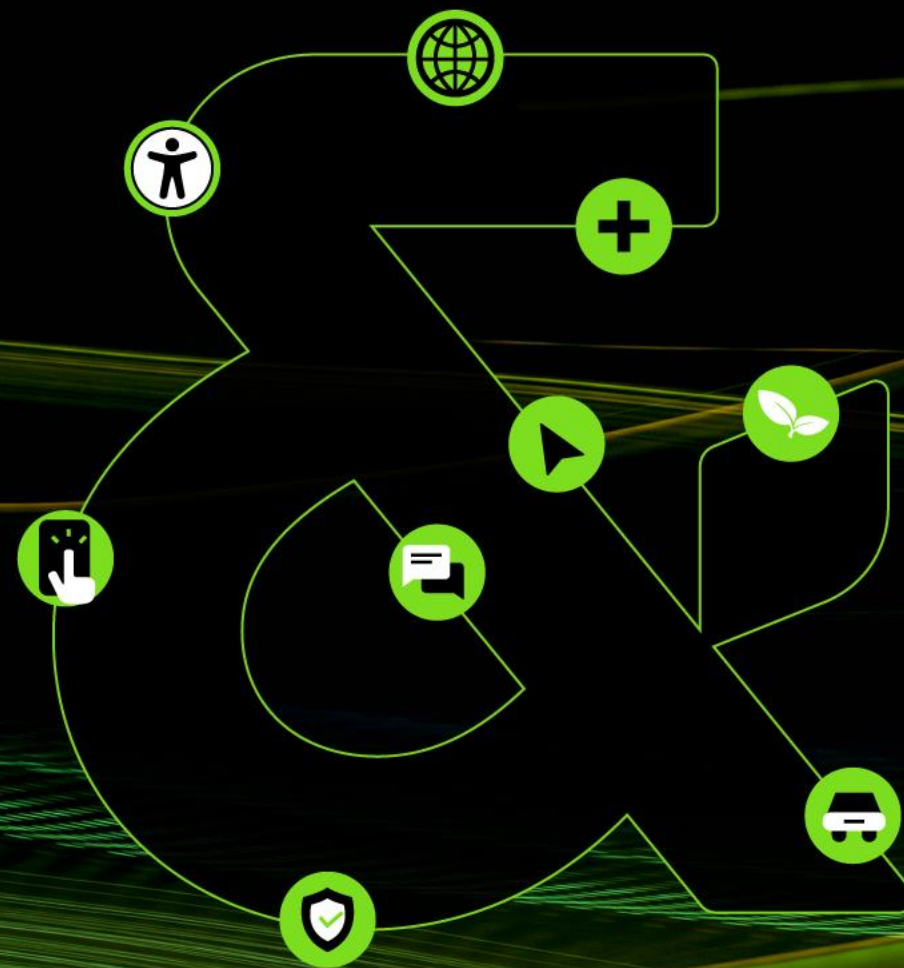


WEBCAST

4Q22



[B]³ BRASIL
BOLSA
BALCÃO

NOVO
MERCADO
BM&FBOVESPA

Índice
Brasil 50 **IBRX 50**

Índice
Carbono
Eficiente **ICO2**

Índice de
Ações com Tag Along
Diferenciado **ITAG**

OTC **QX**

IGPTW B3

Localiza&co

DISCLAIMER

Consolidated Results

The 4Q22 earnings presentations include information from Localiza and Locamerica consolidated since July 1st, 2022. However, we will bring the quarterly proforma results from 1Q21 to 2Q22, adding the two companies together. In this release, the annual comparisons will be based on historical proforma numbers from both companies.

The proforma results are based on available information directly attributable to the business combination and are factually supportable. This presentation is intended exclusively to illustrate the business combination's impact on the Company's historical financial information, as if the transaction had taken place on January 1st, 2021. There is no assurance by the Company or the auditors that the actual result of the relevant transaction if taken place on January 1st, 2022 or on January 1st, 2021, would have been as presented.

BUSINESS COMBINATION ONE-OFFS

In this quarter, we will highlight the business combination related effects (one-offs), as it follows:

Description	EBITDA Impact	Net Income Impact
Integration expenses (One-Off)	(77.1)	(50.9)
Discontinued Operation (Acelero and Willz) (One-Off)	(32.0)	(21.1)
Fleet write-up amortization (Temporary)	-	(91.6)
Customer relationship amortization (Temporary)	-	(6.2)
Depreciation of other assets (Acelero and Willz) (One-Off)	-	(0.7)
Tax loss write-off	-	(23.8)

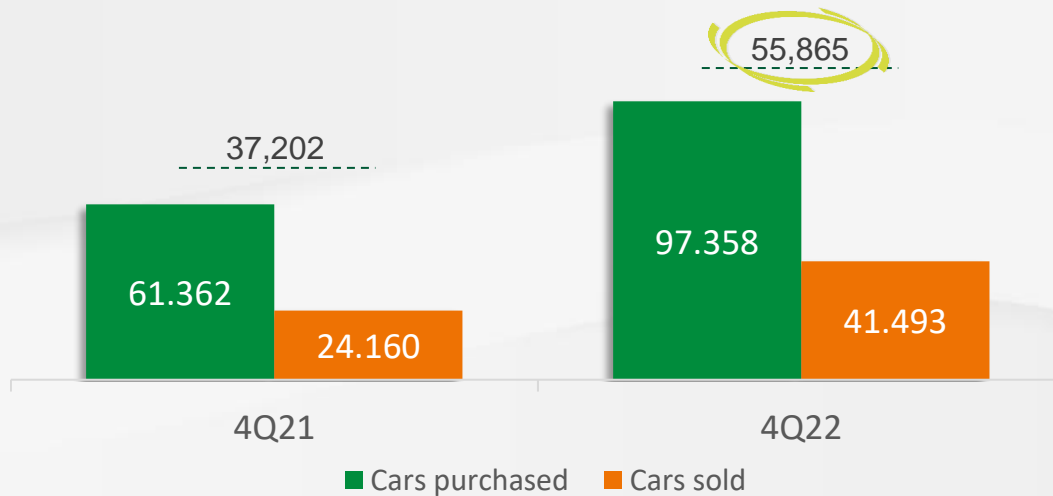
We highlight the assets recognized in the business combination context that will impact the result through their amortization:

- **Fleet write-up** (accounting for the differential between the fair value net cost of sales and the book value of the acquired fleet): amortization similar to the criteria used for fleet vehicles depreciation or in the case of car write-off;
- **Customer relationship write-up** (accounting for the fair value of customer relationship)

QUARTERLY HIGHLIGHTS

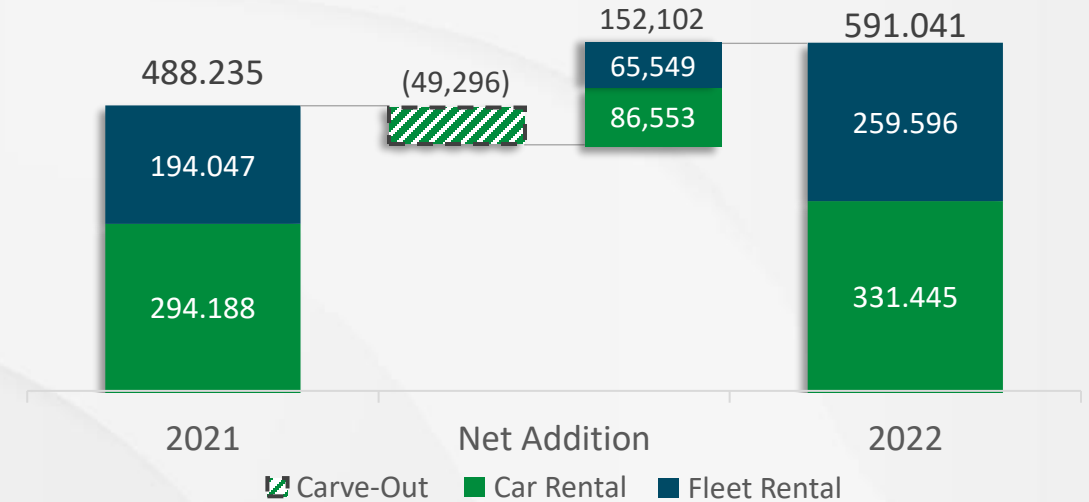
Car purchase and sales

Quantity (does not considers theft / crashed cars written-off)



