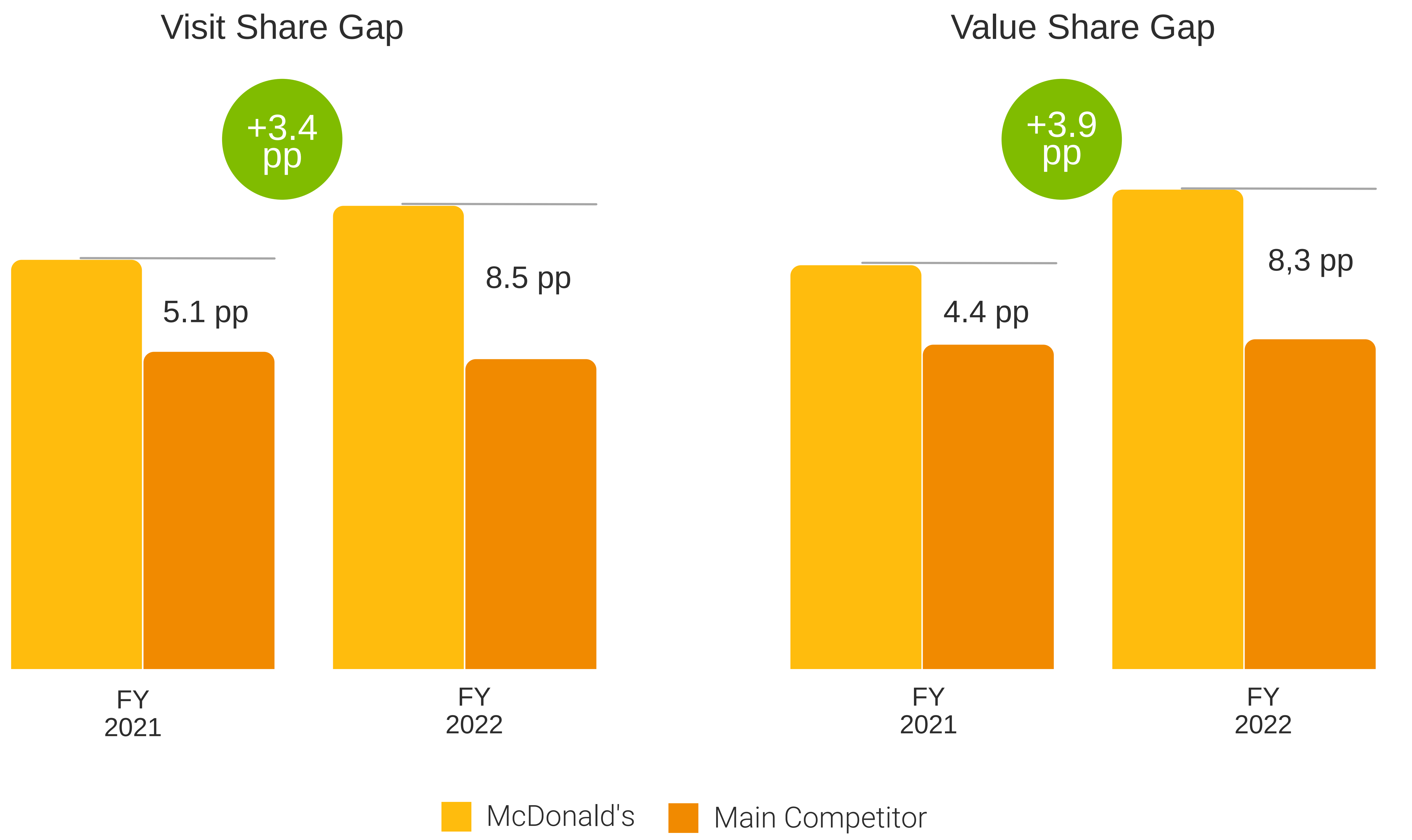
2021 2022 2023

Growing sales and consolidating market leadership

McDelivery sales grew more than 3x since 2019, supported by significant operational improvements and investments in technology



McDelivery Market Share Consolidation – all Arcos Dorados



Source: Proprietary research by IPSOS

McDelivery **Growth Strategy**

Big Improvements in our operation

Strategic Relationship with 3POs

Strong Marketing plans

Own Delivery

New Technologies are key to driving McDelivery Sales Growth

Digital Environment

3POs

3PLs

- Loyalty
- Mobile APP
- CRM

Other Digital Channels

Chat Bots

Orders/
Transactions

FLEX
DIGITAL

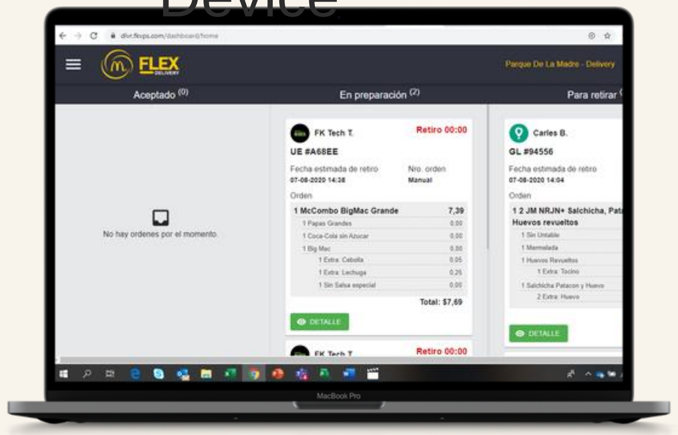
Time Metrics / Performance
(Real Time)

Data for Reporting
and Analytics

Orders/
Transactions

Restaurant

Single
Device



Automatic integration

McDelivery: Marketing exclusive plan

Focused on making the Brand #1 in Top of Mind with consumers.

Making an emotional connection with our guest at every opportunity (Special dates) not just promotions

And using our partner relationships as a way to increase the value proposition with targeted activities. (3PO actions)

McDelivery Brand
Top of Mind for consumers

Connecting with **new and relevant targets** through special activations

Taking ownership of each occasion by being the best and first option in consumers' minds

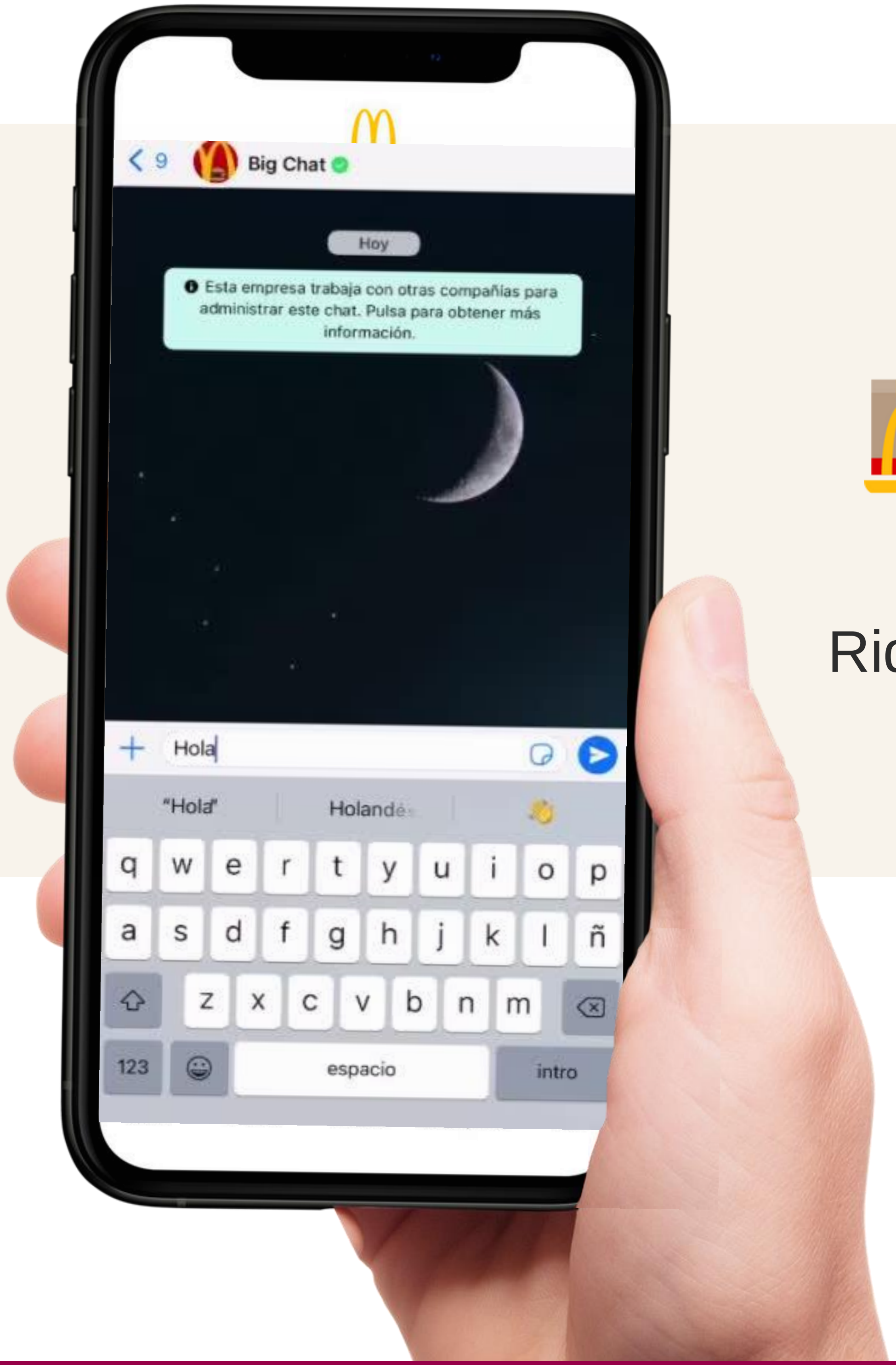
Own Delivery is a Strategic Long-term Priority

