

# arco



## 3Q22 Earnings Presentation

December 2022



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We have included in this presentation our Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, Adjusted Net Income Margin, Free Cash Flow and Adjusted Free Cash Flow, which are non-GAAP financial measures, together with their reconciliations, for the periods indicated. We understand that, although Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, Adjusted Net Income Margin, Free Cash Flow and Adjusted Free Cash Flow are used by investors and securities analysts in their evaluation of companies, these measures have limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our results of operations as reported under IFRS. Additionally, our calculations of Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, Adjusted Net Income Margin, Free Cash Flow and Adjusted Free Cash Flow may be different from the calculation used by other companies, including our competitors in the education services industry, and therefore, our measures may not be comparable to those of other companies.

# KEY MESSAGES



**2022 CYCLE: 100% OF  
ACV RECOGNITION &  
48% YoY TOP LINE  
GROWTH**

- **100% of ACV recognition** and **48% YoY top line growth** for the 2022 cycle
- **Profitability improvement** in the cycle, with **2.3 p.p. adj. EBITDA margin expansion YoY**



**9M22: SIGNIFICANT  
IMPROVEMENT IN  
OPERATING CASH  
FLOW GENERATION**

- **9M22 FCF up 132% YoY** to 19.4% of revenues (vs +11.9% of revenues in 9M21)
- **2022 adj. EBITDA margin guidance** (36.5% – 38.5%) **reaffirmed** (bottom expected)



**2023 OUTLOOK:  
SOLID GROWTH  
AND FOCUS ON  
CASH FLOW**

- **Commercial cycle** for pedagogical solutions indicates a **~24% ACV growth** for 2023
- **Adj. EBITDA margin guidance maintained at 36.5% – 38.5%** and **CAPEX guidance reduced to 8% – 10% of revenue** for FY 2023
- **isaac acquisition: antitrust approved** on Nov 16<sup>th</sup>, **closing expected for Jan 2<sup>nd</sup>, 2023**



# 2022 CYCLE RESULTS

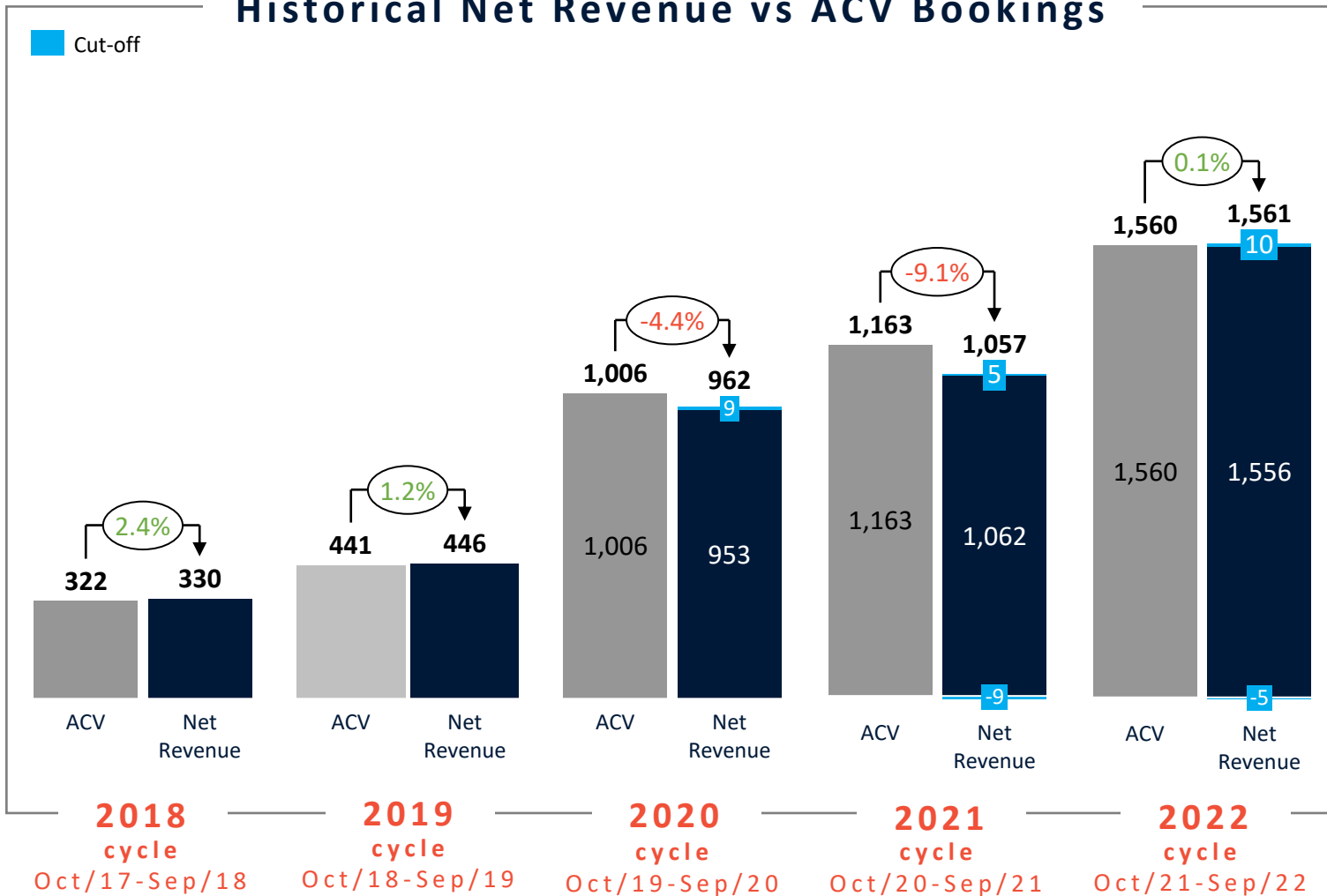




# Arco delivers 100% of revenue recognition for the 2022 cycle: 48% YoY growth (34% organic)

In R\$, M

## Historical Net Revenue vs ACV Bookings



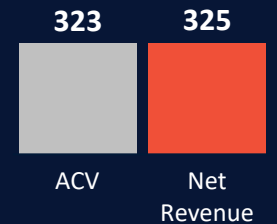
**BOTH SEGMENTS DELIVERED REVENUE IN LINE WITH ACV**