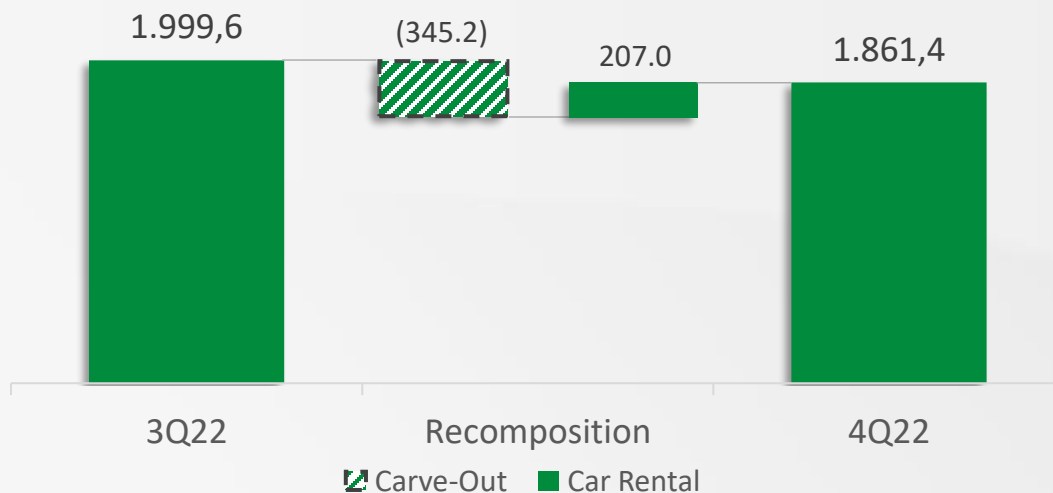
End of Period Fleet

Quantity



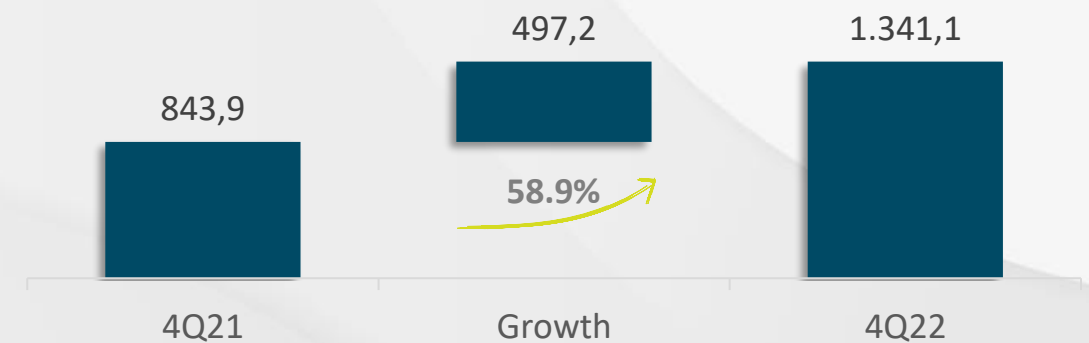
Net Revenue – Car Rental

R\$ million, including royalties



Net Revenue – Fleet Rental

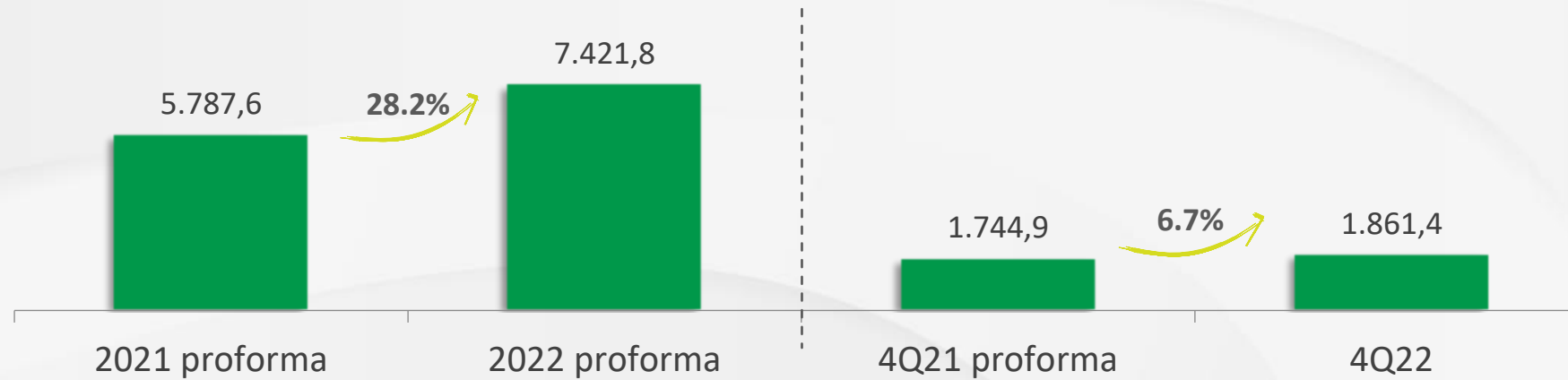
R\$ million, including telemetry and Localiza+ revenues



CAR RENTAL

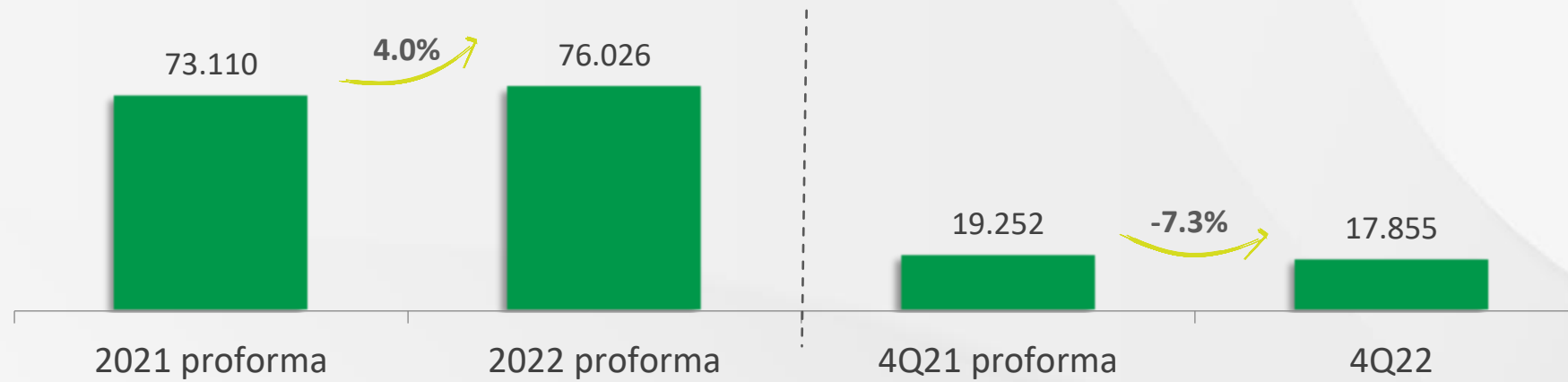
Net revenue

R\$ million, including royalties



Rental days

In thousands

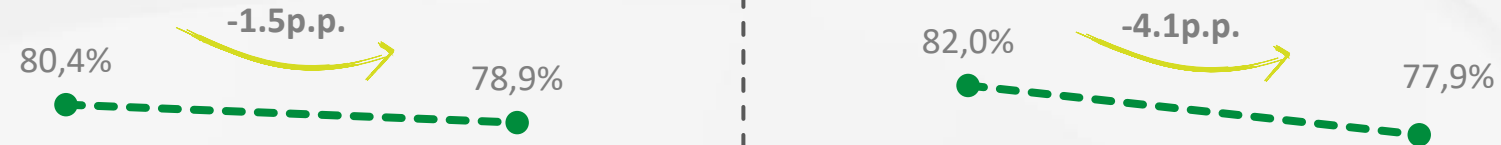


6.7% GROWTH IN THE QUARTERLY NET REVENUE YEAR OVER YEAR, EVEN WITH THE CARVE-OUT EFFECTS, DEMONSTRATING EFFICIENT MIX AND PRICE MANAGEMENT.

CAR RENTAL

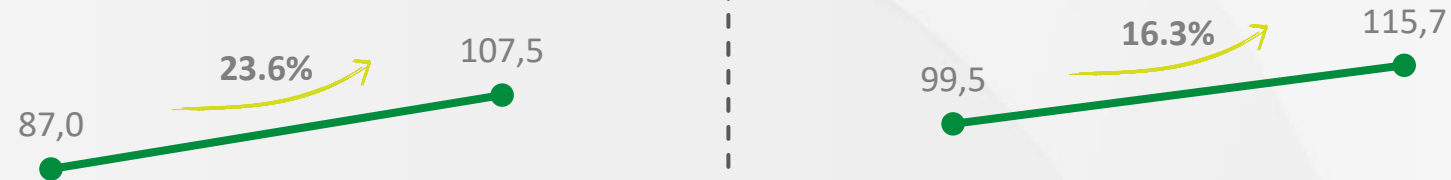
Utilization rate

%



Rental rate

R\$



2021 proforma

2022 proforma

4Q21 proforma

4Q22

—●— Rental Rate - R\$

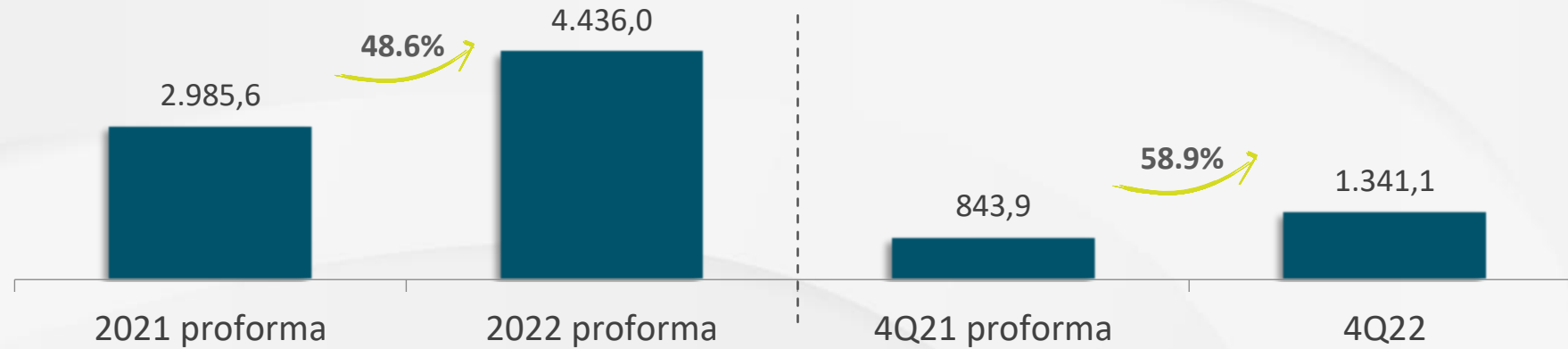
—●— Utilization

EVEN WITH A LARGE ADDITION OF CARS, IN A SCENARIO WITH CARVE-OUT AND PRICES PASSTROUGH CONTINUITY, THE UTILIZATION RATE REMAINS IN HEALTHY LEVELS

FLEET RENTAL

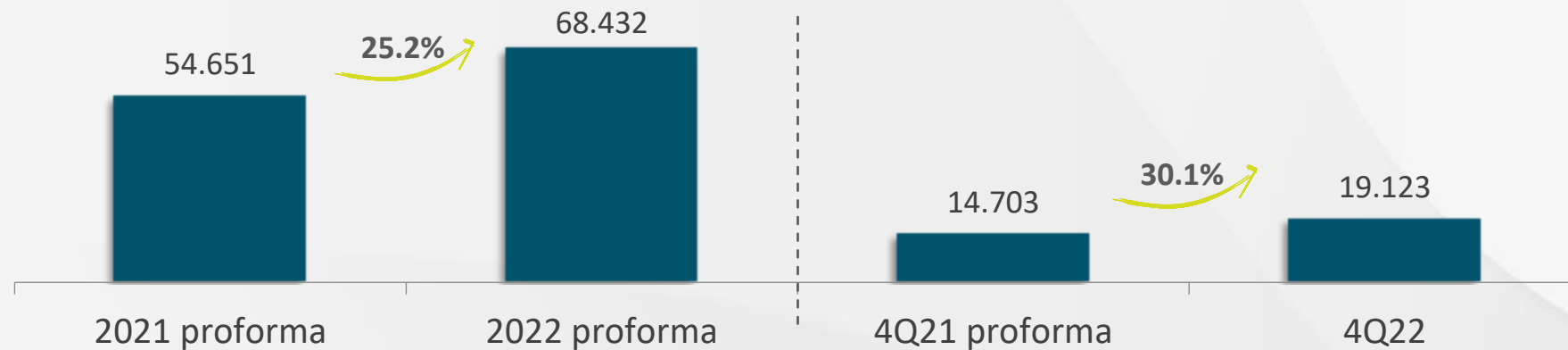
Net revenue

R\$ million, including telemetry and Localiza+ revenues



Rental days

In thousands

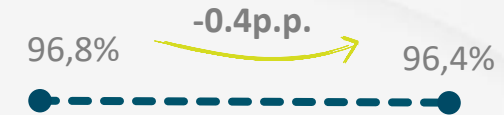


IN 4Q22, REVENUE SOARS 58.9% YOY, A REFLEX OF 30.1% VOLUME GROWTH, WITH CAR BACKLOG FILLING, ALONGSIDE RISING RENTAL RATES