We have about 745 restaurants offering Own Delivery in 7 markets

Ordering by

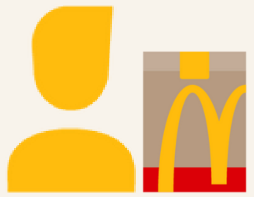
McDonald's App

WhatsApp Bot



Delivering by

Riders (3PL)



Walkers (crew)

Riders App

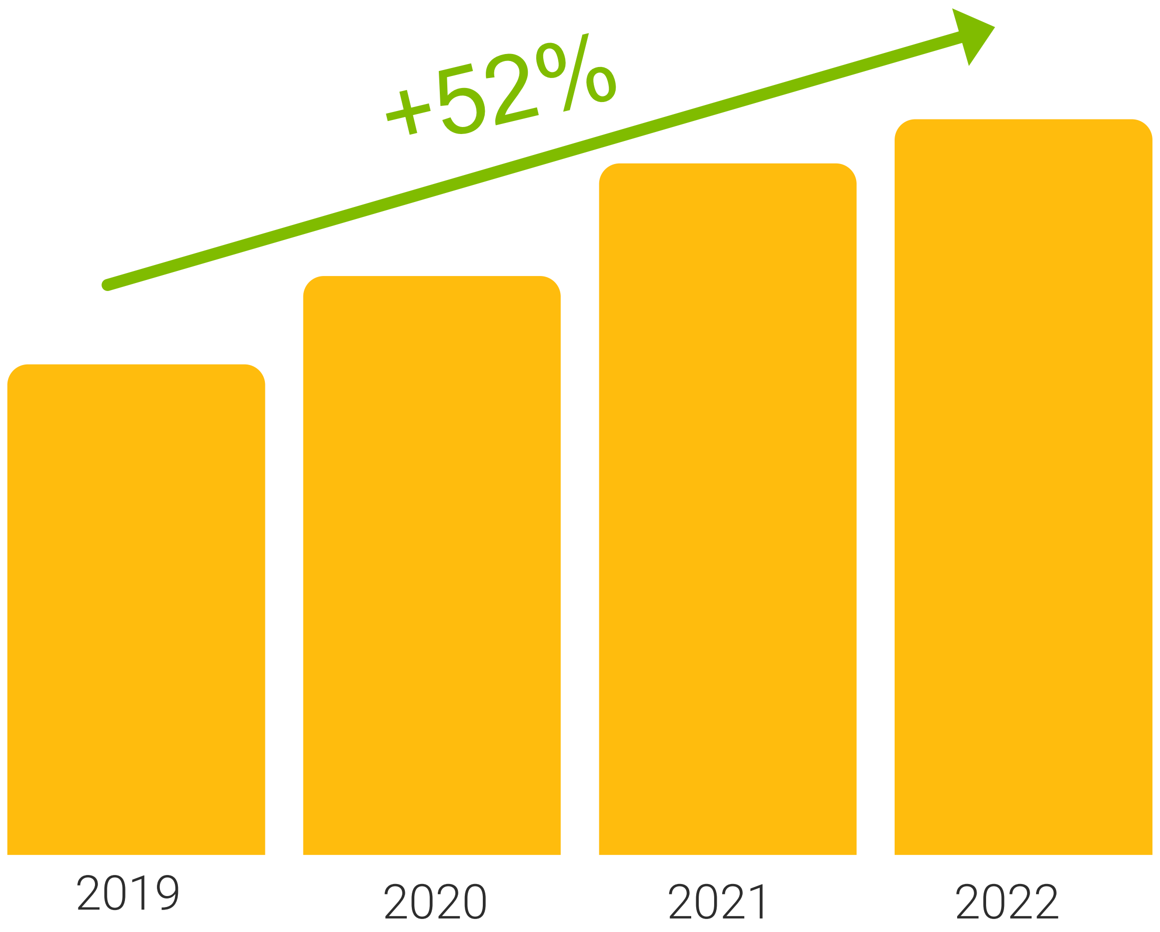
With our established MOP functionality, our main challenge is to develop an efficient logistics model in each country.

Drive Thru

Our Drive-Thru is a structural competitive advantage

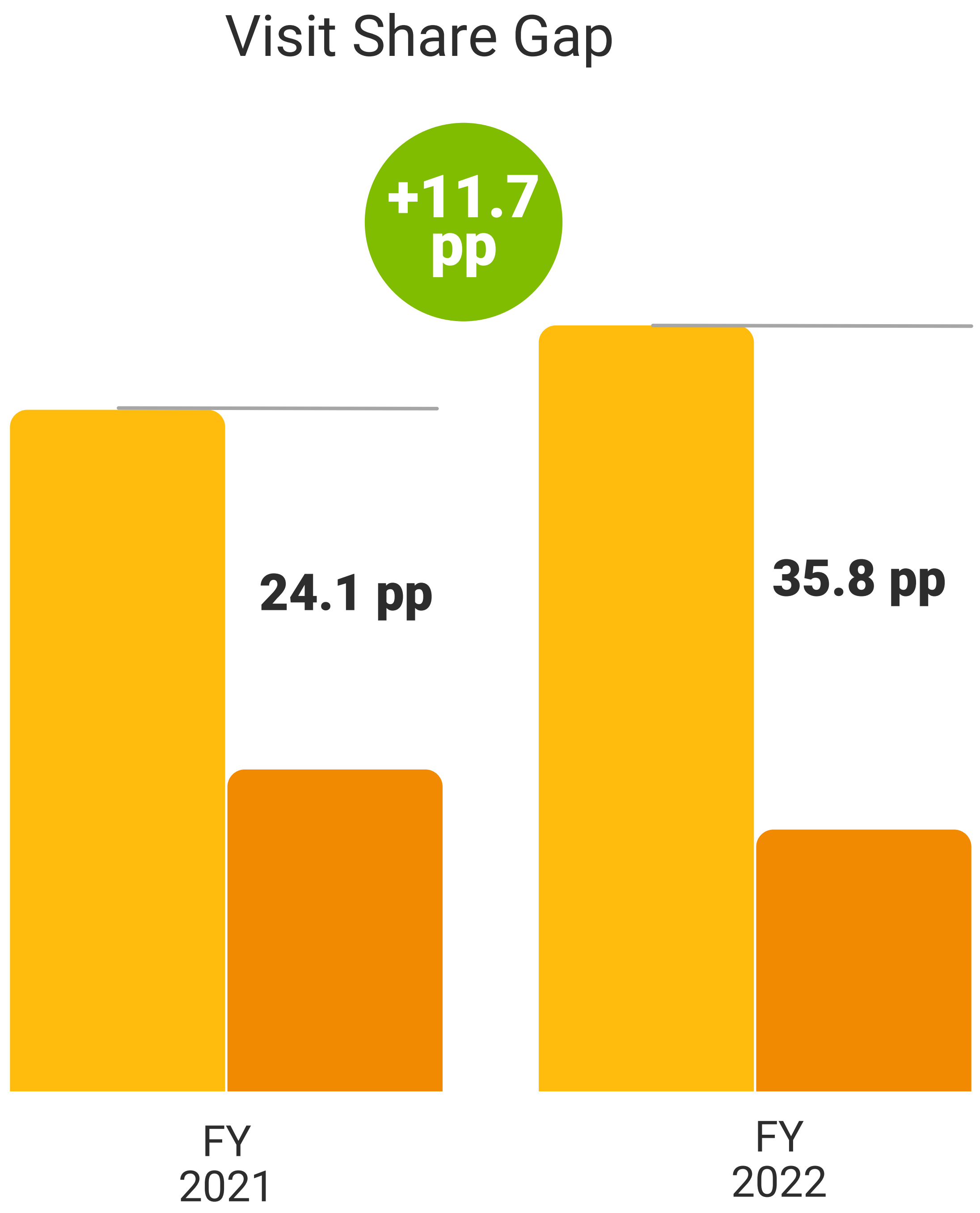
- The #1 Drive-Thru business in Latin America.
- The largest (and growing) free-standing restaurant footprint in the region, by far.
- Drive-Thru locations make up 50% of all Arcos Dorados restaurants.
- Drive-Thru average check is significantly higher than the front counter.
- Sales growth has been largely incremental and remains sticky.