**CORE**

**SUPPLEMENTAL**



**100% RECOGNITION**



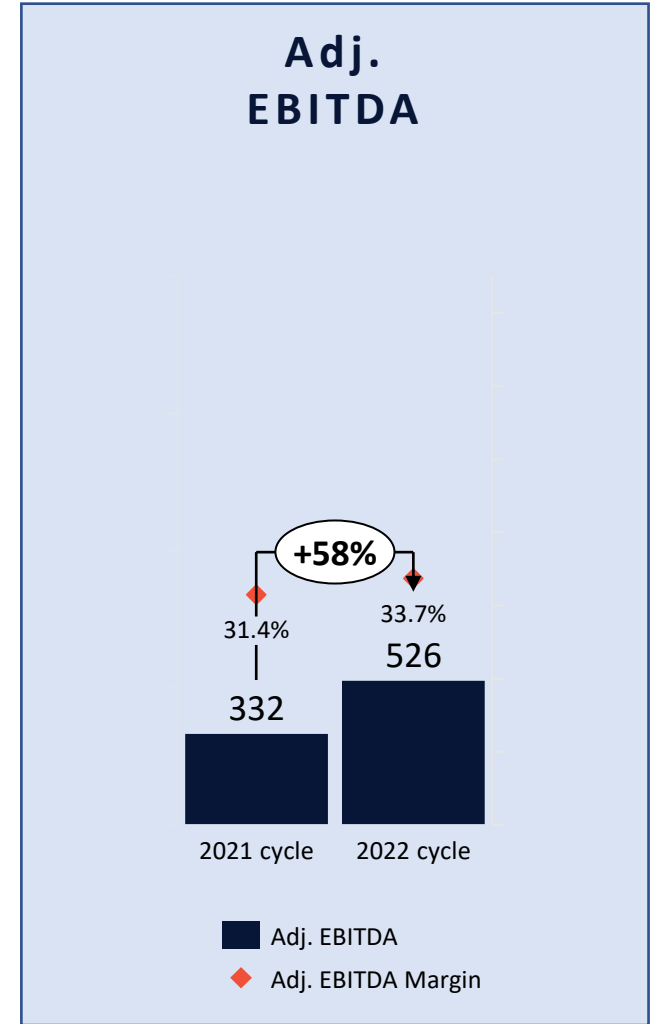
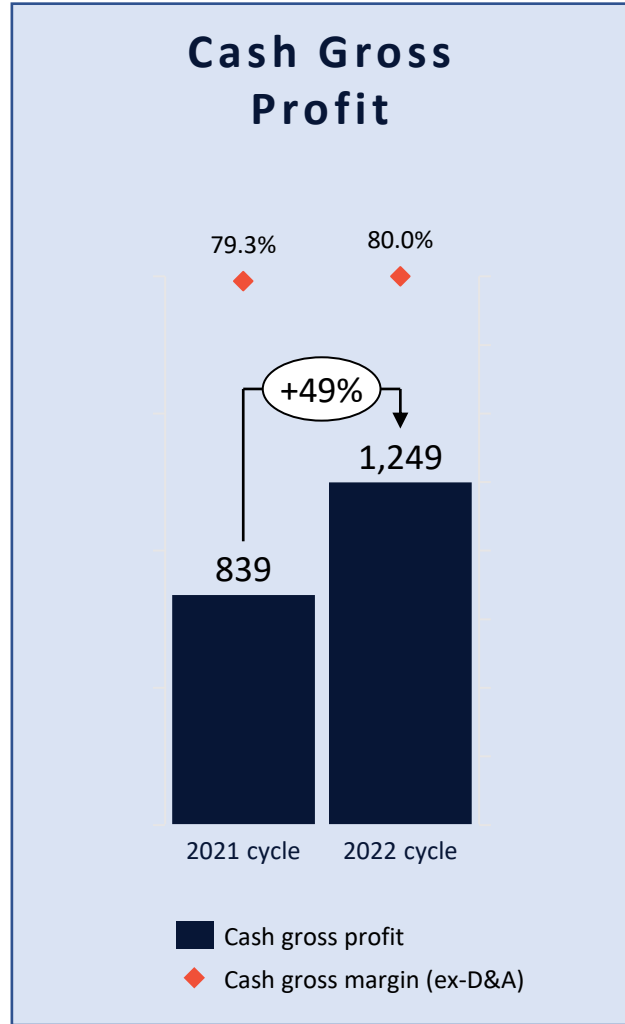
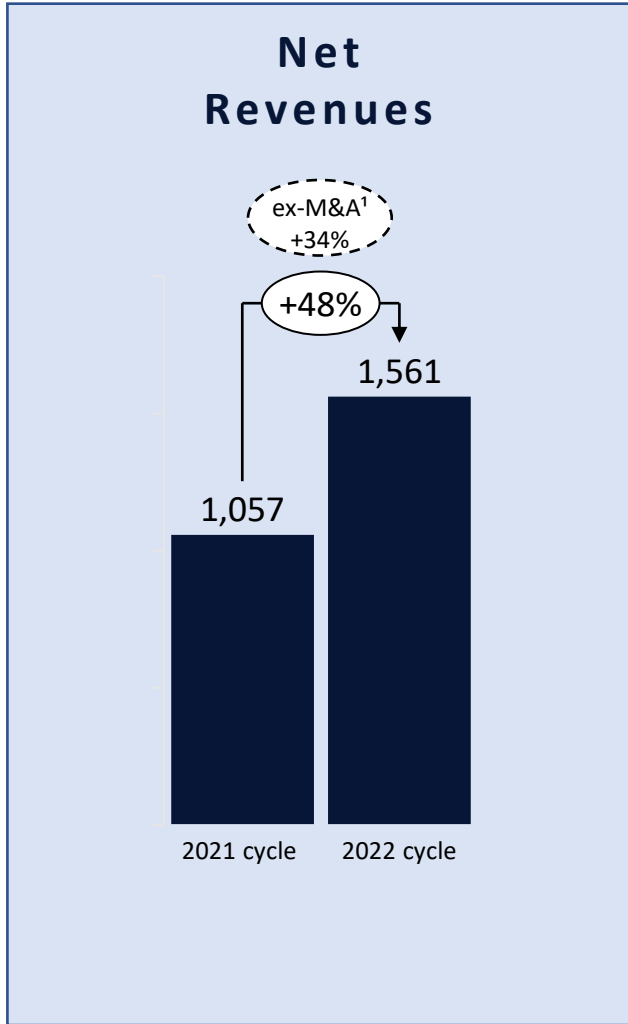
**100% RECOGNITION**

Note: For comparison purposes, net revenue 2021 excludes businesses acquired after 2021 guidance disclosure (Me Salva!, Eduqo, Edupass) and net revenue 2022 excludes new business developed in 2022, not included in the ACV (pilot of managerial & financial solution). Cut-off relates to content of the cycle delivered after Sep 30<sup>th</sup>.



In R\$, M

# Profitability improvement in the 2022 cycle, with 2.3 p.p. adj. EBITDA margin expansion YoY



Note: 2022 cycle figures exclude new business developed in the year (pilot of managerial & financial solution). 1) Businesses acquired in 2021 (Me Salva, Eduqo, Edupass, COC, Dom Bosco) and 2022 (PGS, Mentos).



**RESULTS & PATH  
TO IMPROVED  
OPERATING CASH  
FLOW GENERATION**



**9M22 RESULTS  
REFLECT  
ARCO'S  
COMMITMENT  
TOWARDS  
CASH  
GENERATION**

**1**

**ADJUSTED EBITDA UP 43% YoY TO R\$295 M**

**2**

**BETTER WORKING CAPITAL DYNAMIC  
WITH LOWER DSO AND DELINQUENCY**

**3**

**EFFECTIVE TAX RATE DOWN TO 8.7%**

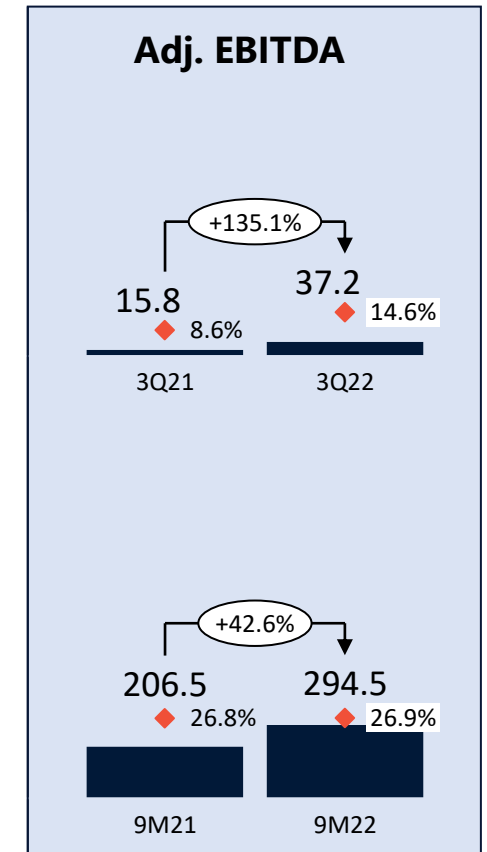
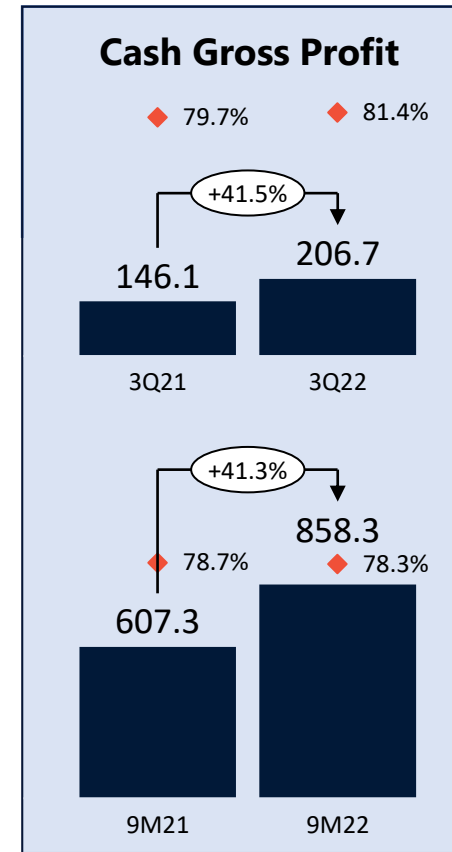
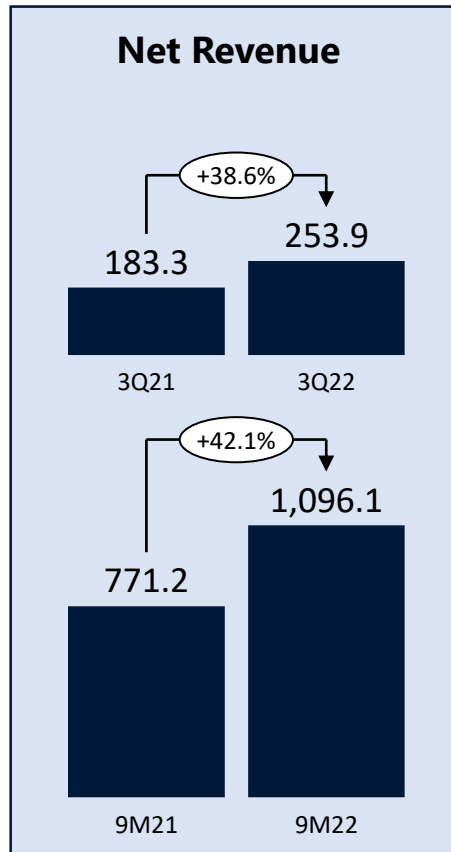
**4**