FLEET RENTAL

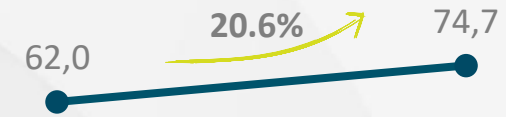
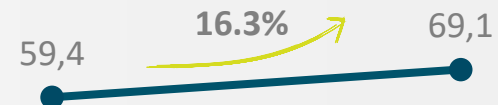
Utilization rate

%



Rental rate

R\$



2021 proforma

2022 proforma

4Q21 proforma

4Q22

● Rental Rate - R\$

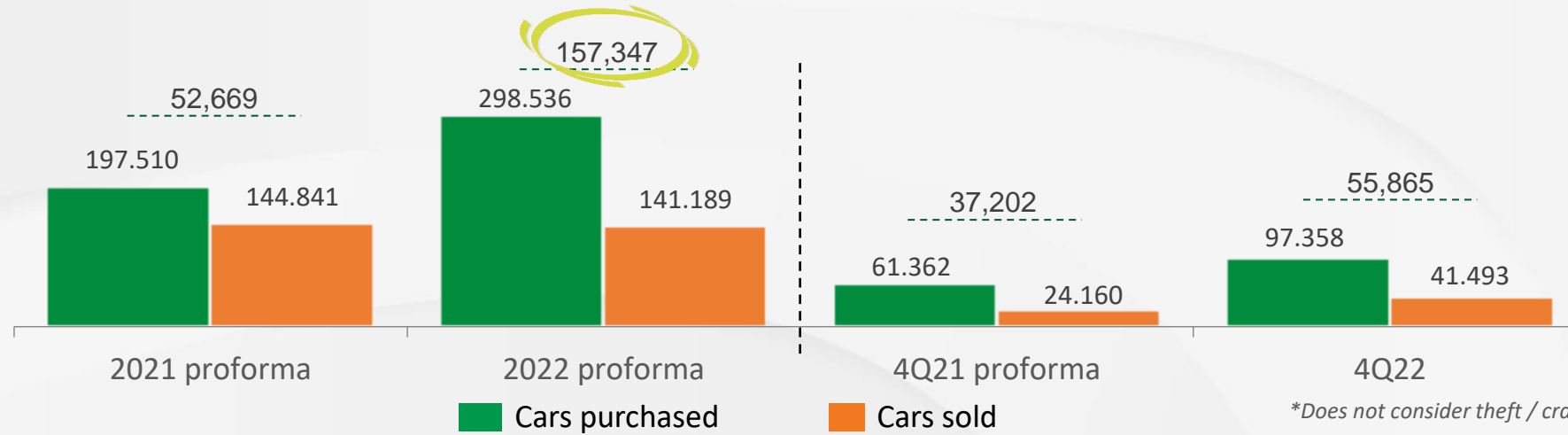
● Utilization

AVERAGE RENTAL RATE RISES 20.6%, WITH HIGHER PRICE CAPTURE DUE TO NEW CONTRACTS PRECIFICATION IN A CONTEXT OF MORE EXPENSIVE CARS AND HIGHER INTEREST RATES

NET INVESTMENT

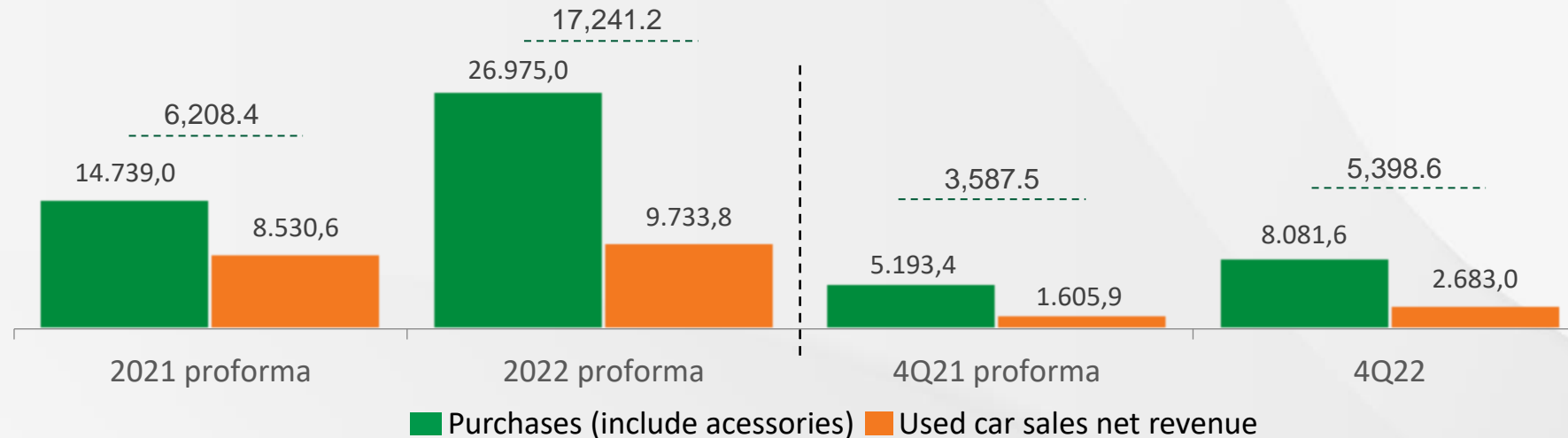
Car purchase and sales

Quantity*



Net investment in fleet

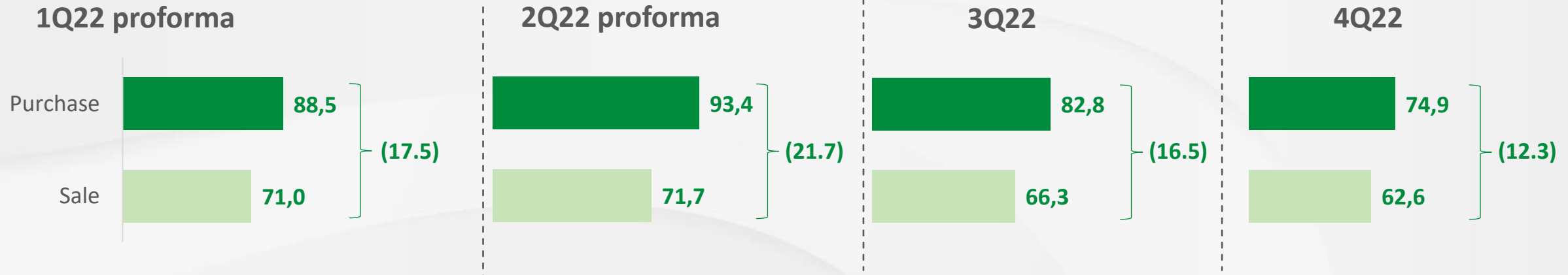
R\$ million



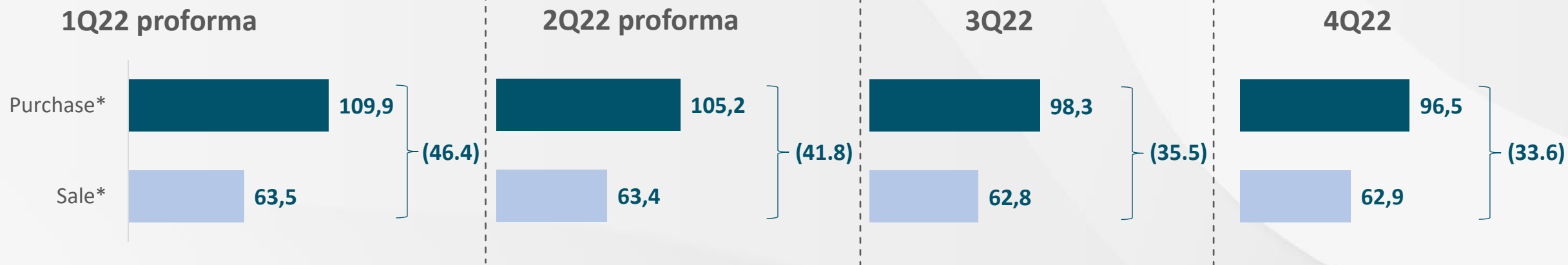
55.9 THOUSANDS CARS ADDED IN THE QUARTER, HIGHLIGHTING THE RECOVERY IN THE AVAILABILITY OF CARS

REPLENISHMENT CAPEX

Average price of purchase and sale – Car Rental



Average price of purchase and sale – Fleet Rental

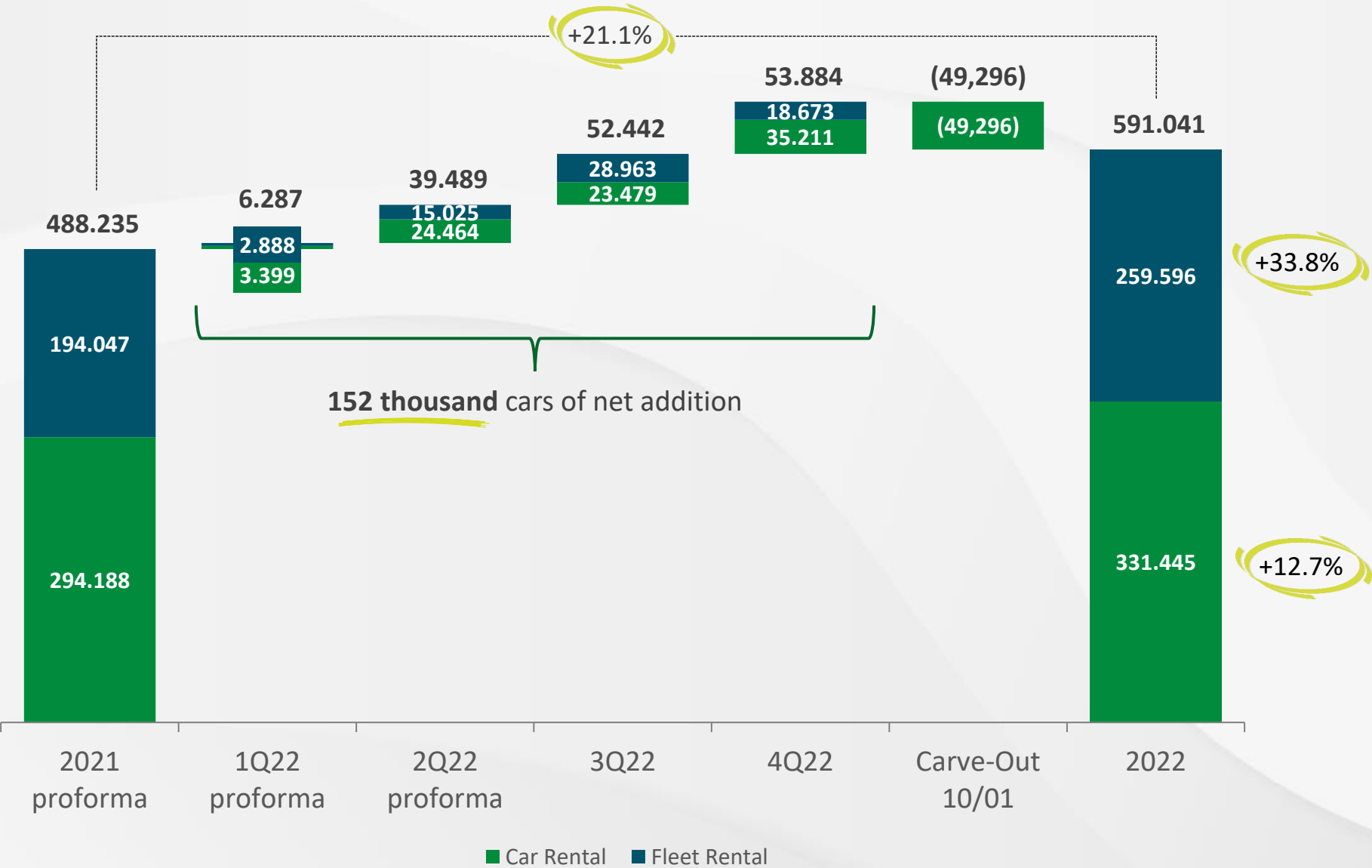


*Purchase and sale prices do not consider car buying and selling initiatives (Acelero and Willz).