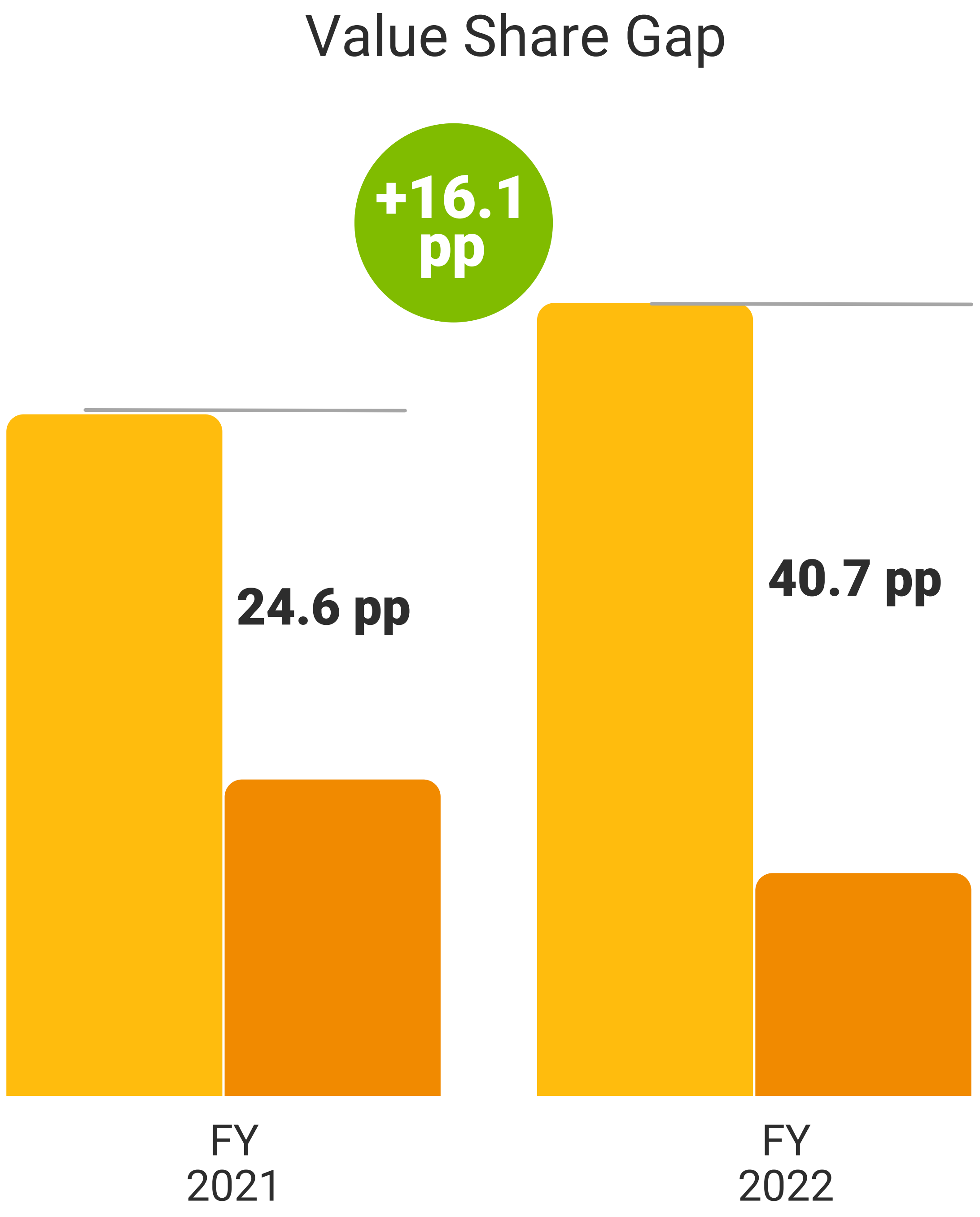
Drive Thru Sales



- 2019 – Pre-Pandemic
  - 22% of company-operated restaurant sales
- 2022 – Permanently Higher
  - Contributed ~28% of company-operated restaurant sales, with sustained growth throughout the year.

2022 DriveThru QSR Visit & Value Share – all Arcos Dorados





McDonald's   Main Competitor

Source: Proprietary research by IPSOS

Drive Thru Growth Strategy

Big Operational improvements, including dual lane

Key Increases in customer satisfaction

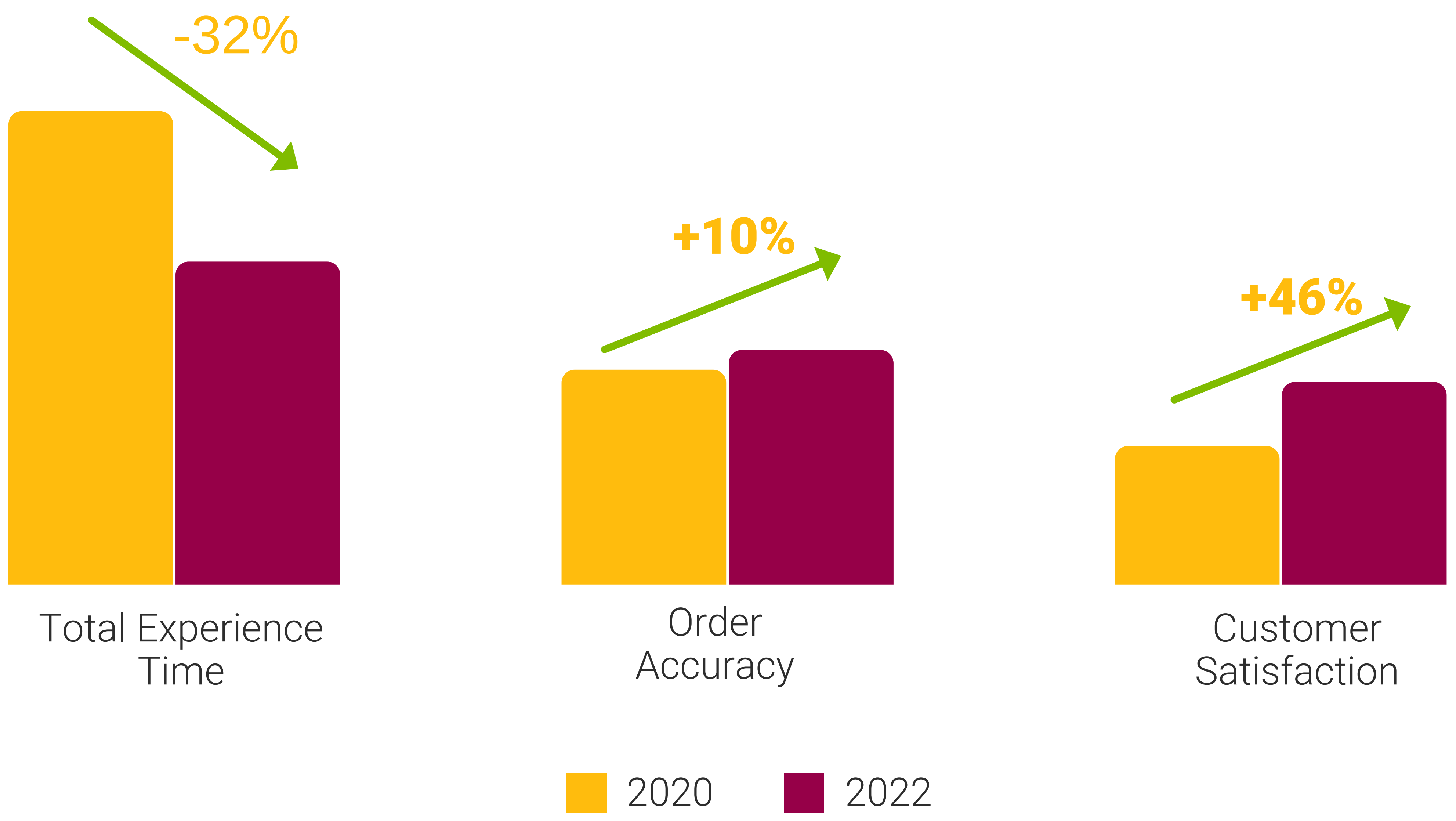
Strategic Investments in technology & training

