

Webcast

3Q23



This quarter, we will highlight the effects related to the business combination (one-offs), as follows:

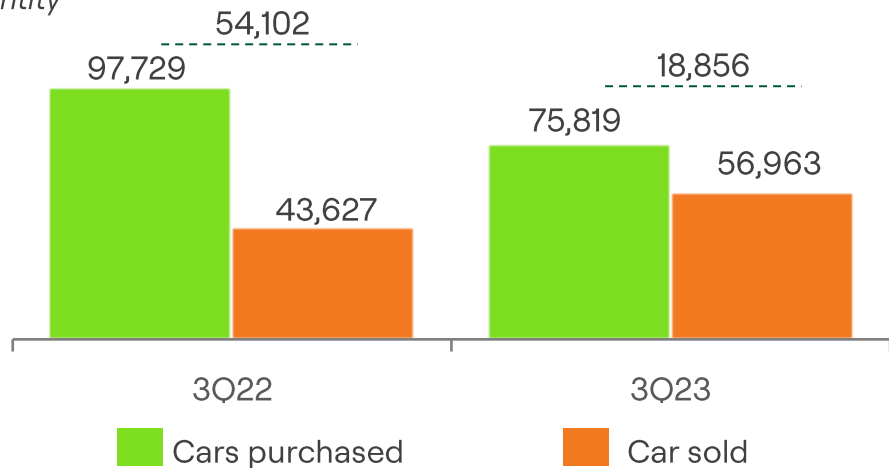
Description	EBIT Impact	Net Income Impact
Fleet write-up amortization	(56.8)	(37.5)
Amortization of the customer portfolio write-up	(1.7)	(1.1)
Total	(58.5)	(38.6)

Furthermore, we had **positive effects of R\$28.2 million** related to the reversal of the PVA, due to the early settlement of the loan made to shareholders within the scope of the business combination and of **R\$31.9 million**, referring to discounts obtained from automakers in the context of PM n° 1,175, recognized as financial revenue. These effects were **not adjusted in the results**.

Furthermore, with the beginning of our **Car Rental** operations in **Mexico** in July, we will start reporting our financial indicators separately.