**CAPEX DOWN 3.7 P.P. TO 11.1% OF  
REVENUES**

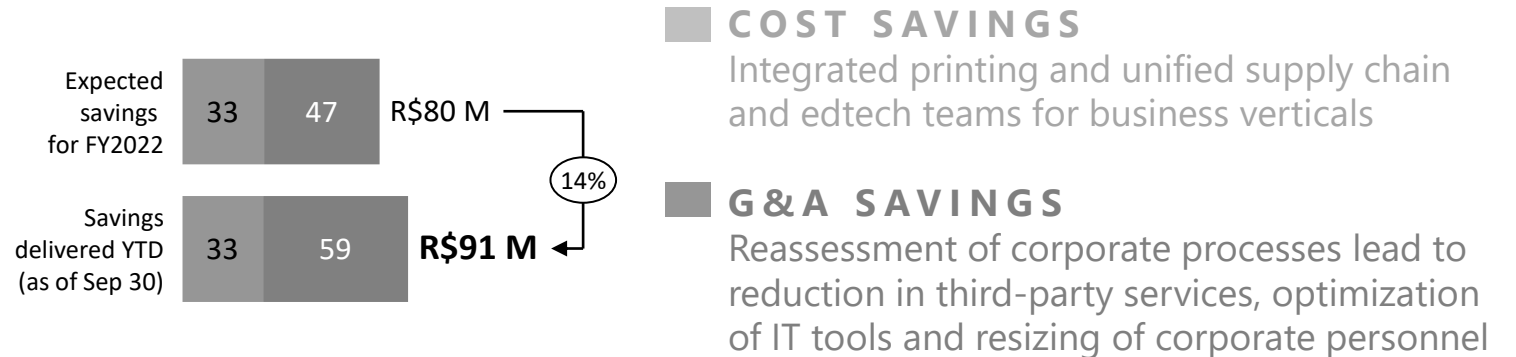




# ADJUSTED EBITDA UP 43% YoY TO R\$295 M



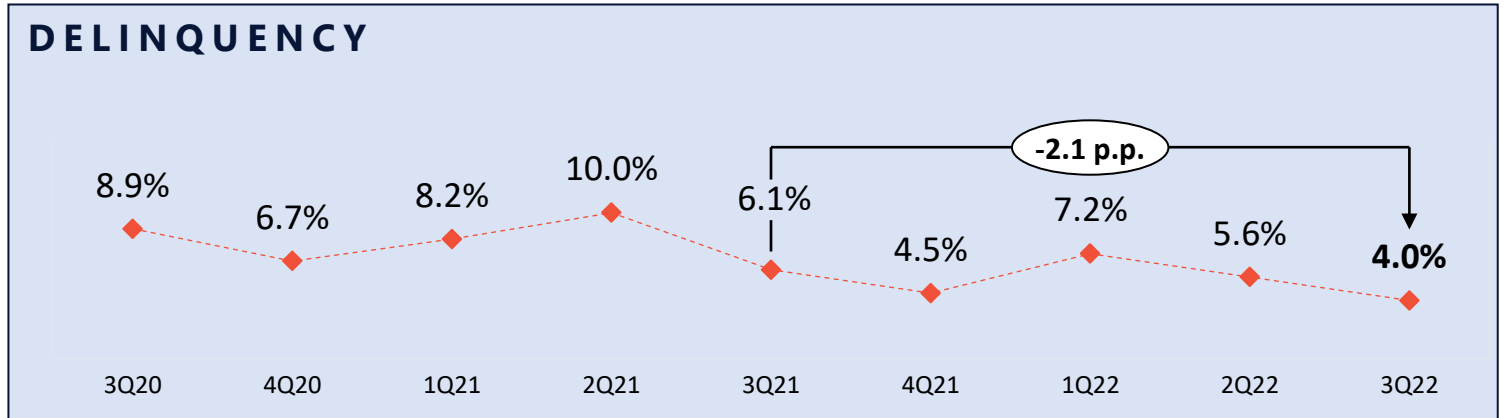
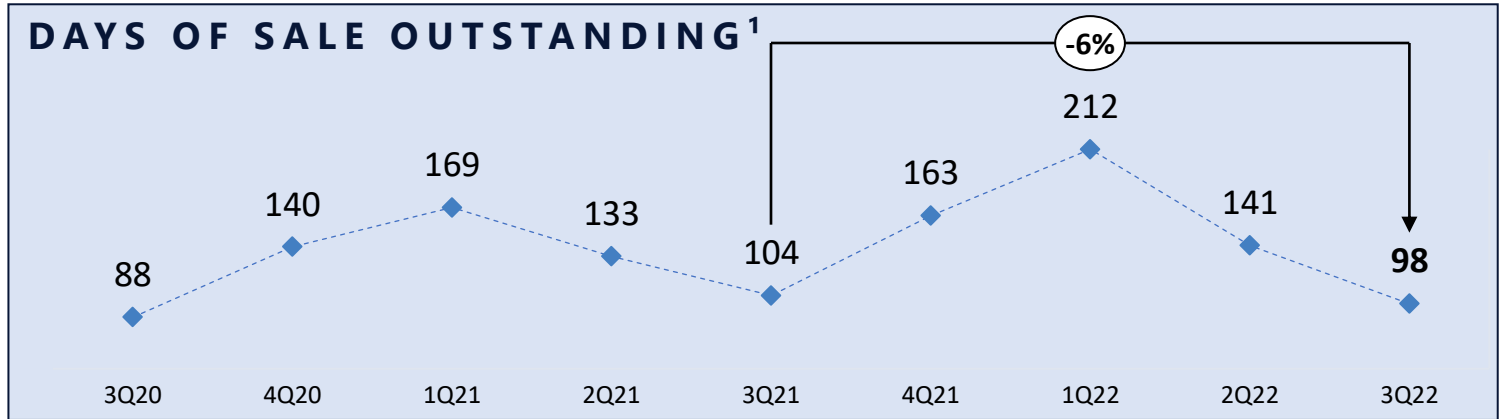
## COST AND G&A SAVINGS YTD SURPASSED INITIAL GOAL FOR THE YEAR





# 2

## BETTER WC DYNAMIC WITH LOWER DSO AND DELINQUENCY



#### OPTIMIZED COLLECTION PROCESS

- Redesign of the communication channel
- Creation of multifunction squads (including commercial teams) to improve collection process
- Better visibility to all teams on delinquency status of partner schools
- Addition of collection metrics in the salesforce scorecard

1) DSO calculated as net revenues for the last twelve months added to the pro forma revenues from businesses acquired in the period.