Engagement Marketing & Digital plans

Footprint 90% of openings will be free-standing

Operational and Customer Satisfaction Improvements in Drive Thru

Even though we were already the industry benchmark, we generated significant improvements in Total Experience Time, Order Accuracy and Customer Satisfaction



Strong Investment in Technology and Training

- Training and developing our people
- Drive Thru dashboards
- Tablets and external payment methods
- QR Code Scanners
- Drive Thru layout – Fast Forward

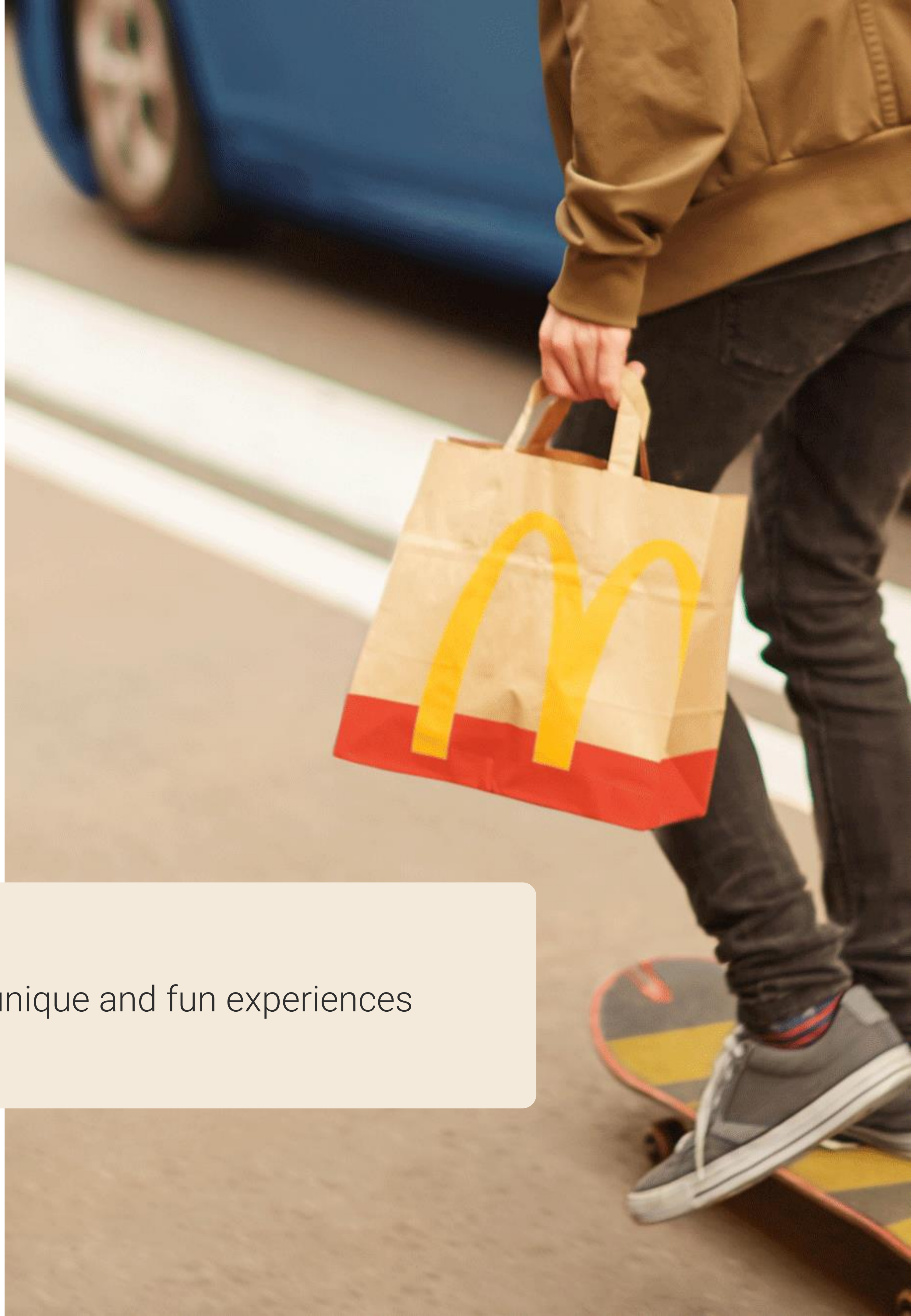
Marketing & Digital Engagement
Mobile Order and Pay (MOP)

MOP through the APP allows guests to personalize their experiences based on their evolving needs and preferences.

- Technology focused on guest experience
- Faster
- More Accurate
- Most Profitable

Fun Guest Experiences

Create every day "feel good moments" to surprise our guests with unique and fun experiences and rewards.



MARKETING
VIDEO

10 Minute Break

We'll be Right Back!

ARCO LISTED NYSE

4

Capturing the Long-Term Growth Potential

Sebastián Magnasco
VP Development

During the Pandemic we strengthened our omnichannel strategies, leveraging our organic sales growth

Digital

Delivery

Drive Thru

We are also improving our inorganic sales growth, driven by…

Development

- Capturing existing and future potential
- Ensuring our business health with increasing sales
- Consolidating the market, staying ahead of the competition