IN CAR RENTAL, A MORE ECONOMIC PURCHASE MIX OF CARS ALLOWED THE REDUCTION OF THE PURCHASE AND SALE SPREAD.
IN FLEET RENTAL, PURCHASE PRICE HAS BEEN IMPACTED BY HEAVY AND SPECIAL VEHICLES ADDITION, RESULTING IN A HIGHER SPREAD BETWEEN PURCHASE AND SALE PRICES

END OF PERIOD FLEET

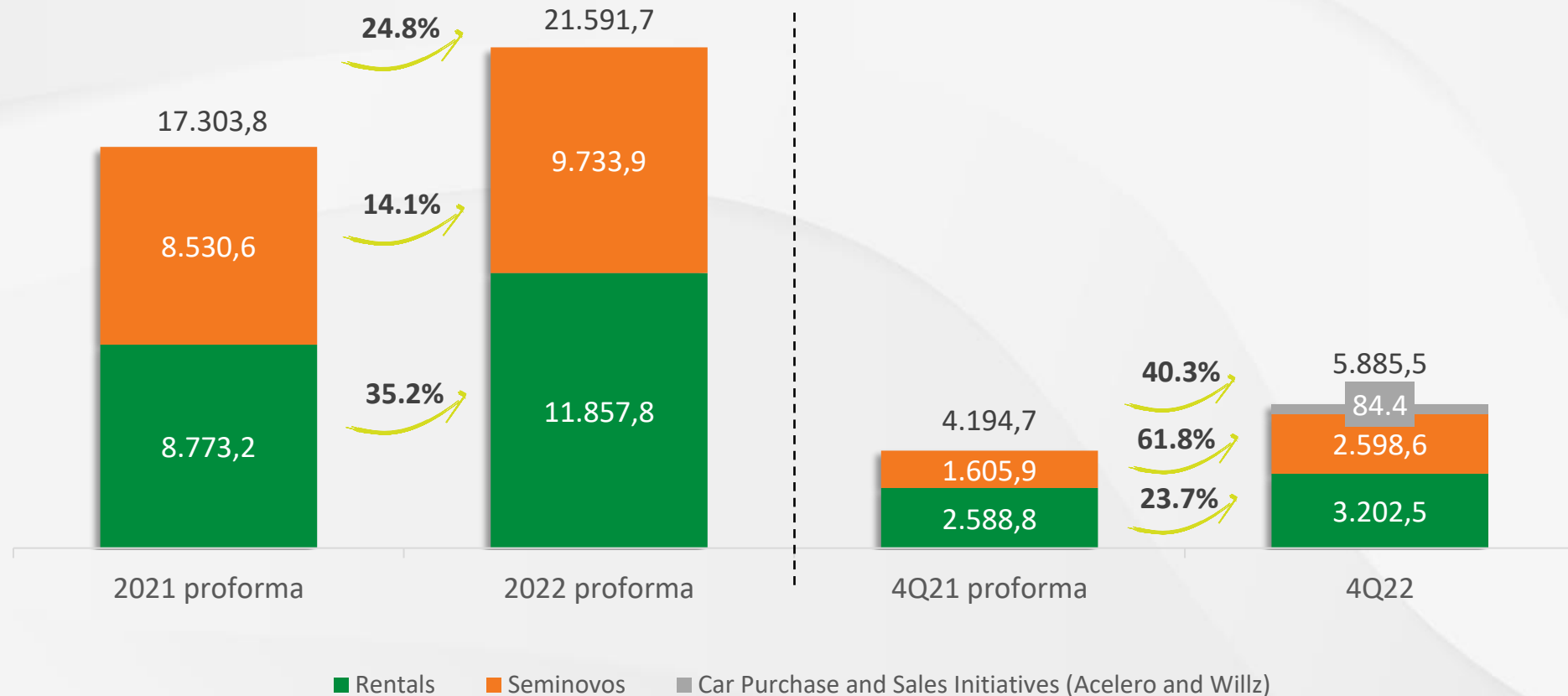
Quantity



SEQUENTIAL ACCELERATION IN NET FLEET ADDITION, HIGHLIGHTING BETTER AVAILABILITY OF CARS

ADJUSTED CONSOLIDATED NET REVENUE

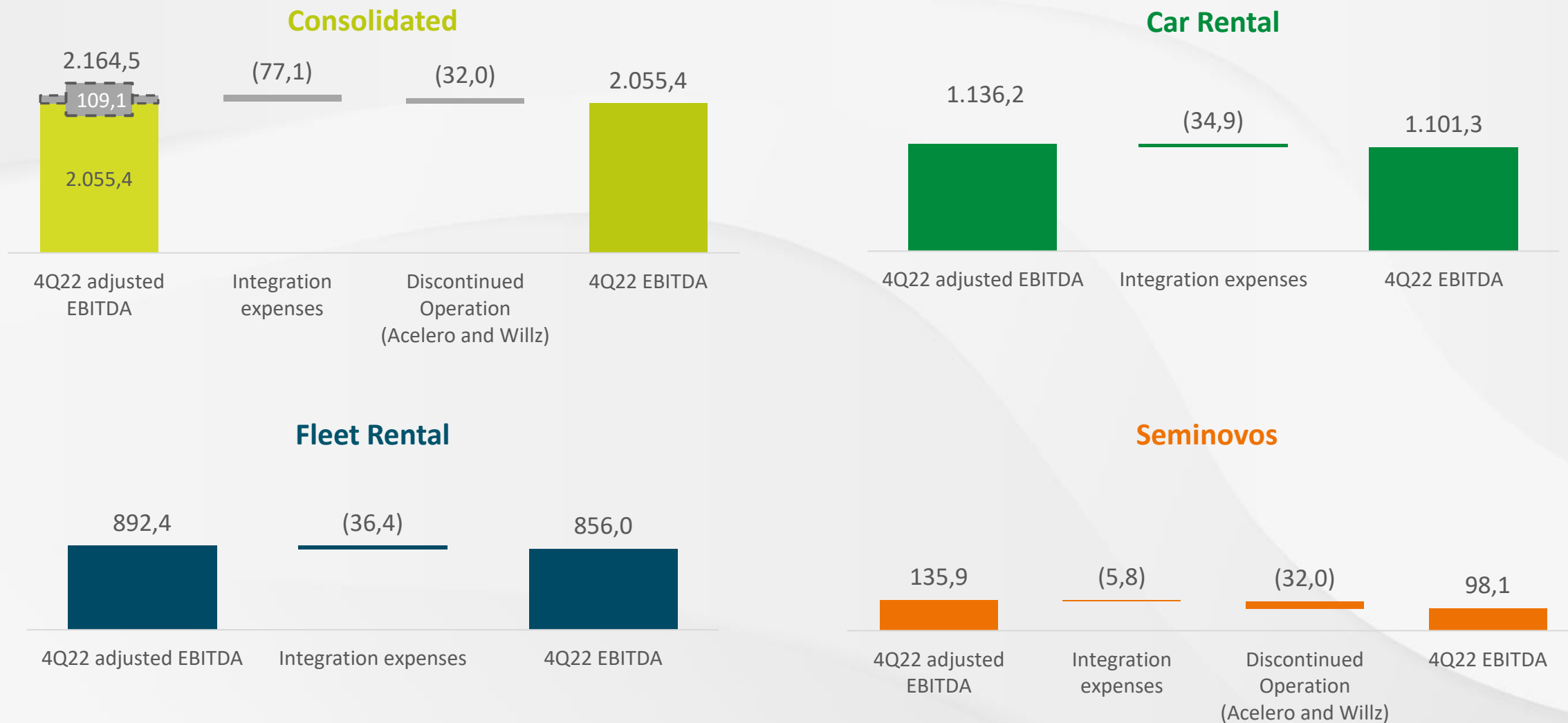
R\$ million



STRONG GROWTH IN THE CONSOLIDATED NET REVENUE, WITH RENTAL REVENUES RISING 23.7% AND USED CAR SALES 61.8% IN THE QUARTER

ADJUSTED EBITDA RECONCILIATION

R\$ million



EBITDA ADJUSTED TO EXCLUDE INTEGRATION EXPENSES AND DISCONTINUED OPERATIONS

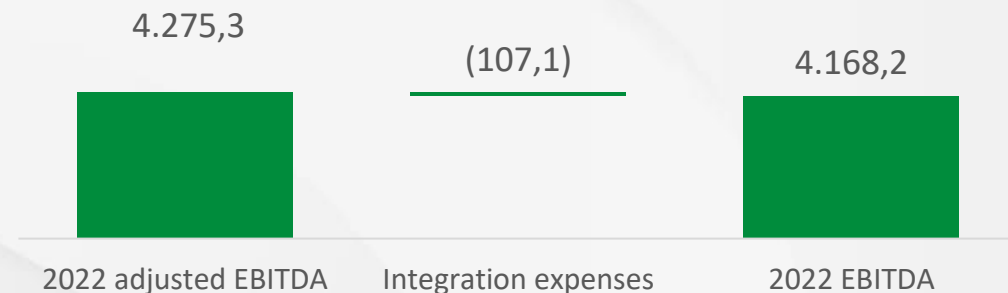