# EFFECTIVE TAX RATE DOWN TO 8.7%

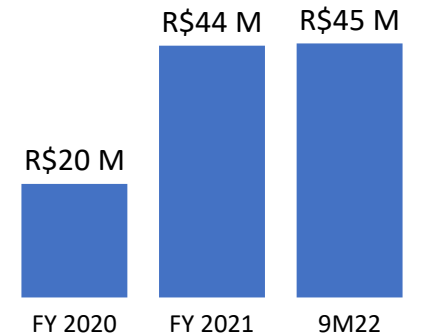
Arco has been incorporating acquired businesses since 2019, unlocking tax benefits and significantly reducing its effective tax rate over time

✓ Geekie's incorporation concluded on October 1<sup>st</sup> leads to **income tax savings of ~R\$14 M in 2022** and **at least R\$16 M in annual tax savings from 2023 onwards**

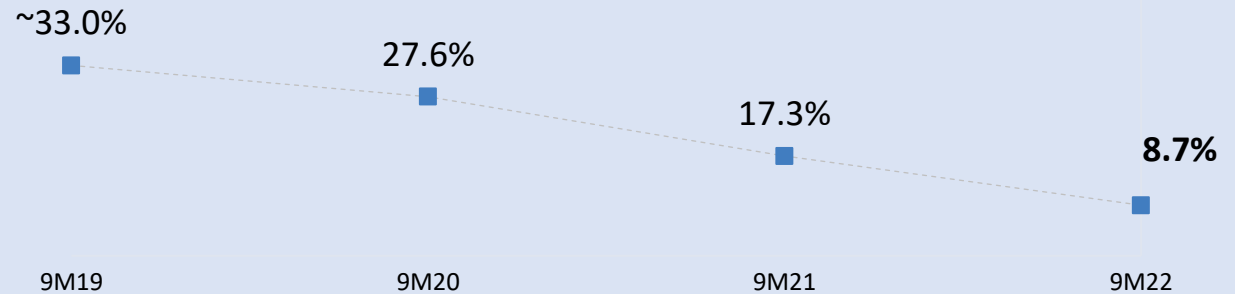
Expected incorporation schedule<sup>1</sup>:

- 2023: Escola da Inteligência and Pleno
- 2024: SAE Digital

**Total annual tax savings from business incorporation (R\$M)**



**EFFECTIVE TAX RATE<sup>2</sup> (%)**

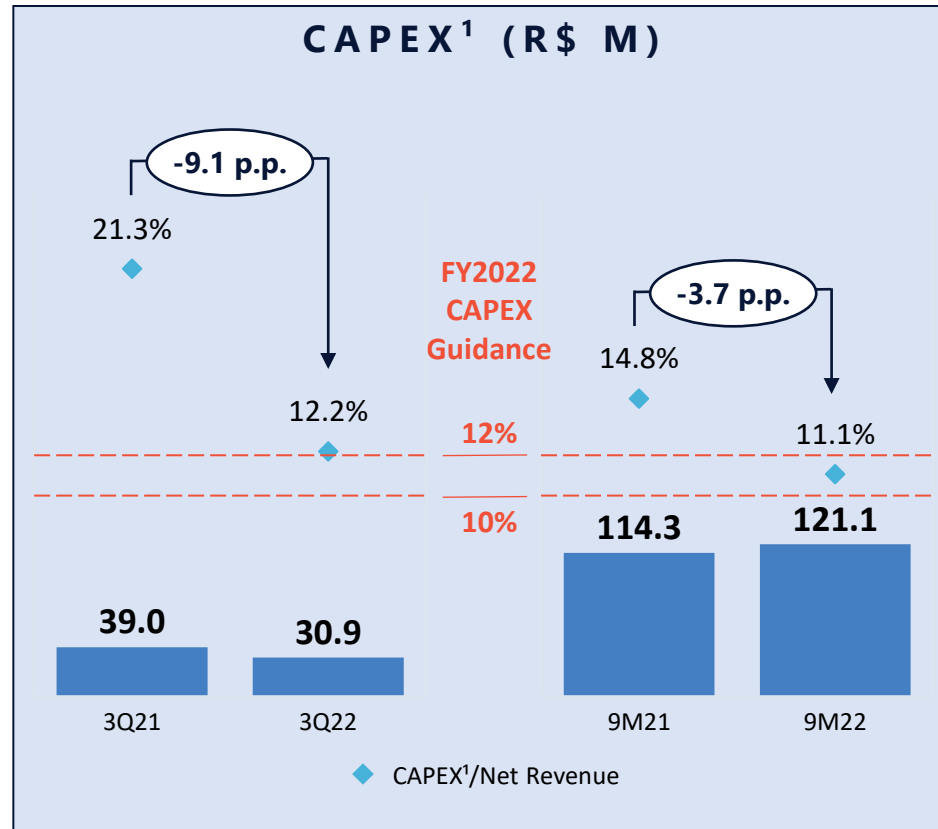


1) Subject to change. 2) Please reference slide 26 (reconciliation of taxable income) for additional details.



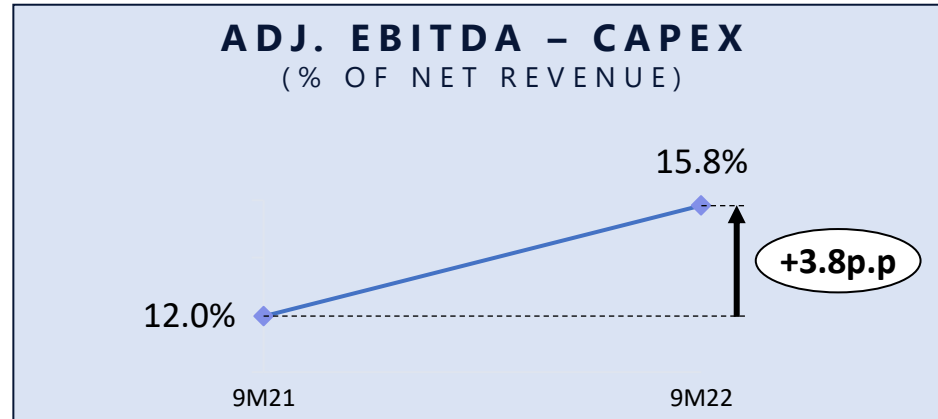
# 4

## CAPEX DOWN 3.7 P.P. TO 11.1% OF REVENUES



### CENTRALIZED FORUMS TO INCREASE COOPERATION AMONG BRANDS

- More collaborative and disciplined content development process
- Educational technology projects focused on a centralized back-bone
- Reassessment of corporate processes and contracts with IT suppliers



### EARLY RESULTS OF HIGHER INTEGRATION, SCALE GAINS AND CONTINUOUS EFFICIENCY INITIATIVES

1) Excludes R\$14.2 million related to M&A payments (PGS' and Mentees' acquisition, being R\$5.5 M in 1Q22 and R\$8.7 M in 2Q22) from the accounting CAPEX of R\$135.4 M for 9M22.



# 9M22 FCFF UP 132% YOY TO 19.4% OF NET REVENUE

	9M21	% of net revenue	9M22	% of net revenue
<b>Adj. EBITDA</b>	<b>206.5</b>	26.8%	<b>294.5</b>	26.9%
(+/-) Non-cash adjustments	(2.4)	-0.3%	(12.6)	-1.2%
(+/-) Working Capital	72.5	9.4%	102.2	9.3%
(-) Income taxes paid	(70.7)	-9.2%	(50.6)	-4.6%
(-) CAPEX	(114.3)	-14.8%	(121.1)	-11.1%
<b>Free cash flow to firm*</b>	<b>91.6</b>	11.9%	<b>212.4</b>	19.4%