"Best-in-Class" Development Team & Processes…

Investigate the market

Investigate the site

Acquire the site

Develop the site

Support the site

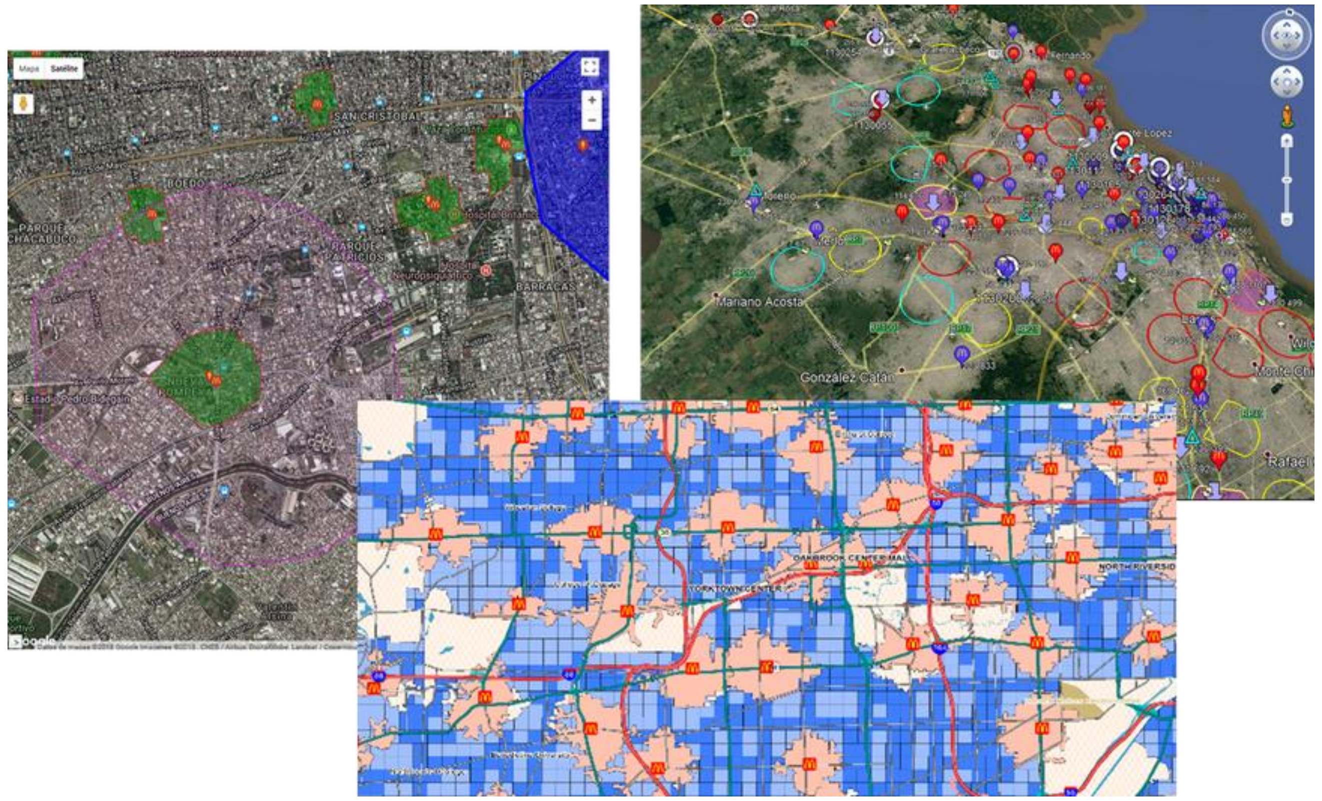
1-2 years

- Proven process with a strong track record
- Supported by McDonald's Corporation
- Informed by Development Analytics Tools
- Based and focused on customer behavior and demographics databases
- The most experienced Development teams in Latin America

Supported by McDonald’s more than 50 years experience, Artificial Intelligence & Big Data we perform Gap Analysis

Investigate the market | Investigate the site | Acquire the site | Develop the site | Support the site

1-2 years



- Existing Retail Traffic
- Population demographics
- Future developments
- Potential Gaps in the markets

Market knowledge with more than 3,000 identified sites…

Investigate the market

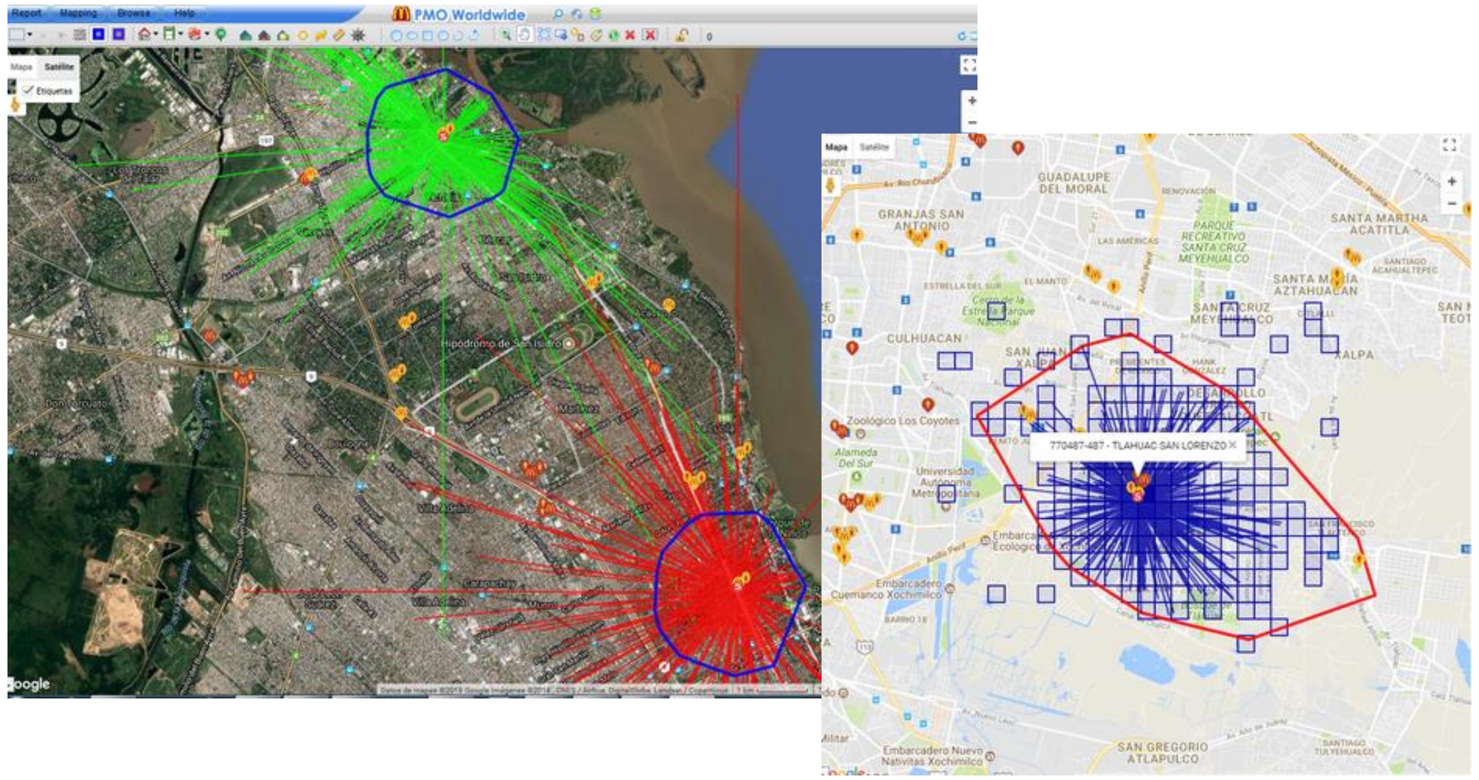
Investigate the site

Acquire the site

Develop the site

Support the site

1-2 years



Estimating Sales

- McDonald’s expertise/experience
- Customer behavior
- Business dynamics
- Real estate knowledge

Market decentralized process for site acquisition

Investigate the market → Investigate the site → Acquire the site → Develop the site → Support the site

1-2 years

Formalized Due Diligence Process

- Management Approval
- Feasibility plans for government approval
- Negotiate lease/purchase with landlord/seller
- Contract/lease conditions
- Budget estimates and schedules

Technological innovation in Construction Methods to boost Restaurant construction…

Investigate the market → Investigate the site → Acquire the site → Develop the site → Support the site

1-2 years

- Standardized Buildings
- McDonald’s standard guides
- Local Construction teams by country
- Localized suppliers by regions
- Centralized Sourcing

Reinvestment and Evolution to “Experience of the Future”

