



Arco signs definitive
agreement to acquire



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March 6th, 2021



FORWARD-LOOKING STATEMENTS

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Statements which herein address activities, events, conditions or developments that the Company expects, believes or anticipates will or may occur in the future are forward -looking statements. You can generally identify forward-looking statements by the use of forward-looking terminology such as “anticipate,” “believe,” “can,” “continue,” “could,” “estimate,” “evaluate,” “expect,” “explore,” “forecast,” “guidance,” “intend,” “likely,” “may,” “might,” “outlook,” “plan,” “potential,” “predict,” “probable,” “project,” “seek,” “should,” “view,” or “will,” or the negative thereof or other variations thereon or comparable terminology. Moreover, all statements in this presentation, whether forward looking or of historical fact, are based on the limited information available to the Company during the due diligence process of COC, Dom Bosco and its business operations (the “COC and Dom Bosco Businesses”) prior to the signing of the Purchase Agreement discussed herein. This limited access to information may have impaired the Company’s ability to conduct a full and comprehensive assessment of the COC and Dom Bosco Businesses, thus leading to risks and uncertainties. Reasons for this uncertainty include, but are not limited to, the following: (i) the analysis was conducted on the basis of pro forma, unaudited and adjusted financial statements of the COC and Dom Bosco Businesses; (ii) the accounting parameters and criteria adopted by the COC and Dom Bosco Businesses are different from the ones adopted by the Company; (iii) the transfer of the COC and Dom Bosco Businesses to a new entity limits the Company’s ability to assess the proper transfer of all assets and rights to such new entity. In addition, the forward-looking statements regarding the COC and Dom Bosco Businesses include risks and uncertainties related to statements about competition for the combined business; restrictions and/or limitations on the acquisition of the COC and Dom Bosco Businesses that may be imposed by antitrust authorities or other regulatory agencies; risks relating to the Company’s ability to attract, upsell and retain customers of the COC and Dom Bosco Businesses; and general market, political, economic, and business conditions in Brazil or abroad.

Forward-looking statements represent the Company management’s beliefs and assumptions only as of the date such statements are made, and the Company undertakes no obligation to update any forward-looking statements made in this presentation to reflect events or circumstances after the date of this presentation or to reflect new information or the occurrence of unanticipated events, except as required by law.

Further information on these and other factors that could affect the Company’s financial results is included in filings the Company makes with the Securities and Exchange Commission from time to time, including the section titled “Risk Factors” in the Company’s most recent Forms 20-F and 6-K. These documents are available on the SEC Filings section of the Investor Relations section of the Company’s website at: <https://investor.arcoplatform.com/>

TRANSACTION SUMMARY

SUMMARY

Arco has agreed to acquire 100% of COC and Dom Bosco K-12 learning systems from Pearson for R\$920 million, equivalent to 14.4x 2020 EBITDA.

Parties have also signed an agreement for Arco to distribute some supplemental educational solutions from Pearson for K-12 schools in Brazil.

PAYMENT

The acquisition will be paid fully in cash, with 80% due at closing and 20% in the first anniversary of the closing date.

CLOSING

The transaction is subject to customary closing conditions, including antitrust regulatory approvals.