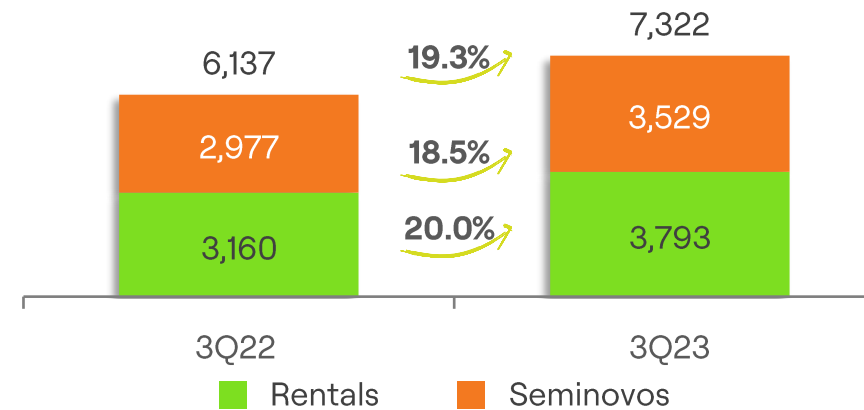
Car purchase and sales - Brazil

Quantity



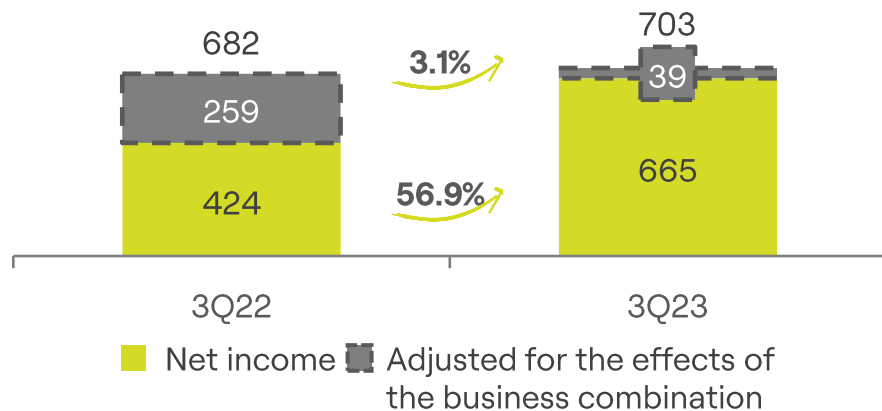
Consolidated Net Revenue

R\$ million



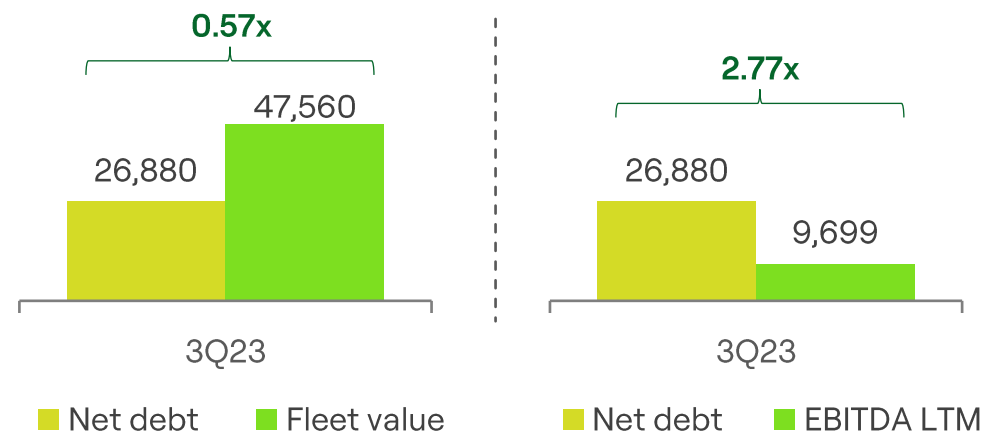
Consolidated Net Income

R\$ million



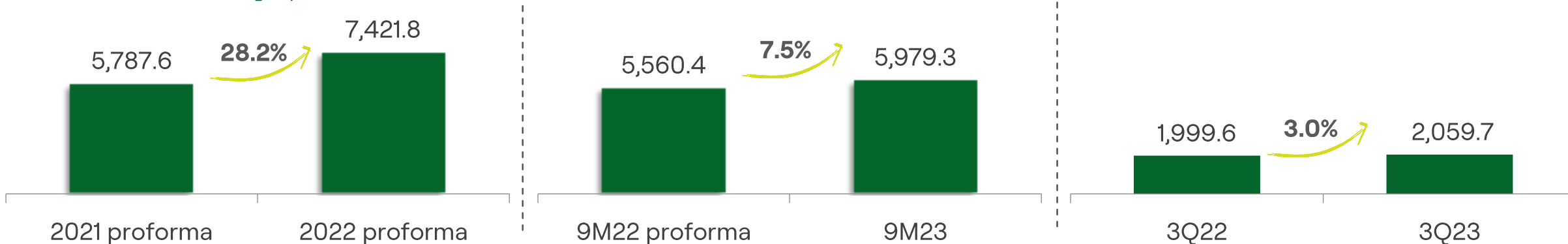
Debt Ratios

R\$ million



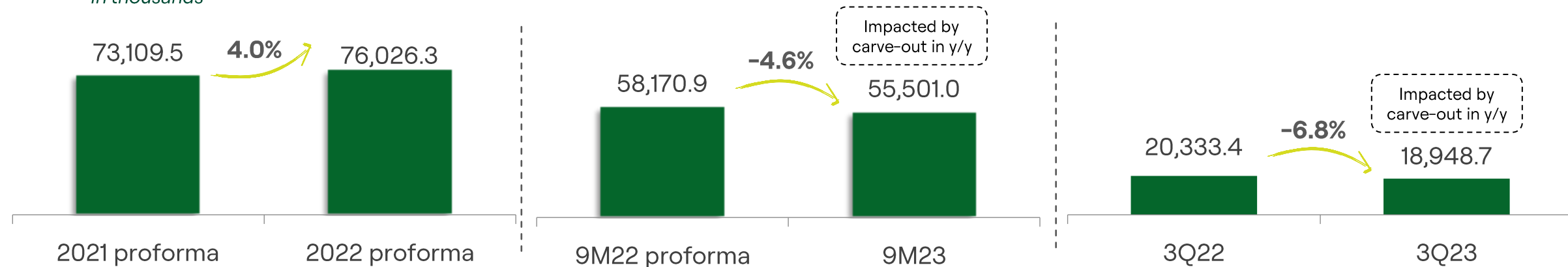
Net Revenue - Brazil

R\$ million, including royalties



Rental days - Brazil

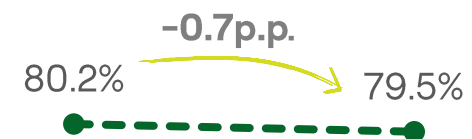
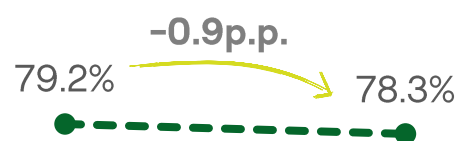
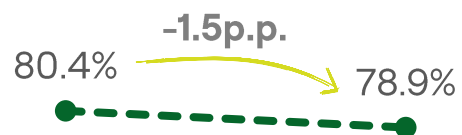
In thousands