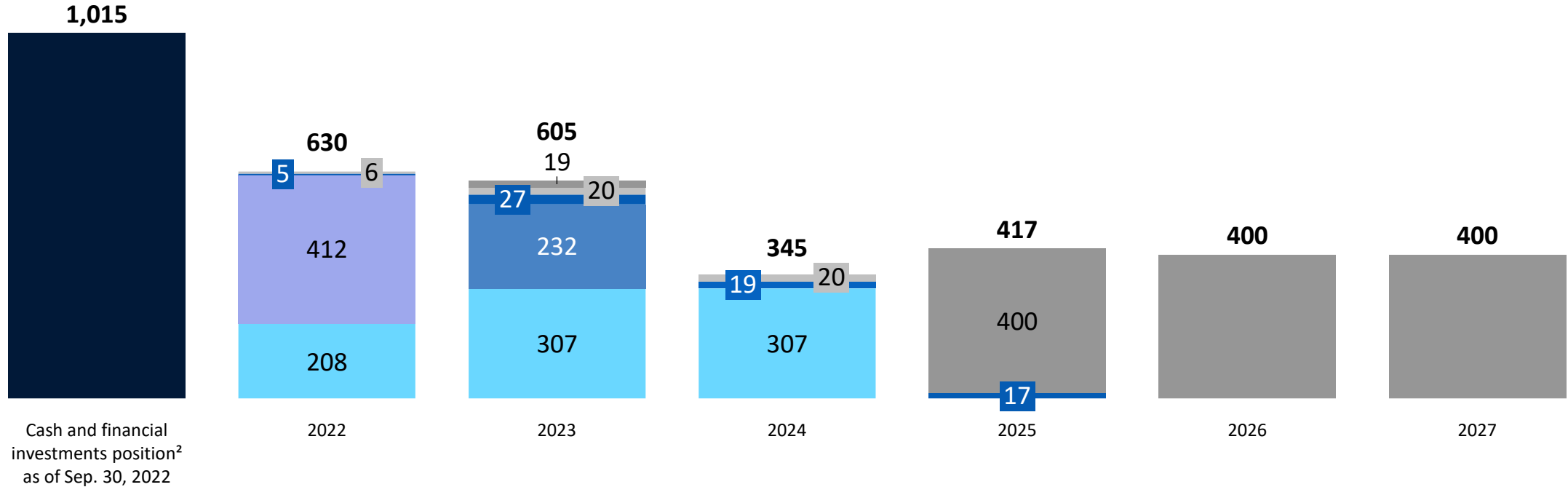
+132%

\* Refers to managerial free cash flow. Please reference slide 25 (reconciliation of free cash flow - managerial) for additional details.



# Cash & financial investments position and obligations<sup>1</sup> as of September 30, 2022

In R\$, M



## OBLIGATIONS

LOANS AND FINANCING<sup>1</sup>  
**R\$ 1,264 M**

ACCOUNTS PAYABLE TO  
SELLING SHAREHOLDERS  
**R\$ 1,533 M**

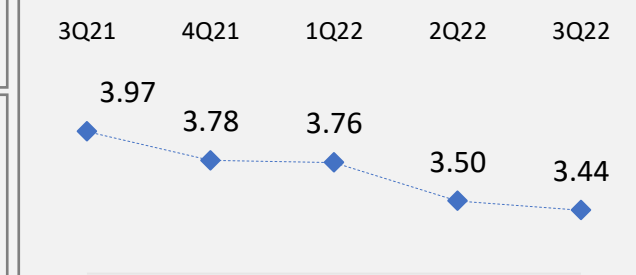
## BREAKDOWN BY TYPE

- Debentures (R\$1,219 M)
- Other (R\$45 M)
- Others sellers notes (R\$68 M)
- Escola da Inteligência (R\$232 M)
- International School<sup>3</sup> (R\$412 M)
- Positivo (R\$822 M)

## INDEX

- CDI+2.30% p.a. – paid semi annually
- 2.4% p.a. – paid quarterly
- Earn-outs & CDI
- Earn-out (ACV multiple)
- SELIC
- CDI

## NET DEBT<sup>1</sup> / ADJ. EBITDA LTM



1) Excludes Convertible notes: considers the conversion into equity of the convertible senior notes with no future disbursement of principal (US\$150 M) issued on Nov 30, 2021. These notes mature in 7 years, on Nov 15, 2028, and bear interest at 8% per year fixed in Brazilian reais (R\$66 M per year). 2) Sum of cash and cash equivalents and financial investments (short-term and long-term). 3) Amount subject to an arbitration process. Please reference Note 21 of the Financial Statements as of September 30th, 2022, for additional details.



**> 2023 OUTLOOK <**

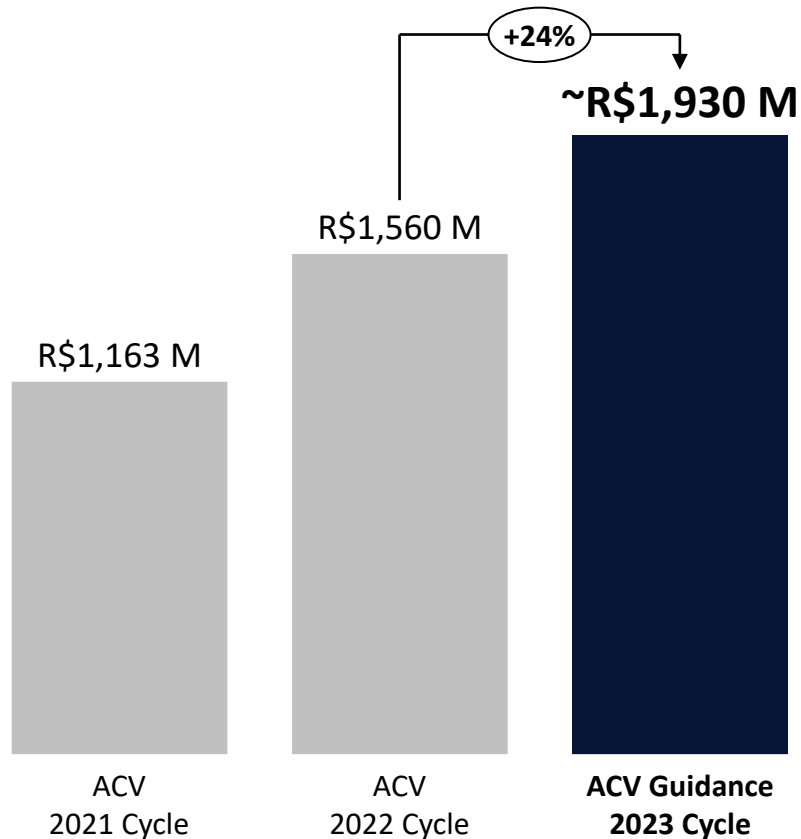


# 2023 cycle ACV guidance for Arco pedagogical solutions indicates ~24% YoY organic growth

In R\$, M

## 2023 CYCLE ACV GUIDANCE FOR PEDAGOGICAL SOLUTIONS

(OCT/2022 – SEP/2023)



- > New student intake and upsell for both Core and Supplemental solutions show strong organic growth YoY
- > Retention rates consistent with historical trends
- > Average price increase 2-3 p.p. above inflation<sup>1</sup>
- > Cross-sell initiatives: ~17% of schools in our Core base that uses at least one Supplemental solution (+~2 p.p. vs 2022)

### COC: EXCITING RESULTS FOR THE FIRST COMMERCIAL CYCLE POST ACQUISITION

- ✓ NPS: +17 points to **66**
- ✓ Retention rate: +15 p.p. to **95%**
- ✓ Significant price increase: **~4 p.p.** above expected inflation<sup>1</sup>
- ✓ ACV growth: **>30%** YoY