COC AND DOM BOSCO LEARNING SYSTEMS



~210K

Students¹



>800

Partners schools¹



R\$142m

2021 ACV²



R\$64m

2020 EBITDA³



+50 years

of Brand Legacy



86

Schools ranked #1 in ENEM⁴
by city

TRANSACTION RATIONALE

1

BETTER SERVE THE
MARKET WITH
EXPANDED
PORTFOLIO

2

ACCELERATE
ACQUIRED
BRANDS BY
APPLYING OUR
WINNING FACTORS

3

EXPAND
CROSS-SELLING
OPPORTUNITIES



**BETTER SERVE
THE MARKET
WITH EXPANDED
PORTFOLIO**

Top-of-mind brands, increasing Arco's presence in the Southeast region¹

COC and Dom Bosco geographic distribution¹



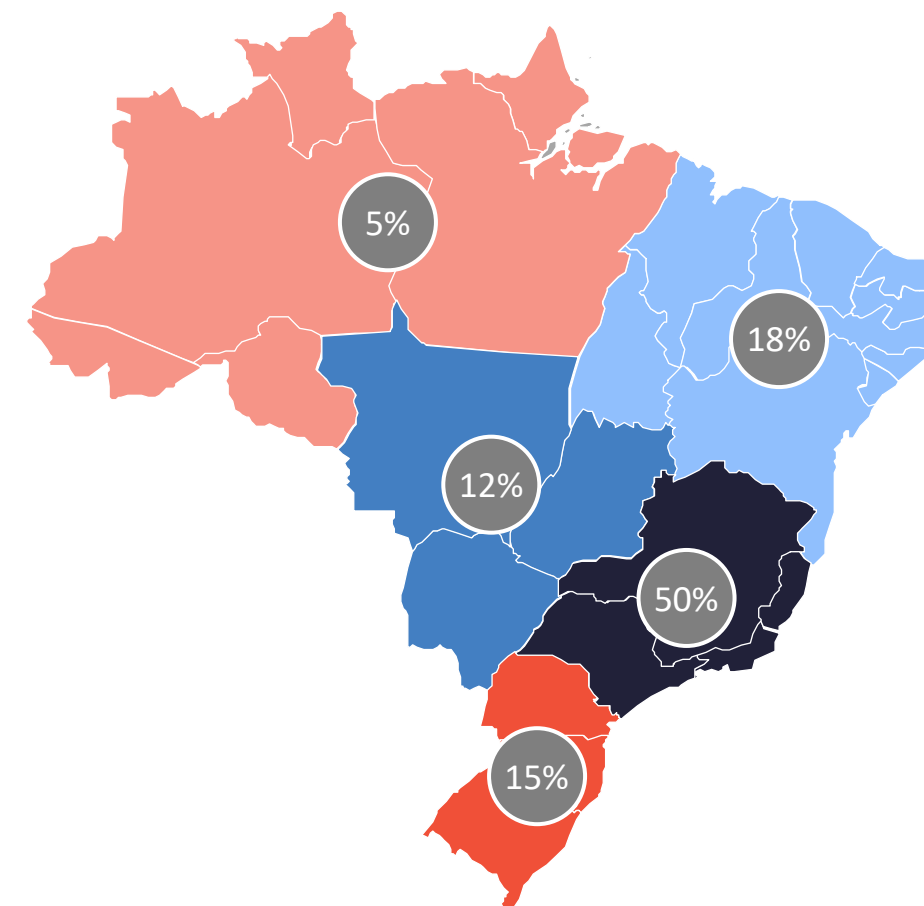
37%
in SE region

18%
in SP estate

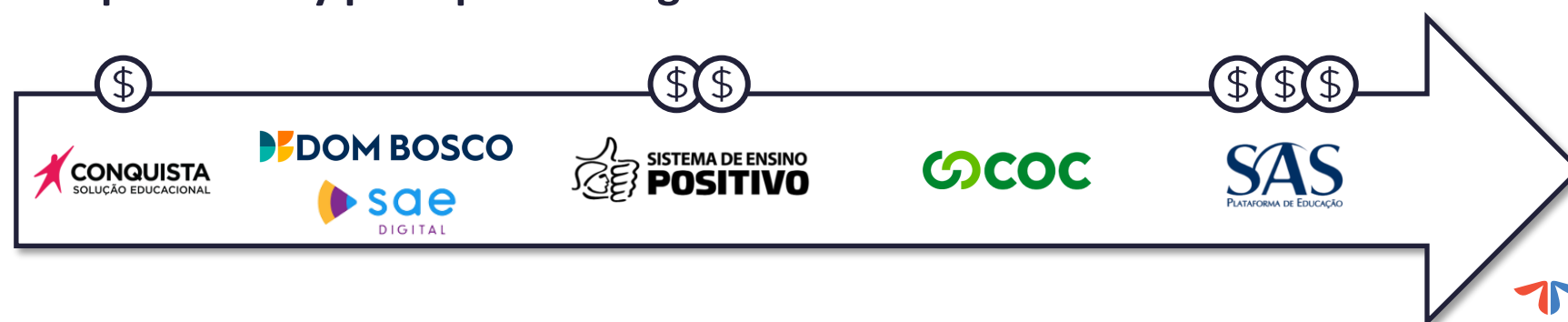


50%
in SE region

36%
in SP estate



Complementary price positioning



1) Geographic presence in number of students. As of 2020.