NET REVENUE GROWTH IN THE ANNUAL COMPARISON, EVEN WITH THE IMPACT OF THE CARVE-OUT IN THE RENTAL VOLUMES

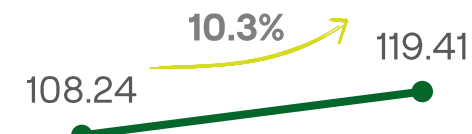
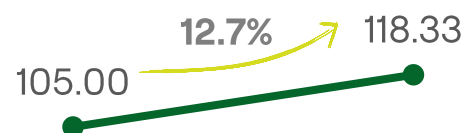
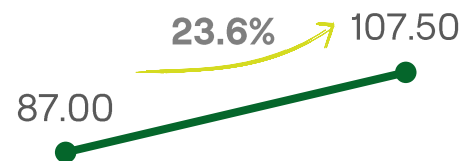
Utilization Rate - Brazil

%



Rental Rate - Brazil

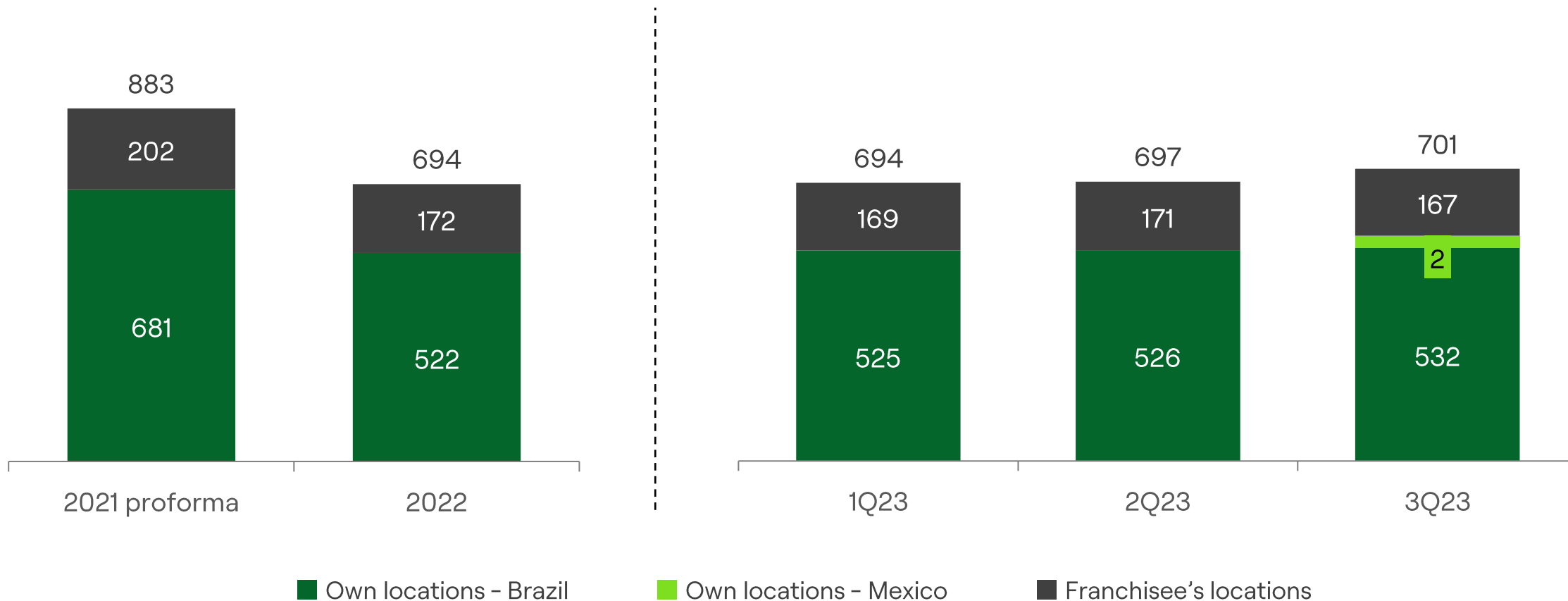
R\$



—●— Rental Rate - R\$ - - -●- - Utilization

10.3% GROWTH IN AVERAGE RENTAL RATE AND UTILIZATION RATE ABOVE 79%

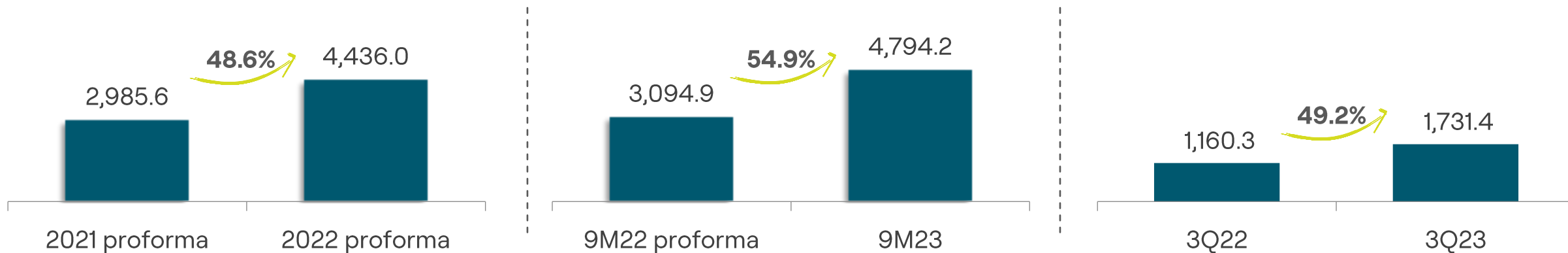
Quantity



OPENING OF 10 OWNED LOCATIONS IN BRAZIL AND 2 IN MEXICO, INCREASING CONVENIENCE FOR OUR CUSTOMERS