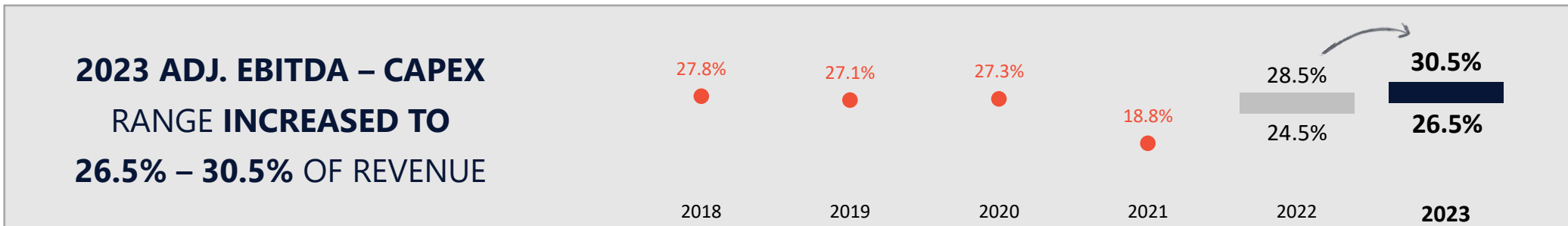
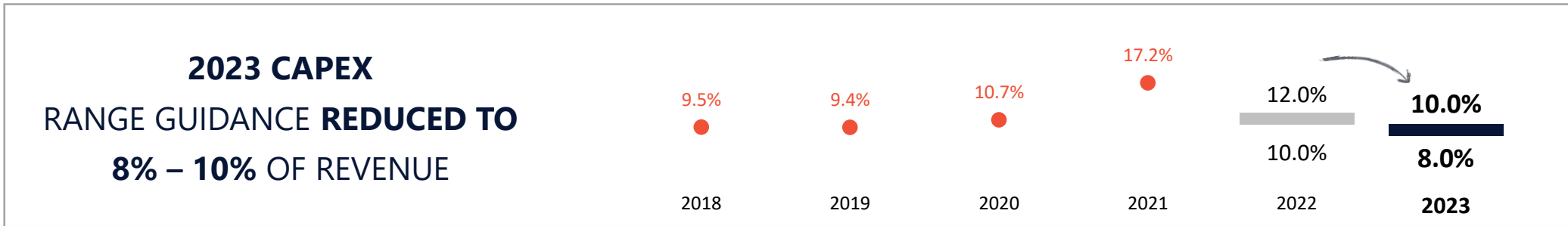
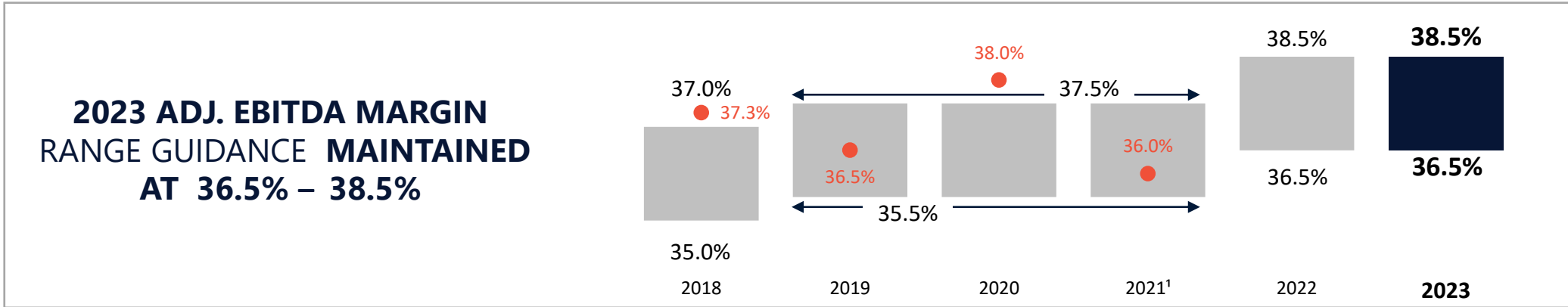
<sup>1</sup>) Expected inflation (IPCA) of 5.88% for YE 2022 and 5.01% for YE 2023, according to Brazilian Central Bank Focus Report as of Nov 18<sup>th</sup>, 2022.





# Adj. EBITDA – CAPEX for 2023 reflects scale gains, higher integration and continuous efficiency initiatives

■ Historic range guidances ● % of net revenue



1) For historical comparison purpose the chart above shows the 2021 adj. EBITDA margin excluding M&A announced after guidance disclosure. Consolidate adj. EBITDA margin for 2021, including M&A announced in 2021 after the guidance disclosure, was 35.0%.

# APPENDIX





# Guidance & next events

## PEDAGOGICAL SOLUTIONS

### 2023 CYCLE GUIDANCE

2023 ACV guidance	~R\$1,930 M
2023 ACV growth	~24%
2023 ACV recognition on 4Q22	29% – 34%

### FISCAL YEAR GUIDANCE

2022 adjusted EBITDA margin guidance	36.5% – 38.5%
2022 CAPEX as a percentage of Revenues	10% – 12%
2023 adjusted EBITDA margin guidance	36.5% – 38.5%
2023 CAPEX as a percentage of Revenues	8% – 10%

NEXT EVENTS	1Q Call	2Q Call	3Q Call	4Q Call
2023 ACV guidance			✓	
2023 ACV confirmation				✓
% of ACV recognition for next quarter	✓	✓	✓	✓
Next fiscal year EBITDA margin guidance			✓	



# Revenue recognition and annual contract value bookings

## 1. How does Arco recognize revenue for its pedagogical solutions?

We recognize our revenue when the content is made available to our clients.

## 2. When is Arco's pedagogical content usually made available to partner schools?

We typically deliver our Core Curriculum content four times a year, in December - prior to the beginning of the school year – then in March, June and August. We typically deliver our Supplemental Solutions twice a year, in December and June. In both cases, we deliver content two to three months prior to the start of each school quarter.

## 3. What is Annual Contract Value (ACV) Bookings?

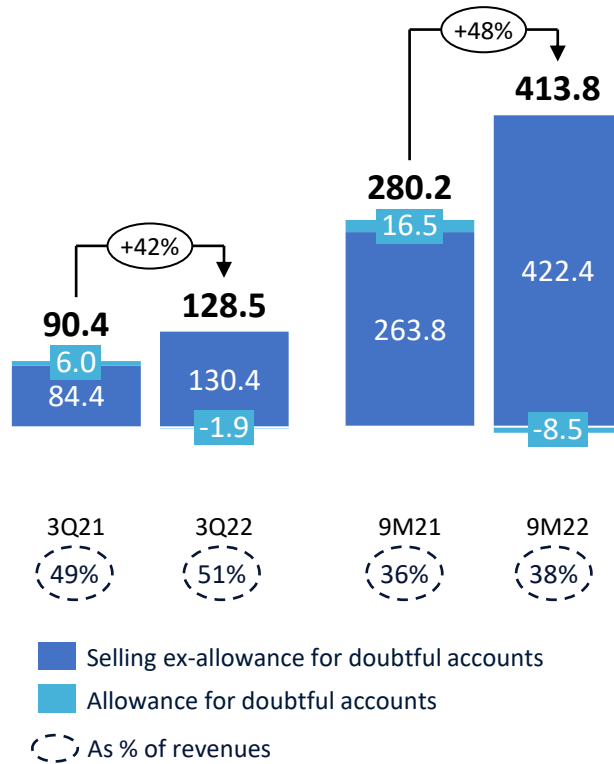
We define it as the revenue we would contractually expect to recognize from a client in each year pursuant to the terms of our contract with such client, assuming no further additions or reductions in the number of customers in that specific year. We calculate ACV Bookings by multiplying the number of customers at each client with the average ticket per customer per year, net of discounts or courtesies.