2



ACCELERATE ACQUIRED BRANDS BY APPLYING OUR WINNING FACTORS



Raise the bar on
execution with know-
how and talent
exchange



Enhance **user**
experience through
technology



Update **content**
according to
Arco's practices



Improve
commercial
effectiveness



IMPROVE
NPS

INCREASE
RETENTION RATES

EXPAND NEW
SCHOOL INTAKE



EXPAND CROSS-SELLING OPPORTUNITIES



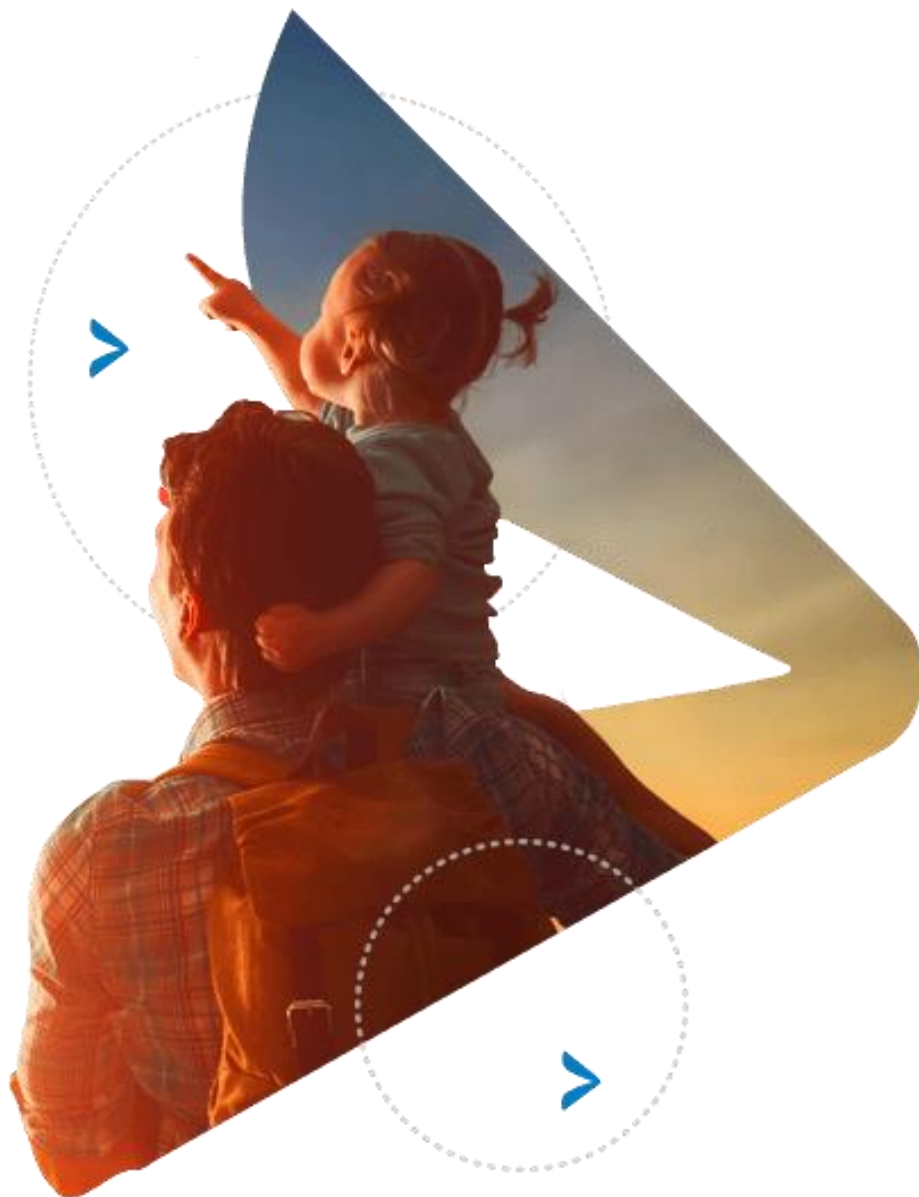
Strong cross-sell opportunity: less than 25%¹ of COC & Dom Bosco students use a supplemental solution from Arco or Pearson



Agreement to distribute high quality supplemental educational solutions from Pearson strengthens our platform to better serve the market



Further consolidates our leadership in Core segment, an exceptional channel for long-term value creation through additional future offerings for schools, parents and students



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