Investigate the market

Investigate the site

Acquire the site

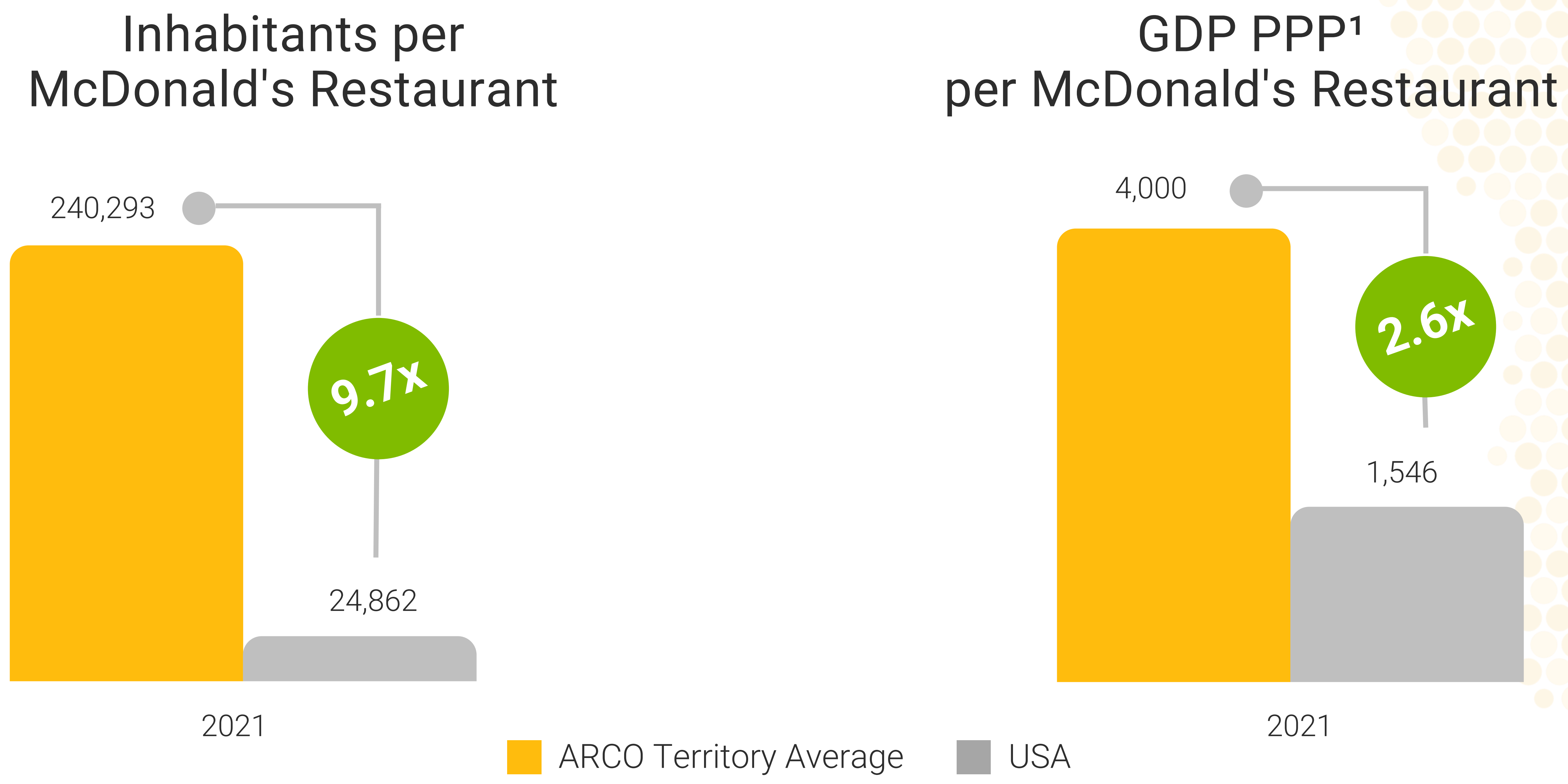
Develop the site

Support the site

1-2 years

- Restaurant tracking tools
- Understand and capture guest needs
- Capital reinvestments

McDonald's Brand Penetration Remains Low in Latin America and the Caribbean



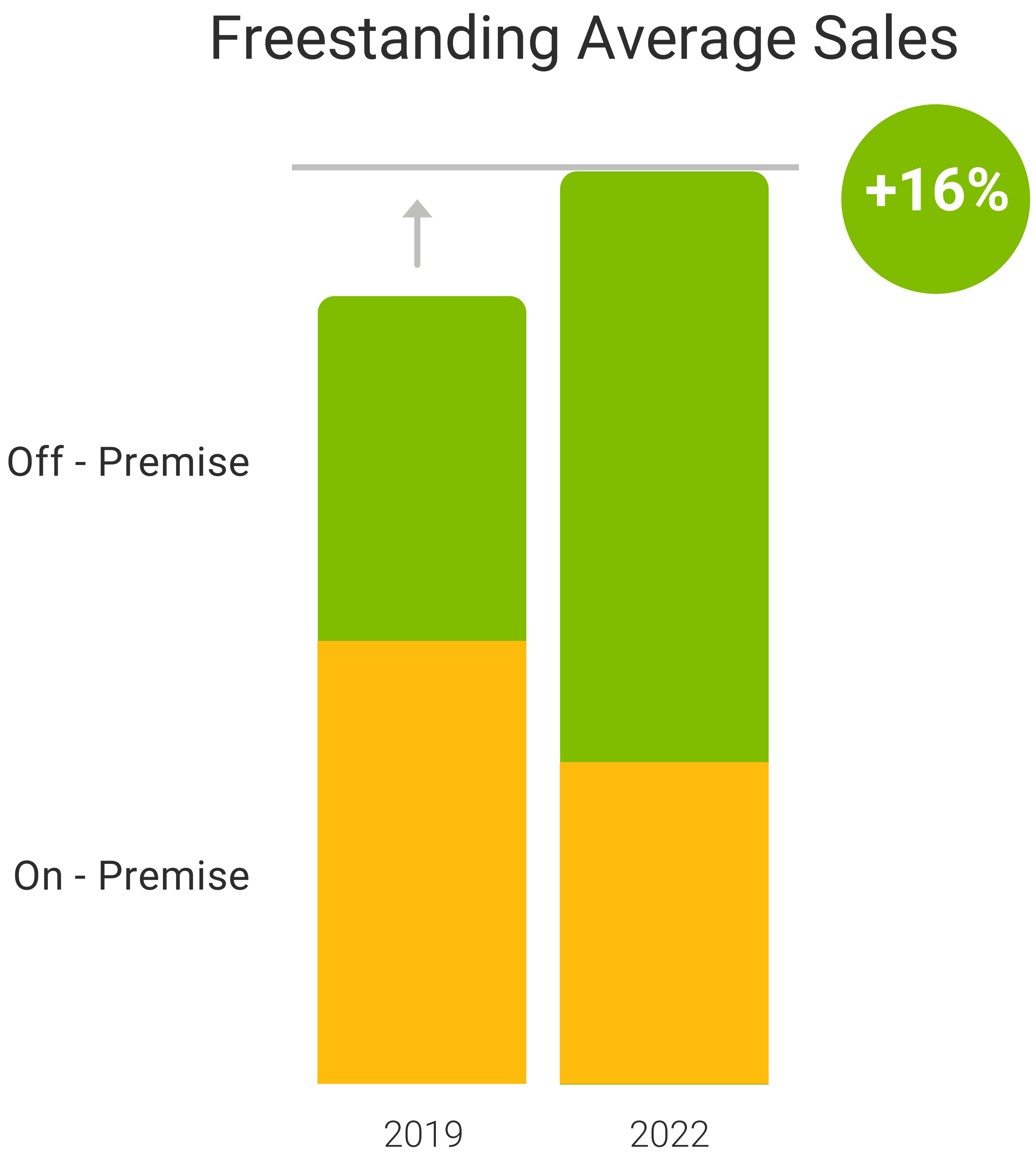
Source: United Nations

Source: World Bank
[1]Gross Domestic Product (GDP) in US$ millions adjusted for Purchasing Power Parity (PPP)

Arcos Dorados is benefitting from changes in consumer behavior and preferences

- Migration trends from urban to sub-urban, leading to improving infrastructure
- New consumption occasions/preferences, especially off-premise
- Increase in total volume sales of our restaurants
- Increase in the sales index due to higher sales in post-pandemic New Stores opened
- Improvement in Brand perception (aspirational)