ADJUSTED EBITDA RECONCILIATION

R\$ million

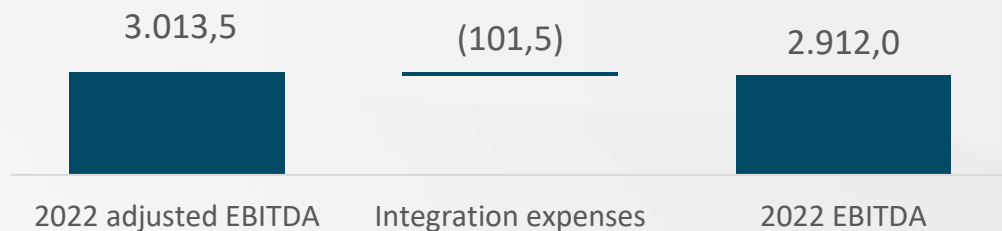
Consolidated



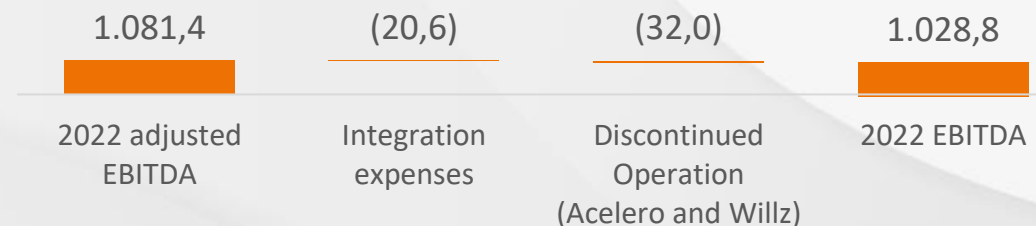
Car Rental



Fleet Rental



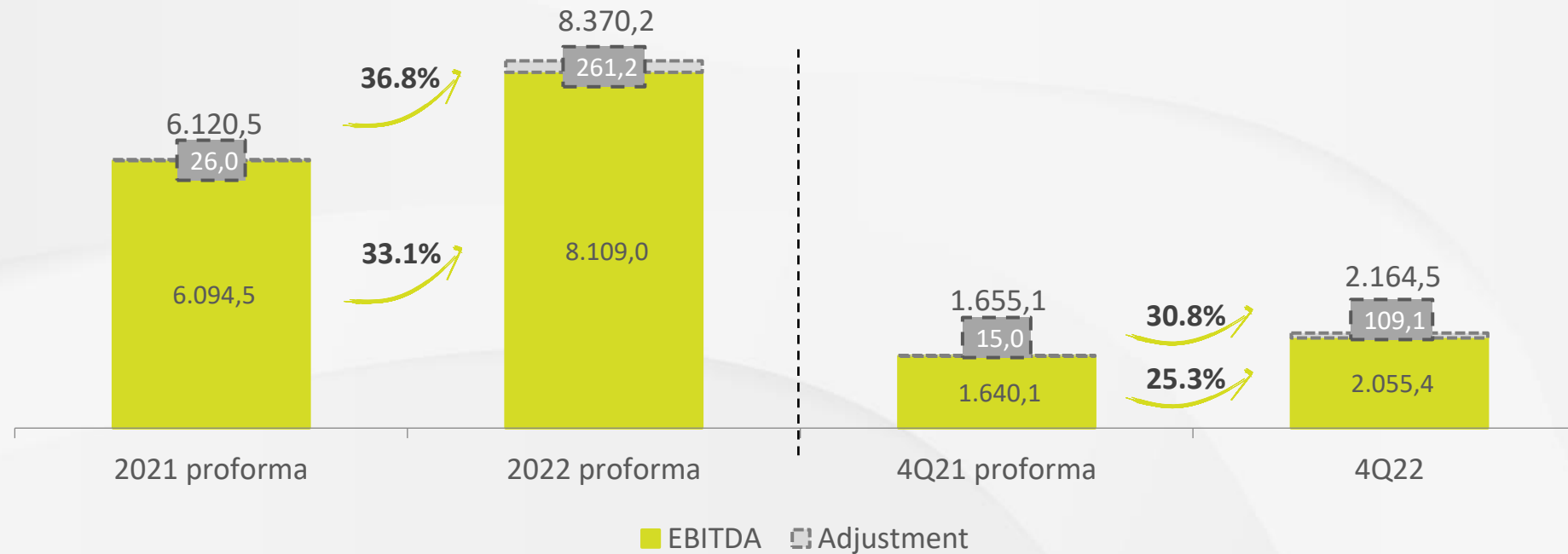
Seminovos



EBITDA ADJUSTED TO EXCLUDE INTEGRATION EXPENSES AND DISCONTINUED OPERATIONS

CONSOLIDATED ADJUSTED EBITDA

R\$ million



EBITDA Margin:	2021 proforma	2022 proforma	4Q21 proforma	4Q22 actual	4Q22 adjusted*
Car Rental and Franchising	49.3%	56.2%	50.7%	59.2%	61.0%
Fleet Rental	65.5%	65.6%	62.1%	63.8%	66.5%
Rental Consolidated	54.8%	59.7%	54.4%	61.1%	63.3%
Seminovos	15.1%	10.6%	14.4%	3.7%	5.2%
Consolidated (over rental revenues)	69.5%	68.4%	63.4%	64.2%	67.6%

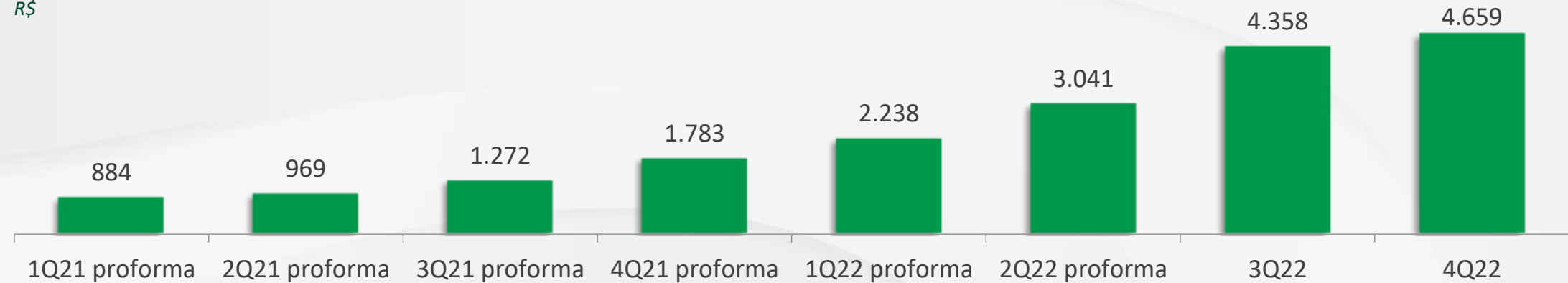
*Adjusted for One-offs related to the integration expenses and the discontinuity of operations