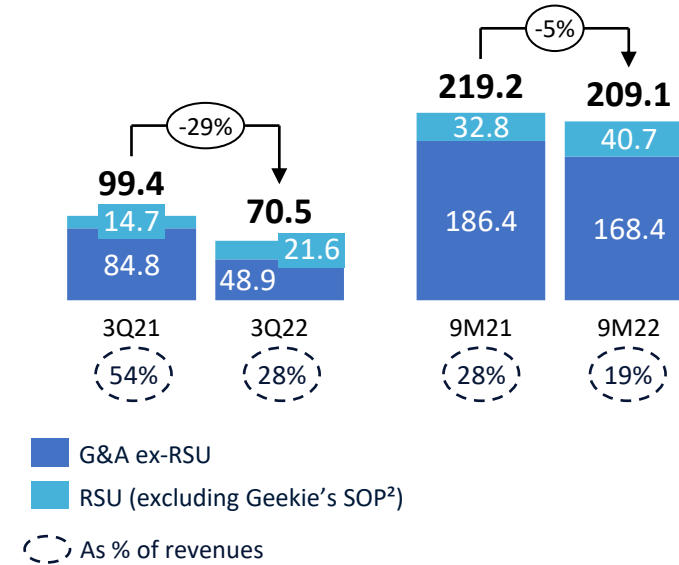
# Selling & G&A Expenses

In R\$, M

## Selling Expenses<sup>1</sup>



## G&A Expenses<sup>1</sup>



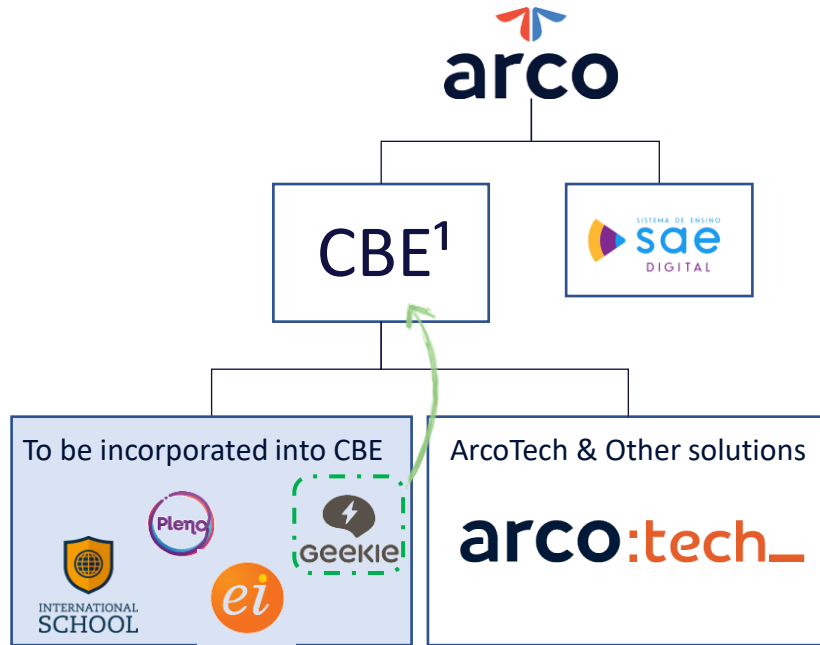
1) Excludes depreciation & amortization. 2) As part of Geekie's acquisition, Arco acquired management future stake in Geekie, resulting from the exercise of their existing SOP. The fair value of SOP was calculated using the same valuation method as the accounts payable to selling shareholders for the acquisition of the remaining interest, resulting in the final transaction price, which were updated quarterly for Geekie's most recent fair value, until was settle in Jun/2022.



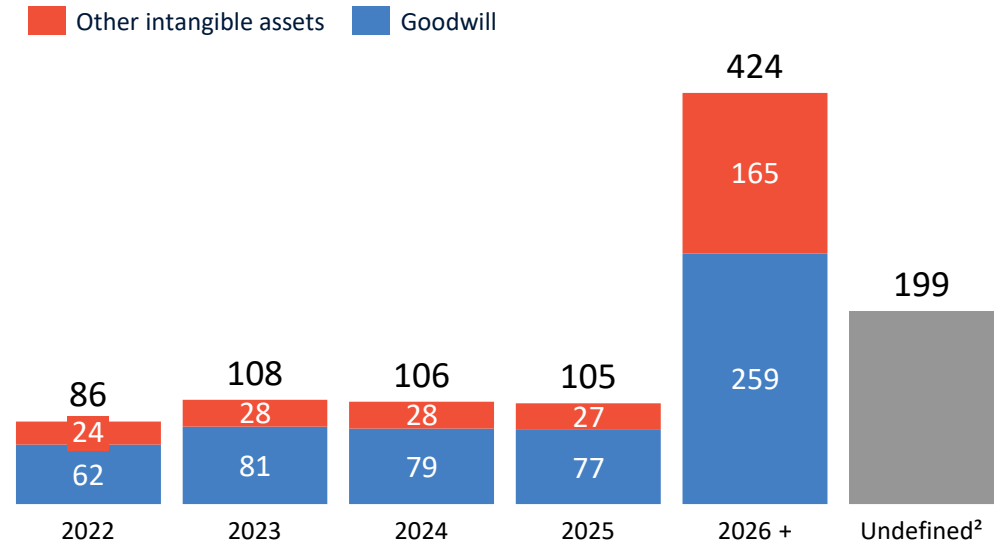
In R\$, M

# Ongoing corporate restructuring will further contribute to future cash generation

## Corporate restructuring



## Current tax benefit from business combinations



- > Incorporation of Geekie concluded on October 1<sup>st</sup> leads to **expected future annual income tax savings of at least R\$16 million**
- > Expected incorporation schedule<sup>3</sup>: Escola da Inteligência (2023), Pleno (2023) and SAE Digital (2024)
- > As we incorporate other businesses into CBE we expect to capture additional tax benefits and therefore further reduce our effective tax rate, currently at 8.7% for 9M22 (details on taxable income on slide 26)

1) Companhia Brasileira de Educação e Sistemas de Ensino S.A., entity incorporating acquired businesses. 2) Business not yet incorporated. 3) Subject to change.



# Adjusted EBITDA reconciliation

In R\$, '000  
(unaudited)

Adjusted EBITDA reconciliation	3Q22	3Q21	9M22	9M21
<b>Profit (loss) for the period/year</b>	<b>(72,464)</b>	<b>(144,060)</b>	<b>16,854</b>	<b>(152,268)</b>
(+/-) Income taxes	(35,381)	(52,044)	(27,923)	(48,259)
(+/-) Finance result	53,882	104,594	43,853	166,832
(+) Depreciation and amortization	55,617	42,605	195,700	136,080
(+/-) Share of loss of equity-accounted investees	4,284	5,575	24,220	8,326
<b>EBITDA</b>	<b>5,938</b>	<b>(43,330)</b>	<b>252,704</b>	<b>110,711</b>
(+) Share-based compensation plan (RSU - restricted stock units)	21,596	42,993	40,745	64,041
(+) Share-based compensation plan and restricted stock units	16,922	41,630	26,752	57,315
(+) Provision for payroll taxes (restricted stock units)	4,674	1,363	13,993	6,726
(+) M&A expenses	1,490	15,299	10,676	29,055
(-) Other changes to equity accounted investees <sup>1</sup>	46	-	(17,712)	-
(+) Non-recurring expenses <sup>2</sup>	8,083	296	8,083	948
(+) Effects related to COVID-19 pandemic	-	544	-	1,696
<b>Adjusted EBITDA</b>	<b>37,153</b>	<b>15,802</b>	<b>294,496</b>	<b>206,451</b>
Net revenue	253,922	183,267	1,096,096	771,240
EBITDA Margin	2.3%	-23.6%	23.1%	14.4%
<b>Adjusted EBITDA Margin</b>	<b>14.6%</b>	<b>8.6%</b>	<b>26.9%</b>	<b>26.8%</b>

1) Refers to (gains) losses related to capital contribution from others on investees leading to an increase in equity of the investee, and non-recurring expenses related to acquisitions. 2) Non-recurring expenses relate to (i) SOx implementation in acquired businesses and (ii) one-time costs related to severance are being adjusted in the adjusted EBITDA under the Non-recurring expenses line (R\$8 M).



# Adjusted net income reconciliation

In R\$, '000  
(unaudited)