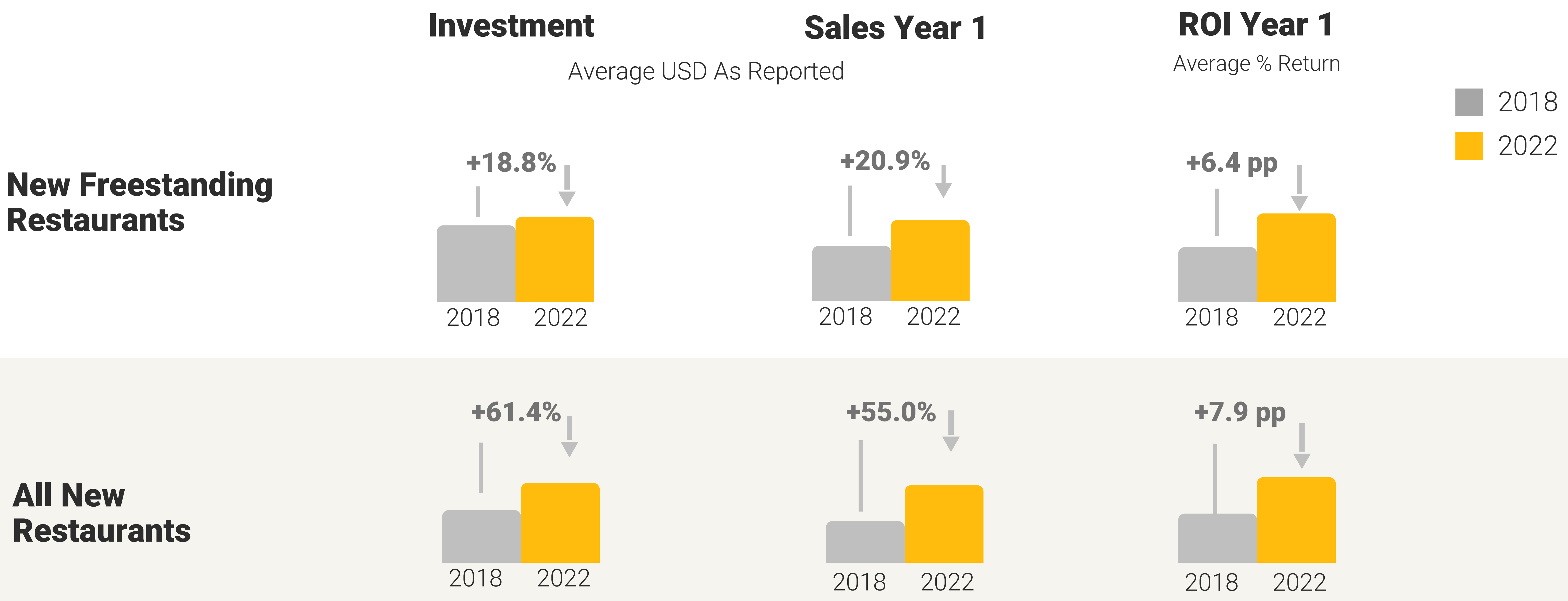
Sales growth in Freestandings mainly driven by off-premise channels



- Free-standing restaurants have been the greatest beneficiary of the post pandemic world.
- Sales per free-standing restaurant ~16% higher in 2022 vs. 2019 in USD As Reported.
- Driven by incremental sales from off-premise channels: Delivery and Drive-Thru.

Sales Increased in New Restaurants Driving Record High Returns on Investment

More than offsetting higher building costs



Modernization of the Restaurant Footprint

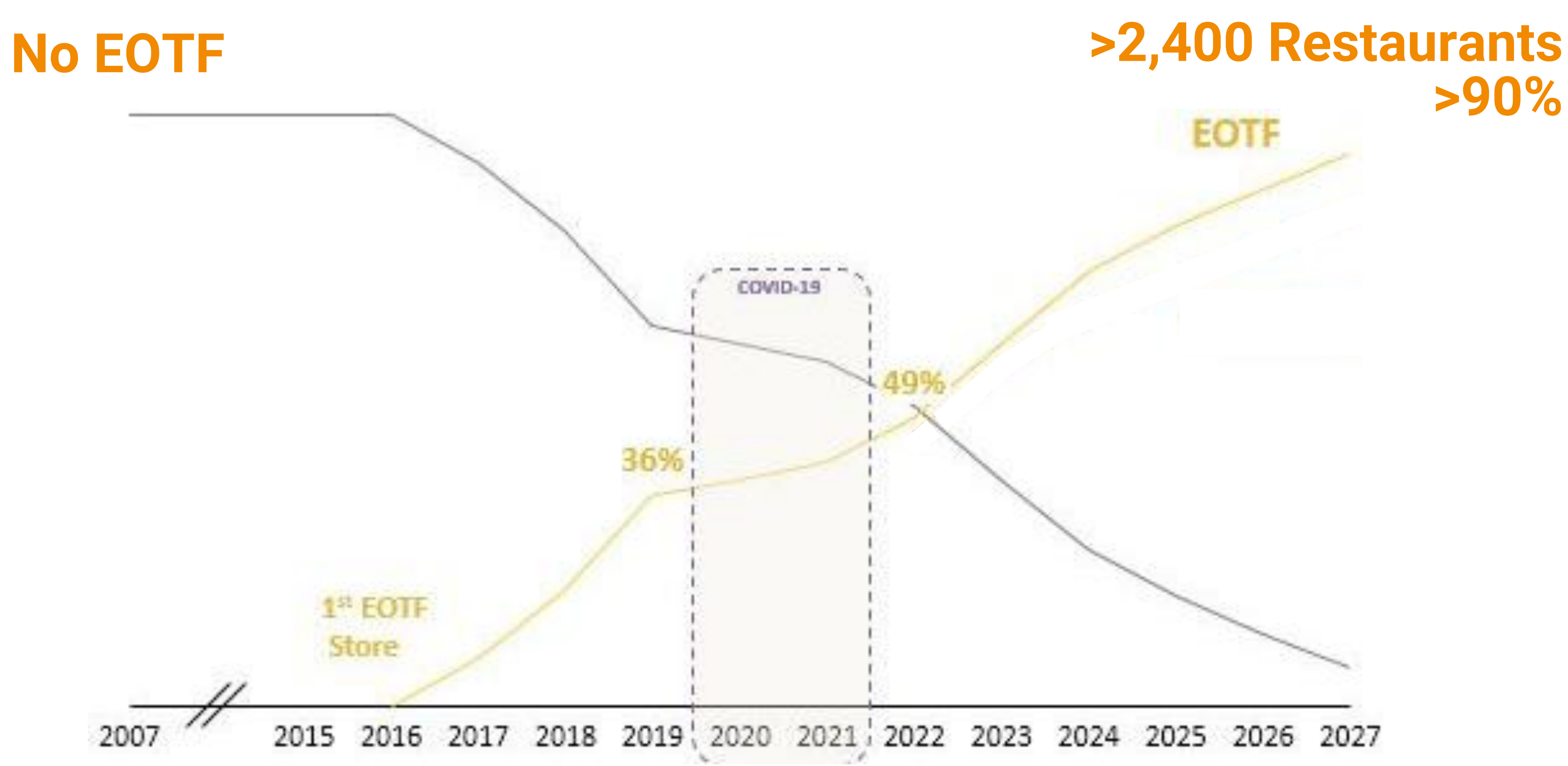
- In 2007, Arcos Dorados began operating a restaurant footprint that was 98% Legacy Image
- By 2016, more than 1,200 restaurants had been remodeled to the Modern Image
- In late 2016, we began rolling out the Experience of the Future (EOTF) Image
- By 2027, we plan for more than 2,400 restaurants (>90% of our inventory) to have the EOTF Image

LEGACY

MODERN

EOTF

Inventory image evolution



We plan to accelerate our Growth Development following two strategies…

1 Open New Markets and Trade Areas

- Where? New Cities and Underpenetrated areas
- How? Traditional stores, with focus on Free-standing formats

2 Fill White Spaces

- Where? Penetrated areas with identified gaps
- How? New flexible buildings formats

New Concepts & Technologies are Unlocking New Trade Areas

Our existing store footprint today…
…and the GAP areas identified

- Are unserved or underserved
- Considers impact to existing restaurants

… where green gaps can be filled with incremental TRADITIONAL STORES…

… and remaining gaps can be filled by small footprint new formats

- Already have traditional restaurants in the area, AND
- No available land at feasible size / cost to open a traditional store; new formats can more profitably penetrate market