THIS QUARTER CONSOLIDATED ADJUSTED EBITDA RASE 30.8% YOY, WHEN COMPARED TO PROFORMA, REACHING R\$2.2 BILLIONS

AVERAGE ANNUALIZED DEPRECIATION PER CAR

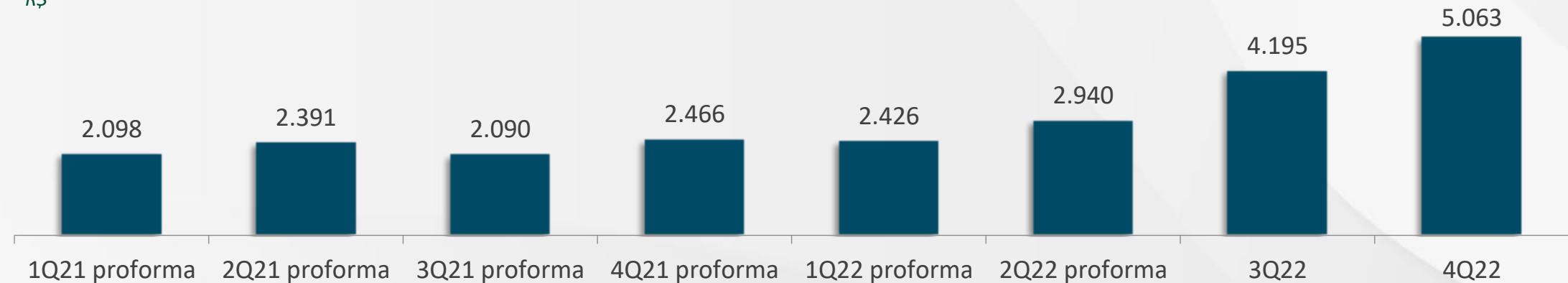
Car Rental

R\$



Fleet Rental

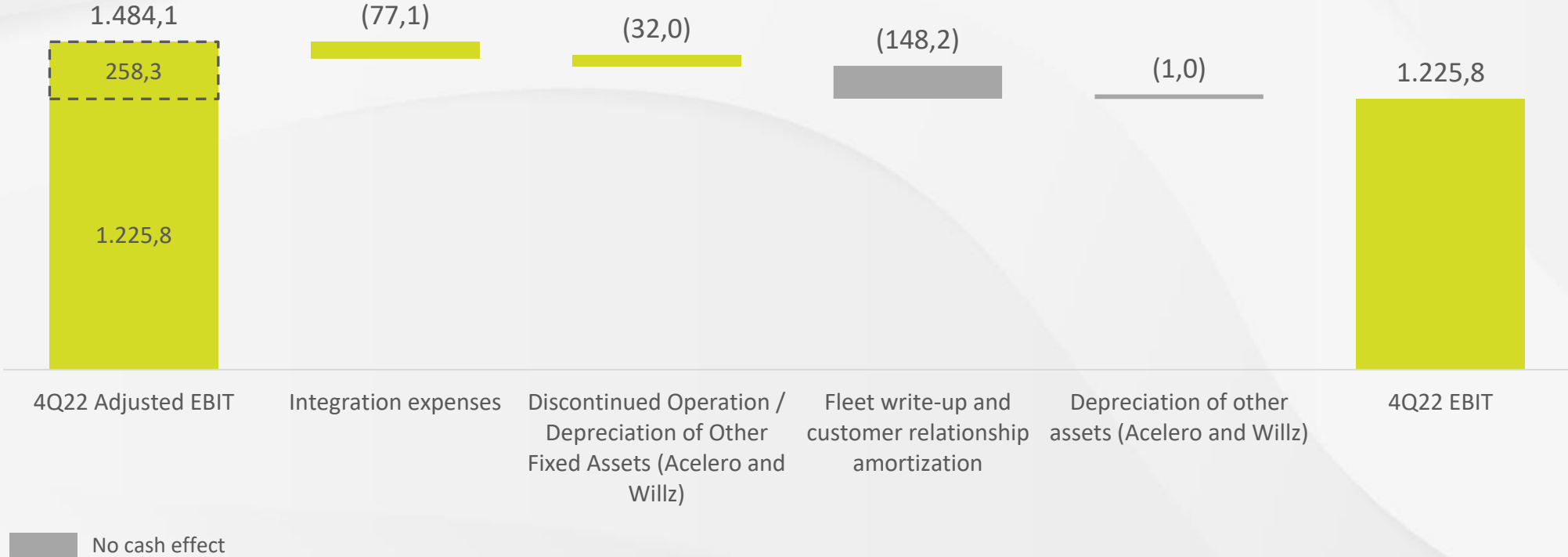
R\$



DEPRECIATION SUSTAINS UPWARD TREND, GIVEN THE HIGHER NUMBER OF CARS DEPRECIATING THE FLEET

CONSOLIDATED ADJUSTED EBIT RECONCILIATION

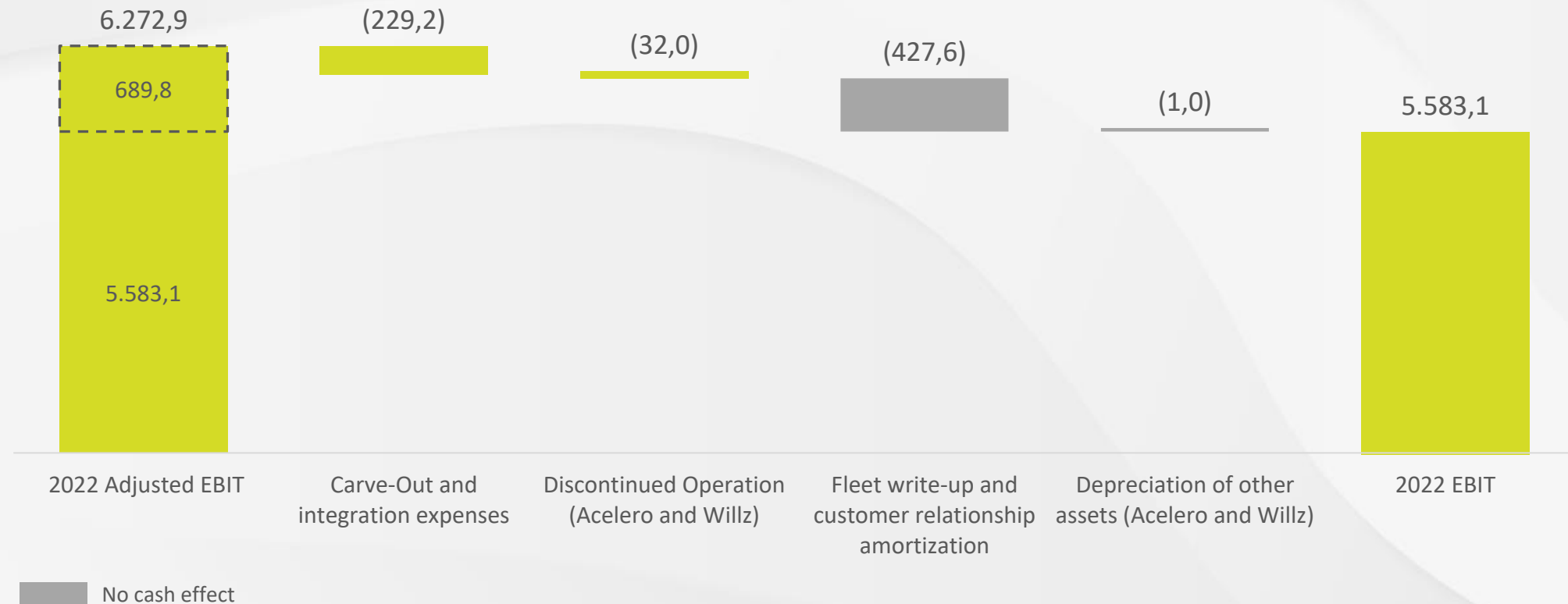
R\$ million



EBIT OF R\$1,484.1 MILLION, ADJUSTED FOR THE EFFECTS OF INTEGRATION, CARVE-OUT AND WRITE-UP IN 4Q22

CONSOLIDATED ADJUSTED EBIT RECONCILIATION

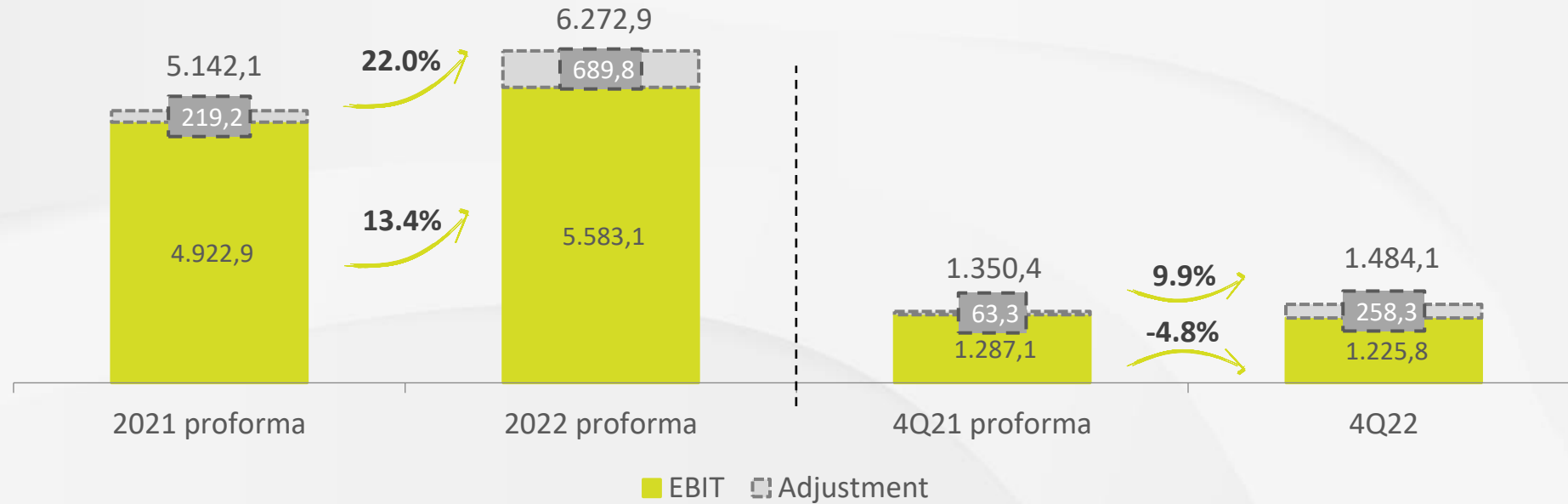
R\$ million



EBIT OF R\$6,272.9 MILLION, ADJUSTED FOR THE EFFECTS OF INTEGRATION, CARVE-OUT AND WRITE-UP

CONSOLIDATED ADJUSTED EBIT

R\$ million



EBIT margins include **Seminovos** and is calculated over the rental revenues:

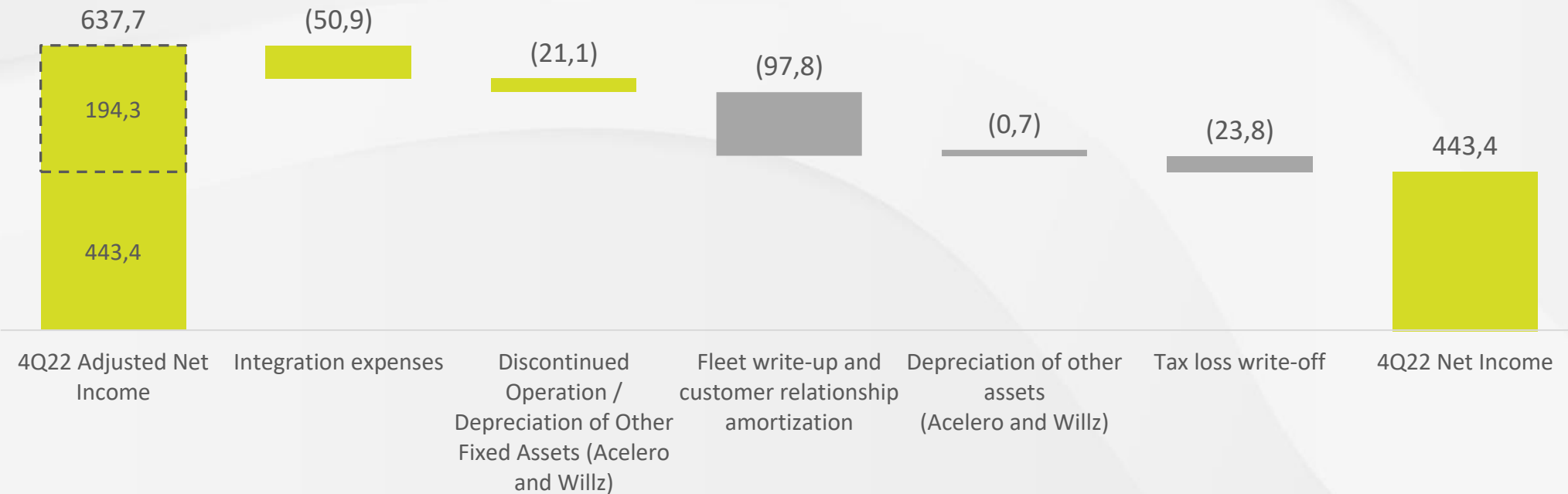
EBIT Margin:	2021 proforma	2022 proforma	4Q21 proforma	4Q22 actual	4Q22 adjusted*
Car Rental and Franchising	54.9%	46.7%	47.9%	41.9%	45.1%
Fleet Rental	58.5%	47.7%	53.4%	33.2%	48.0%
Consolidated (over rental revenues)	56.1%	47.1%	49.7%	38.3%	46.3%


*Adjusted for One-offs related to the integration expenses, discontinuity of operations, and fleet and customer relationship write-up amortization