Adjusted net income reconciliation	3Q22	3Q21	3Q21	9M22	9M21	9M21
		Pro-forma <sup>1</sup>	Reported		Pro-forma <sup>1</sup>	Reported
<b>Profit (loss) for the period</b>	<b>(72,464)</b>	<b>(144,060)</b>	<b>(144,060)</b>	<b>16,854</b>	<b>(152,268)</b>	<b>(152,268)</b>
(+) Share-based compensation plan	21,596	42,993	42,993	40,745	64,041	64,041
(+) Share-based compensation plan and restricted stock units	16,922	41,630	41,630	26,752	57,315	57,315
(+) Provision for payroll taxes (restricted stock units)	4,674	1,363	1,363	13,993	6,726	6,726
(+) M&A expenses	1,490	15,299	14,353	10,676	29,055	22,203
(-) Other changes to equity accounted investees <sup>2</sup>	46	-	-	(17,712)	-	-
(+) Non-recurring expenses <sup>3</sup>	8,083	296	1,242	8,083	948	7,800
(+) Effects related to Covid-19 pandemic	-	544	544	-	1,696	1,696
(+/-) Non-cash adjustments related to derivative instruments and convertible notes <sup>4</sup>	(32,690)	-	-	(157,910)	-	-
(+/-) Adjustments related to business combination	31,435	114,669	131,064	89,472	204,482	235,329
(+) Amortization of intangible assets from business combinations	23,911	25,598	25,598	81,510	75,350	75,350
(+/-) Changes in accounts payable to selling shareholders	-	74,664	74,664	(26,320)	75,153	75,153
(+) Interest expenses, net (adjusted by fair value)	7,524	14,407	14,407	34,282	53,979	53,979
(+/-) Interest on acquisition of investments, net (linked to a fixed rate) <sup>1</sup>	-	-	16,395	-	-	30,847
(+/-) Foreign exchange on cash and cash equivalents <sup>1</sup>	-	-	(1,945)	-	-	2,147
(+/-) Share of profit (loss) of equity-accounted investees <sup>1</sup>	-	-	5,575	-	-	8,326
(+/-) Tax effects	(19,441)	(51,579)	(61,738)	(41,963)	(93,634)	(103,793)
<b>Adjusted Net Income</b>	<b>(61,945)</b>	<b>(21,838)</b>	<b>(11,972)</b>	<b>(51,755)</b>	<b>54,320</b>	<b>85,481</b>
Net Revenue	253,922	183,267	183,267	1,096,096	771,240	771,240
<b>Adjusted Net Income Margin</b>	<b>-24.4%</b>	<b>-11.9%</b>	<b>-6.5%</b>	<b>-4.7%</b>	<b>7.0%</b>	<b>11.1%</b>
Weighted average shares	55.807	56.902	56.902	55.94	57.109	57.109
<b>Adjusted EPS</b>	<b>(1.11)</b>	<b>(0.38)</b>	<b>(0.21)</b>	<b>(0.93)</b>	<b>0.95</b>	<b>1.50</b>

1) Excludes the following adjustments: (i) Interest on acquisition of investments, net (linked to a fixed rate); (ii) Foreign exchange on cash and cash equivalents; and (iii) Share of loss of equity-accounted investees. Such adjustments will be no longer consider in the net income reconciliation from 4Q21 onwards and are presented for comparison purposes only in the "Reported" column. 2) Refers to (gains) losses related to capital contribution from others on investees leading to an increase in equity of the investee. 3) Non-recurring expenses relate to (i) SOx implementation in acquired businesses and (ii) one-time costs related to severance are being adjusted in the adjusted EBITDA under the Non-recurring expenses line (R\$8 M). 4) Adjustment previously named "(+/-) Changes in fair value of derivative instruments".





# Free cash flow (managerial) reconciliation

In R\$, '000  
(unaudited)

Free cash flow (managerial)	3Q22	3Q21	9M22	9M21
<b>(Loss) profit before income taxes</b>	<b>(107.845)</b>	<b>(196.104)</b>	<b>(11.069)</b>	<b>(200.527)</b>
(+/-) Adj. to reconcile profit (loss) before income taxes to cash from operations	147.983	214.901	292.926	404.592
(+/-) Working Capital (changes in assets and liabilities)	49.609	55.340	102.238	72.457
<b>Cash from operations</b>	<b>89.747</b>	<b>74.137</b>	<b>384.095</b>	<b>276.522</b>
<i>% of Net revenues</i>	<i>35,3%</i>	<i>40,5%</i>	<i>35,0%</i>	<i>35,9%</i>
(-) Income taxes paid	(3.101)	(19.167)	(50.575)	(70.684)
(-) CAPEX <sup>1</sup>	(30.901)	(39.200)	(121.144)	(114.275)
<b>Free cash flow to firm (managerial)<sup>1</sup></b>	<b>55.745</b>	<b>15.770</b>	<b>212.376</b>	<b>91.563</b>
<i>% of Net revenues</i>	<i>22,0%</i>	<i>8,6%</i>	<i>19,4%</i>	<i>11,9%</i>
(-) Interest paid on loans and financing & lease liabilities	(117.106)	(6.379)	(151.444)	(15.927)
(-) Interest paid on accounts payable to selling shareholders	(1.702)	(1.031)	(38.616)	(5.254)
<b>Free cash flow (managerial)<sup>2</sup></b>	<b>(63.063)</b>	<b>8.360</b>	<b>22.316</b>	<b>70.382</b>
<i>% of Net revenues</i>	<i>-24,8%</i>	<i>4,6%</i>	<i>2,0%</i>	<i>9,1%</i>
(-) M&A related payments	(12.314)	(77.839)	(293.929)	(278.888)
(-) Repurchase of shares & foreign cash	(1.821)	(23.124)	(53.722)	(136.953)
(+/-) Loans and financing	279.703	886.871	51.557	877.074
(+/-) Financial investments (net)	24.763	6.420	63.116	14.915
<b>Change in cash &amp; financial investments<sup>3</sup></b>	<b>227.268</b>	<b>800.688</b>	<b>(210.662)</b>	<b>546.530</b>
Cash & financial investments <sup>3</sup> at the beginning of the period	787.269	893.246	1.225.199	1.147.404
Cash & financial investments <sup>3</sup> at the end of the period	1.014.537	1.693.934	1.014.537	1.693.934

1) For 9M22, excludes R\$14.2 million related to M&A payments (PGS' and Mentec's acquisition, being R\$5.5 million in 1Q22 and R\$8.7 million in 2Q22) from the accounting CAPEX of R\$135.4 million. 2) For 9M22 excludes 3 itens related to M&A: (i) R\$ 14.2 described in note 1 and (ii) R\$75 million related to M&A payment (Geekie employees' SOP) and (iii) R\$70 million of contingent consideration related to M&A payment (difference between amount in the PPA and the final transaction amount calculated by the earn-out multiple. 3) Sum of cash and cash equivalents, short-term financial investments and long-term financial investments.



# Taxable income reconciliation

In R\$, '000  
(unaudited)

<b>Taxable income reconciliation</b>	<b>3Q22</b>	<b>3Q21</b>	<b>9M22</b>	<b>9M21</b>
<b>Profit before income taxes</b>	<b>(107.845)</b>	<b>(196.104)</b>	<b>(11.069)</b>	<b>(200.527)</b>
(+) Share-based compensation plan, RSU and provision for payroll taxes <sup>1</sup>	26.215	44.929	7.401	53.965
(+) Amortization of intangible assets from business combinations before incorporation <sup>1</sup>	7.477	725	21.323	10.485
(+/-) Changes in accounts payable to selling shareholders <sup>1</sup>	17.751	92.173	41.355	131.584
(+/-) Share of loss of equity accounted investees	4.284	(1.896)	24.220	(2.831)
(+) Net income from Arco Platform (Cayman)	(7.719)	2.971	(112.227)	16.771
(+) Fiscal loss without deferred	3.487	4.168	15.333	8.935
(+/-) Provisions booked in the period	(14.706)	(3.546)	29.413	9.781
(+) Tax loss carryforward	131.869	77.673	168.892	169.039
(+) Others	13.471	9.349	23.643	17.868
<b>Taxable income</b>	<b>74.284</b>	<b>30.442</b>	<b>208.284</b>	<b>215.070</b>
<b>Current income tax under actual profit method</b>	<b>(25.257)</b>	<b>(10.350)</b>	<b>(70.817)</b>	<b>(73.123)</b>
<i>% Tax rate under actual profit method</i>	<i>34.0%</i>	<i>34.0%</i>	<i>34.0%</i>	<i>34.0%</i>
(+) Effect of presumed profit benefit	-	-	-	3.266
<b>Effective current income tax</b>	<b>(25.257)</b>	<b>(10.350)</b>	<b>(70.817)</b>	<b>(69.857)</b>
<i>% Effective tax rate</i>	<i>34.0%</i>	<i>34.0%</i>	<i>34.0%</i>	<i>32.5%</i>
(+) Recognition of tax-deductible amortization of goodwill and added value <sup>2</sup>	17.692	10.867	44.560	32.802
(+/-) Other additions (exclusions)	3.181	(1.763)	8.063	(88)
<b>Effective current income tax accounted for goodwill benefit</b>	<b>(4.385)</b>	<b>(1.246)</b>	<b>(18.194)</b>	<b>(37.143)</b>
<b>% Effective tax rate accounting for goodwill benefit</b>	<b>5.9%</b>	<b>4.1%</b>	<b>8.7%</b>	<b>17.3%</b>

1) Temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base that will yield amounts that can be deducted in the future when determining taxable profit or loss. 2) Added value refers to the fair value of intangible from business combinations.



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