Traditional Free-standing

+1500
SQM

Small Footprint New Formats
"Think outside the Box"

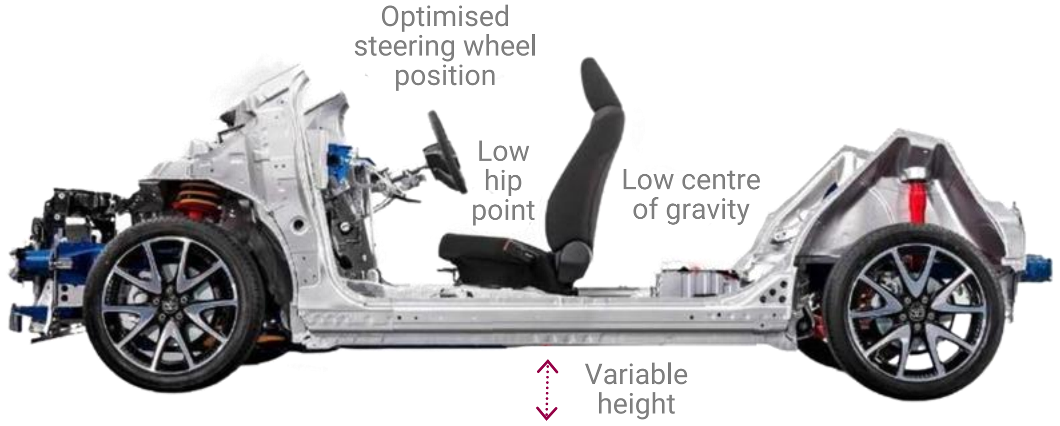
~800
SQM

Restaurant 2.0

A flexible and versatile catalog of restaurants for all of Arcos Dorados

One Platform, Adapted to Different Needs

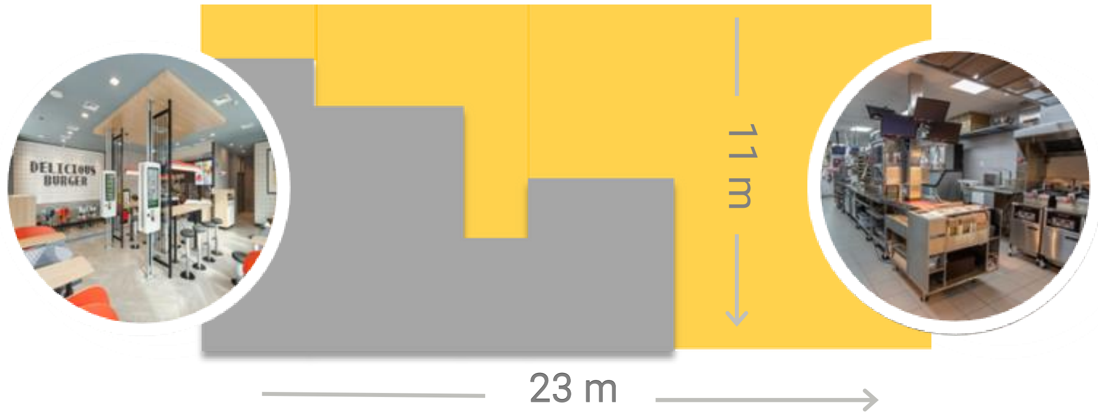
Volkswagen



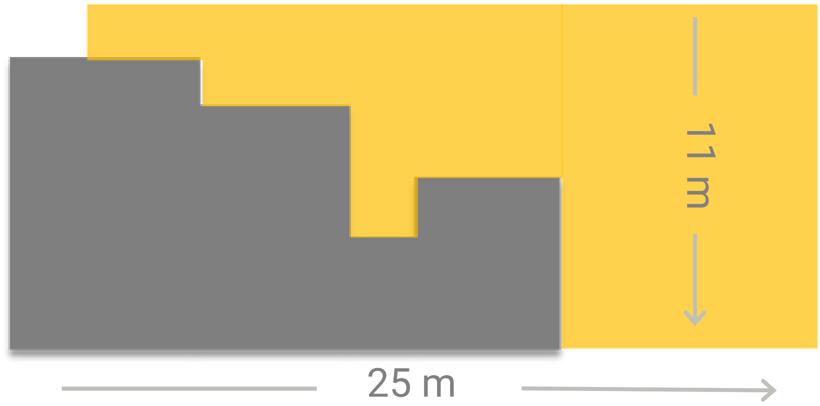
Volkswagen Group 2020 global sales by platforms

MQB
70%

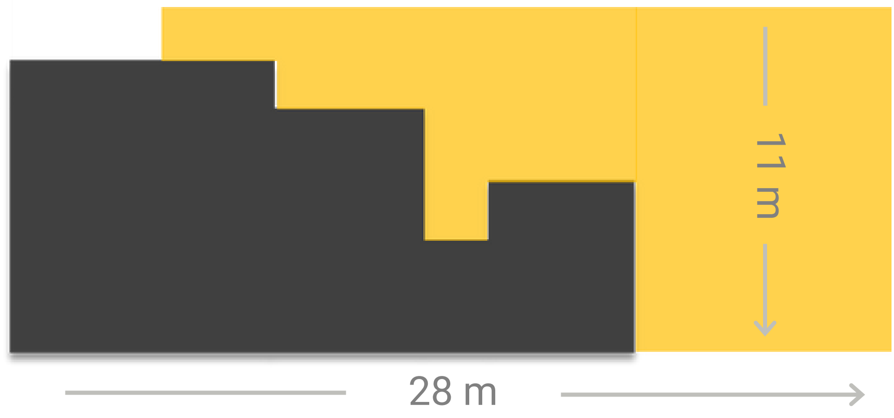
MQB	14%
PQ	10%
NSF	1.1%
MEB	0.7%
MSB	0.4%
MMB	0.4%
Others	3.0%



FS 1S 60 Seats



FS 1S 80 Seats



FS 1S 100 Seats

Restaurant 2.0 I Standardization makes a big difference

Restaurant 2.0 started being developed in 2020, with the goal of being a universal and flexible model, while adapting to new guest preferences.

One optimized model for all markets

Reducing initial investment

Value Engineering:

- Reduced required site area
- Construction methods
- Mechanical, Electrical & Plumbing optimization
- Optimized equipment capacity

\+

Boosting P&L performance

Operational improvements:

- Kitchen & BOH layout
- Kitchen equipments
- Utilities and operating costs reduction

Initial Goals and implemented initiatives

- ✔ Investment reductions
- ✔ Restaurant **standardization**
- ✔ Investment model **flexibility**
- ✔ Enhancing 3D's : **Digital, Delivery & Drive-Thru**
- ✔ Exterior customer experience
- ✔ **Sustainability** initiatives
- ✔ **Kitchen Capacity**: equipment according to restaurants needs

Sustainable Restaurants

25 Sustainability initiatives available for all free-standing openings

4 Circular economy

7 Interior quality

10 Energy & atmosphere

4 Water efficiency

All initiatives have an educational impact thanks to easy to-understand communication throughout the restaurants.

Restaurant 2.0 **Openings in 2022**

Development Take-aways

- The QSR industry remains highly underpenetrated in Latin America.

- We are a stronger company than before the pandemic.

- We have structural competitive advantages that have been flexible and able to adapt to new consumer behaviors and preferences.

- We have a strong and experienced team to continue developing our robust restaurant growth pipeline.

- We benefit from Technologies, Processes and Support from McDonald’s global restaurant system, bringing best-practices to our markets.

- The opportunity in front of us is massive and we are going after it!

Questions & Answers

Minimize the slides to submit your questions in the chat section of the Webcast platform.

Final Thoughts

Woods Staton
Executive Chairman

Final Thoughts

Culture

Data-driven and meritocratic with the customer at the center of all we do.

Community

Dedicated to operating responsibly and positively impacting the communities we serve.

Brand

McDonald’s is the best brand in the QSR industry and has never been stronger in LatAm.

Strategy

The Three D’s are consolidating our leadership by offering guests the optionality they seek.

Footprint

The largest free-standing restaurant portfolio in the industry, by far.

Growth

An underpenetrated region that will support accelerated growth for many years to come.

Team

Experienced management with a strong track record of execution.

Thank you!

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