OVER R\$1.4 BILLION EBIT, WITH 9.9% GROWTH YOY, WHEN COMPARED TO THE PROFORMA

CONSOLIDATED ADJUSTED NET INCOME RECONCILIATION

R\$ million

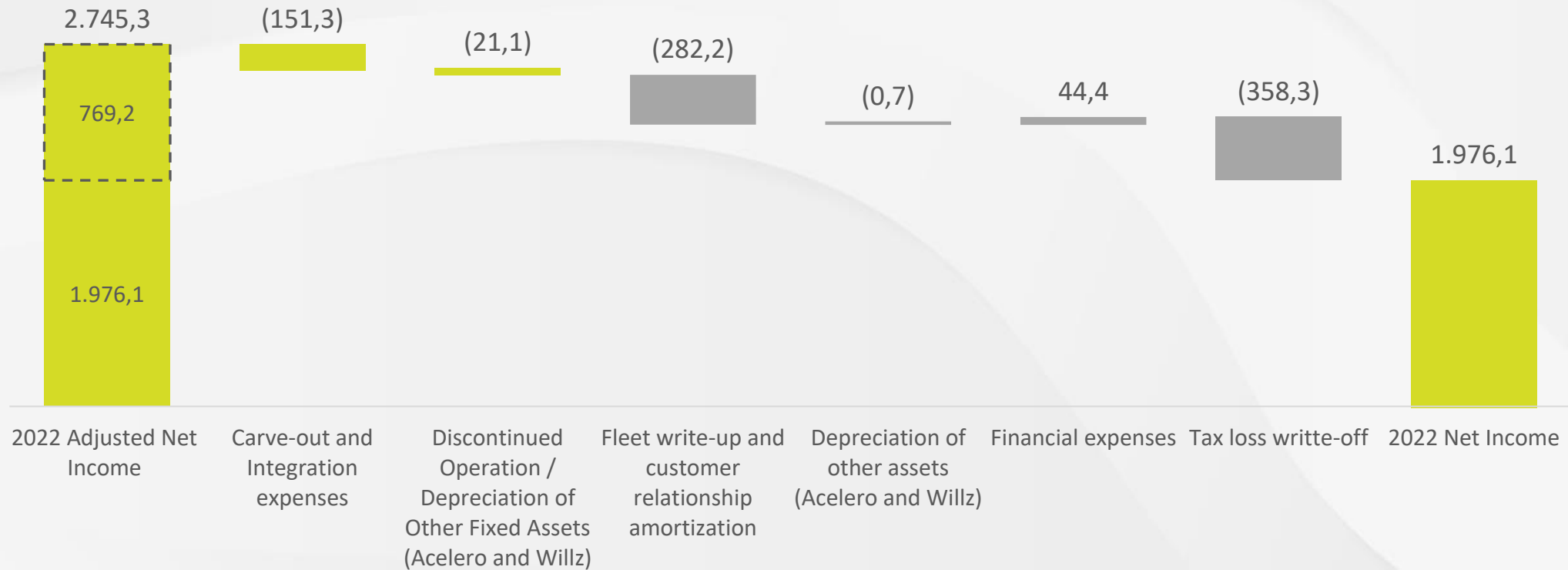


 No cash effect

NET INCOME OF R\$637.7 MILLIONS ADJUSTED TO THE BUSINESS COMBINATION EFFECTS ON THE QUARTER

CONSOLIDATED ADJUSTED NET INCOME RECONCILIATION

R\$ million

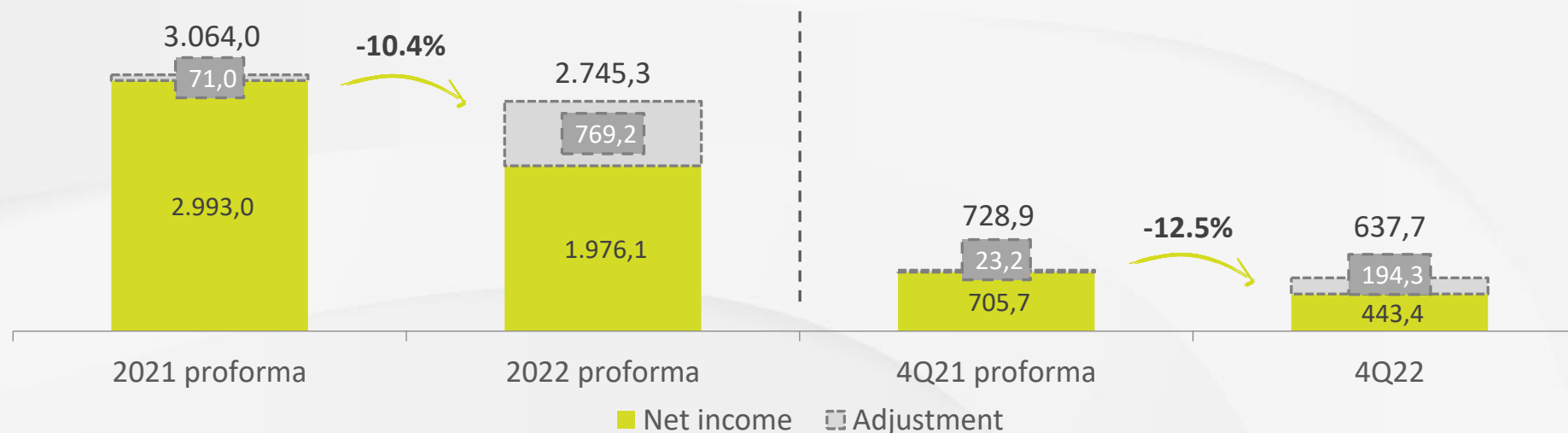


No cash effect

NET INCOME OF R\$2,745.3 MILLIONS ADJUSTED TO THE BUSINESS COMBINATION EFFECTS IN 2022

CONSOLIDATED ADJUSTED NET INCOME

R\$ million



EBITDA x Net income reconciliation	2021 proforma	2022 proforma	Var. R\$	Var. %	4Q21 proforma	4Q22	Var. R\$	Var. %
Consolidated EBITDA	6,120.5	8,370.2	2,249.7	36.8%	1,655.1	2,164.5	509.4	30.8%
Cars depreciation	(672.6)	(1,762.0)	(1,089.4)	162.0%	(222.2)	(609.1)	(386.9)	174.1%
Other property depreciation and amortization	(305.8)	(335.3)	(29.5)	9.6%	(82.5)	(71.3)	11.2	-13.6%
Equity equivalence result	-	0.2	0.2	0.0%	-	-	-	-
EBIT	5,142.1	6,272.9	1,130.8	22.0%	1,350.4	1,484.1	133.7	9.9%
Financial expenses, net	(785.0)	(2,726.0)	(1,941.0)	247.3%	(325.1)	(748.0)	(422.9)	130.1%
Income tax and social contribution	(1,293.1)	(801.8)	491.3	-38.0%	(296.4)	(98.4)	198.0	-66.8%
Adjusted net income of the period	3,064.0	2,745.3	(318.7)	-10.4%	728.9	637.7	(91.2)	-12.5%

NET INCOME IMPACTED IN R\$194.3 MILLION BY THE NON-RECURRENT BUSINESS COMBINATION EFFECTS

FREE CASH FLOW

	Free cash flow (R\$ million)	2020 actual	2021 actual	1H22 actual	2022 actual
Operations	EBITDA	2,468.1	3,697.5	2,256.1	6,589.2
	Used car sale revenue, net of taxes	(6,109.1)	(5,308.0)	(2,388.6)	(7,833.6)
	Net book value of vehicles written-off	5,599.9	4,346.0	1,783.8	6,085.3
	(-) Income tax and social contribution	(250.1)	(307.1)	(39.9)	(83.4)
	Change in working capital	91.6	(568.3)	(434.0)	(1,284.3)
	Cash generated by rental operations	1,800.4	1,860.1	1,177.4	3,473.2
Capex renewal	Used car sale revenue, net from taxes – fleet renewal	4,886.9	5,308.0	2,388.6	7,833.6
	Fleet renewal investment	(5,524.1)	(6,366.9)	(3,083.8)	(9,902.5)
	Change in accounts payable to car suppliers for fleet renewal	(466.6)	(282.6)	700.2	1,619.6
	Net investment for fleet renewal	(1,103.8)	(1,341.5)	5.0	(449.3)
	Fleet renewal – quantity	109,379	92,845	33,411	118,538
	Investment, property and intangible	(108.0)	(143.4)	(80.2)	(352.8)
	Free cash flow from operations, before fleet increase or reduction	588.6	375.2	1,102.2	2,671.1
Capex Growth	(Investment) / Divestment in cars for fleet growth	1,222.2	(1,289.0)	(2,439.5)	(12,636.4)
	Change in accounts payable to car suppliers for fleet growth	(522.5)	571.6	226.4	2,298.3
	Net investment for fleet growth	699.7	(717.4)	(2,213.1)	(10,338.1)
	Fleet increase / (reduction) – quantity	(26,111)	18,665	26,431	136,391
	Free cash flow after growth	1,288.3	(342.2)	(1,110.9)	(7,667.0)
Other invest.	Acquisitions - except fleet value	(7.9)	(3.6)	(11.5)	(11.5)
	Free cash generated (applied) before interest and others	1,280.4	(345.8)	(1,122.4)	(7,678.5)

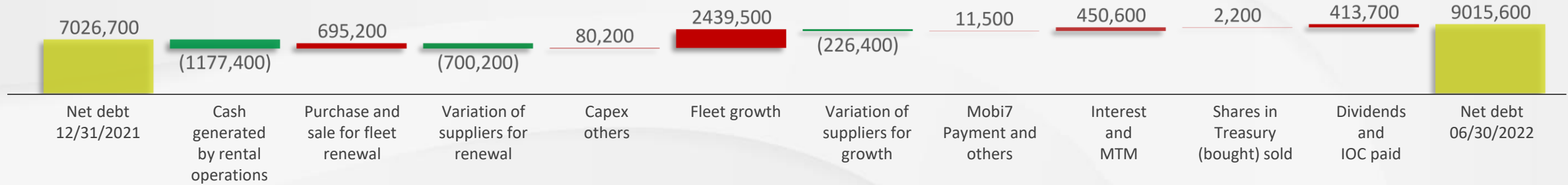
For the FCF, short-term financial investments were considered cash

CONSUMPTION OF R\$7,667.0 MILLIONS AFTER FLEET EXPANSION AND RENEWAL

CHANGE IN NET DEBT

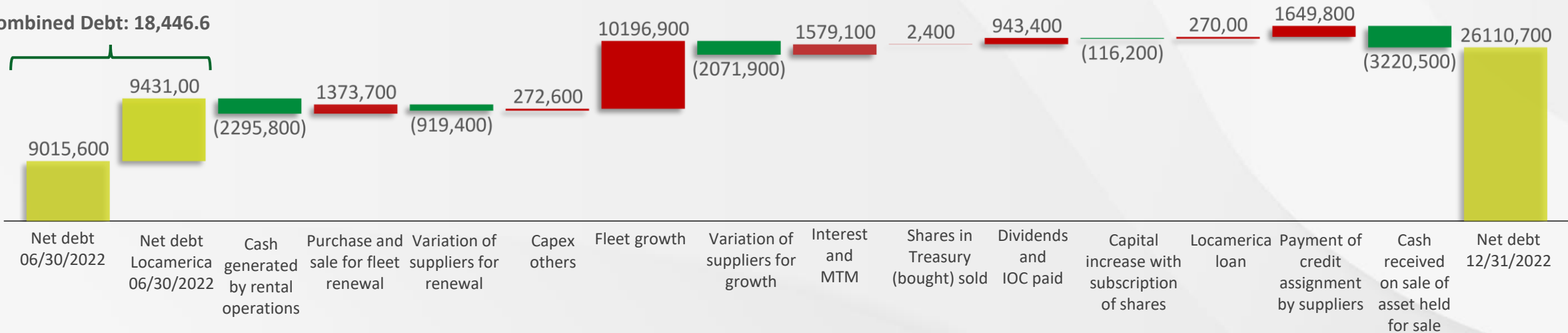
R\$ million

From 12/31/2021 to 06/30/2022 – Localiza before merger



From 06/30/2022 to 12/31/2022 – Localiza after merger

Combined Debt: 18,446.6



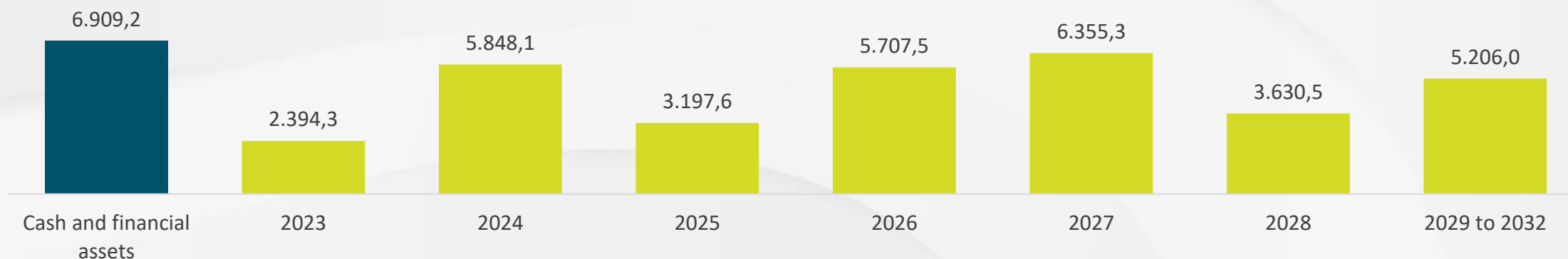
R\$7,7 BILLION INCREASE IN THE NET DEBT IN AS A RESULT OF FLEET INVESTMENTS

DEBT MATURITY PROFILE (PRINCIPAL)

R\$ million

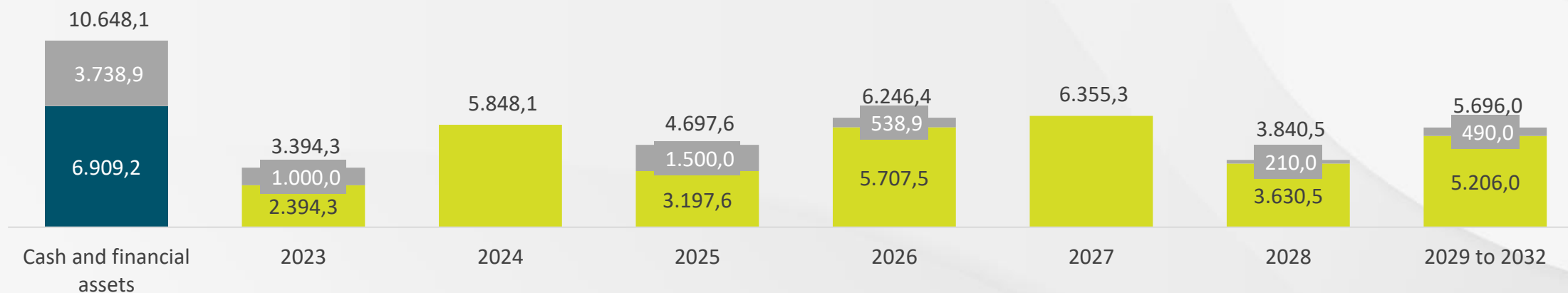
As of 12/31/2022

R\$ million



Proforma after jan/23 issuances

R\$ million

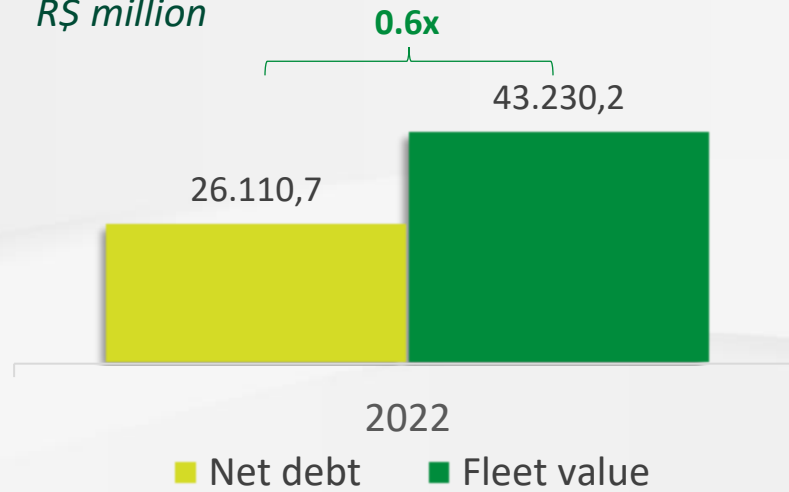


STRONG LIQUIDITY POSITION AND MAINTENANCE OF AN ACTIVE DEBT PROFILE MANAGEMENT.

DEBT RATIOS

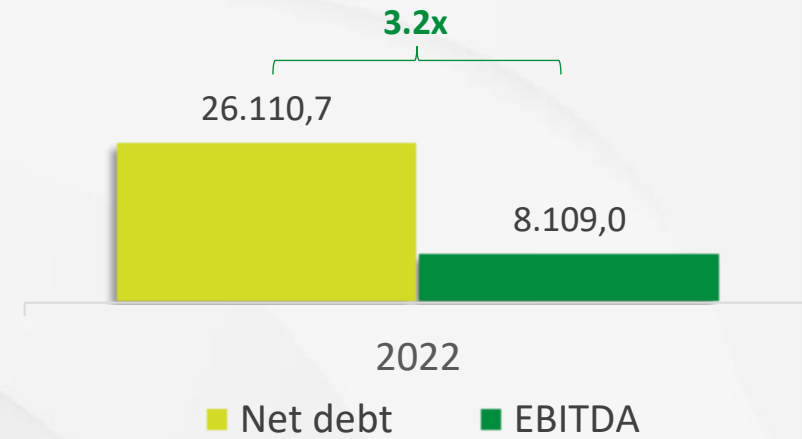
Net debt vs. Book value

R\$ million



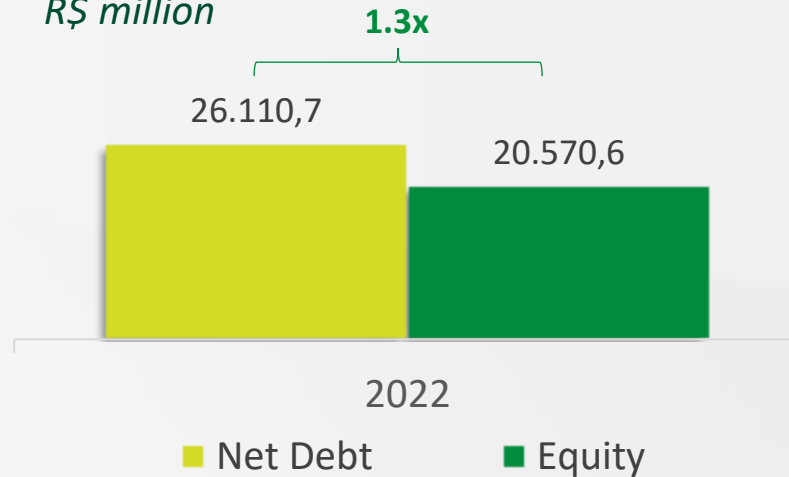
Net debt vs. EBITDA LTM

R\$ million



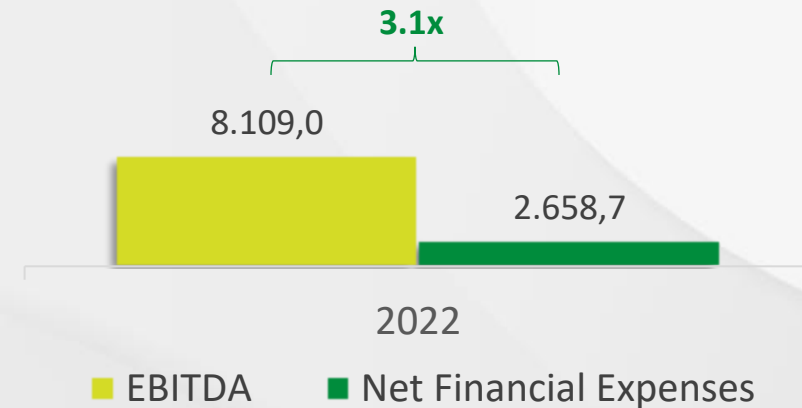
Net debt vs. Equity

R\$ million



EBITDA vs. Net financial expenses LTM

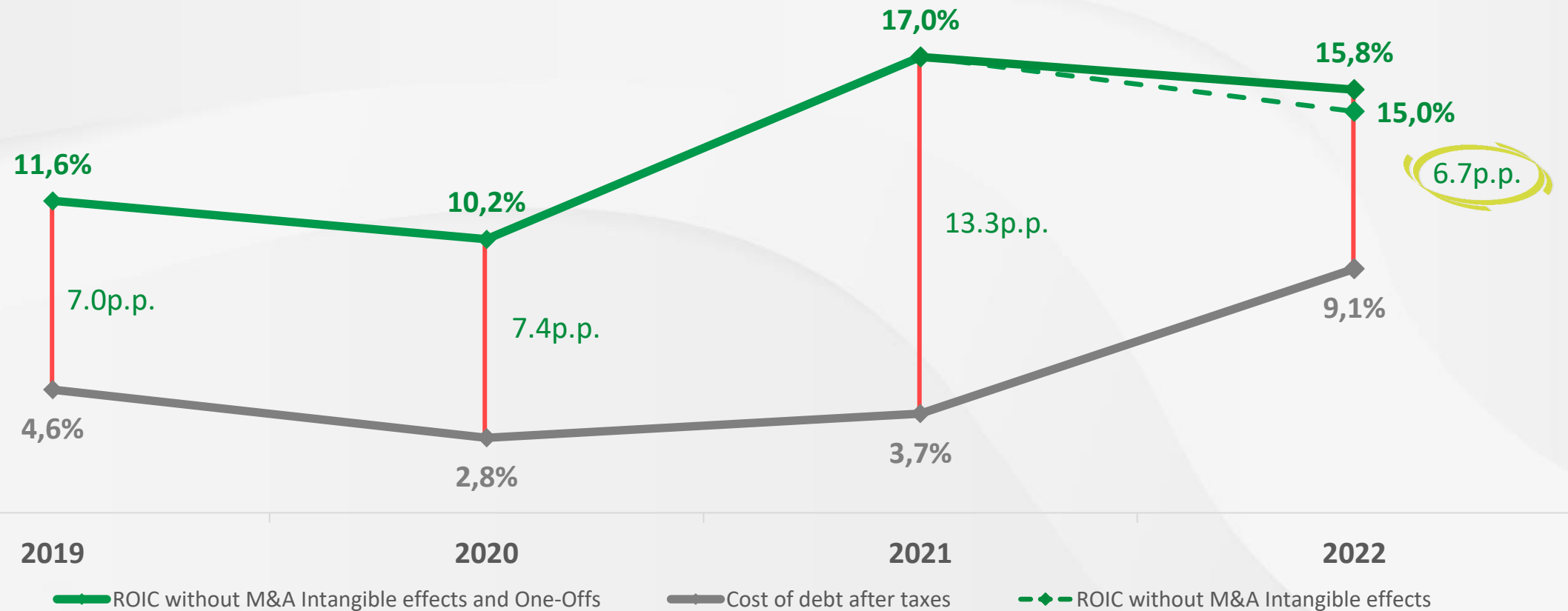
R\$ million



WE ENDED THE YEAR WITH NET DEBT/EBITDA RATIO AT 3.2X, EVEN WITH THE ONE-OFF EFFECTS OF THE COMBINATION

ROIC VERSUS COST OF DEBT AFTER TAXES

ROIC reflects Localiza's capital allocation, with Locamerica's effects since 22/Jul



ROIC EXCLUDING WRITE-UP, GOODWILL AND ONE-OFF EFFECTS INDICATES STRONG VALUE GENERATION, REACHING A SPREAD OF 6.7P.P. IN RELATION TO THE COST OF DEBT LTM

Q&A

THANK YOU!

Disclaimer

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