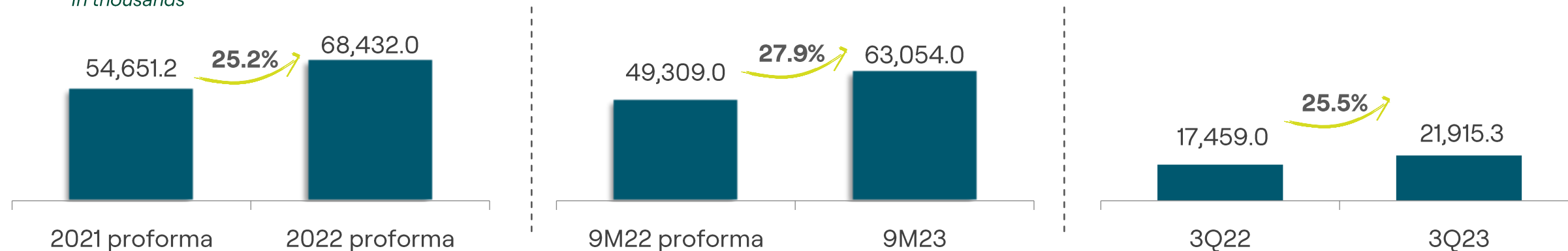
Net Revenue

R\$ million, including new initiatives' revenues



Rental Days

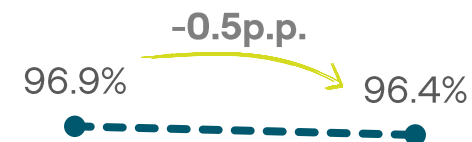
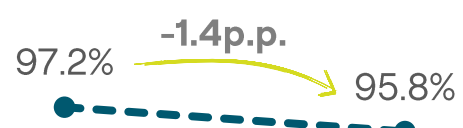
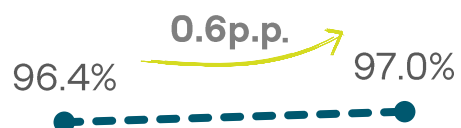
In thousands



STRONG INCREASE IN REVENUE, DUE TO THE COMBINED EFFECT OF VOLUME GROWTH AND HIGHER PRICES IN NEW CONTRACTS

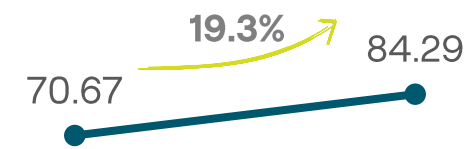
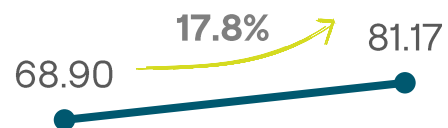
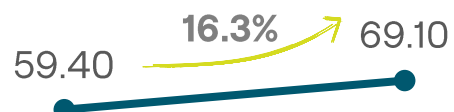
Utilization Rate

%



Rental Rate

R\$

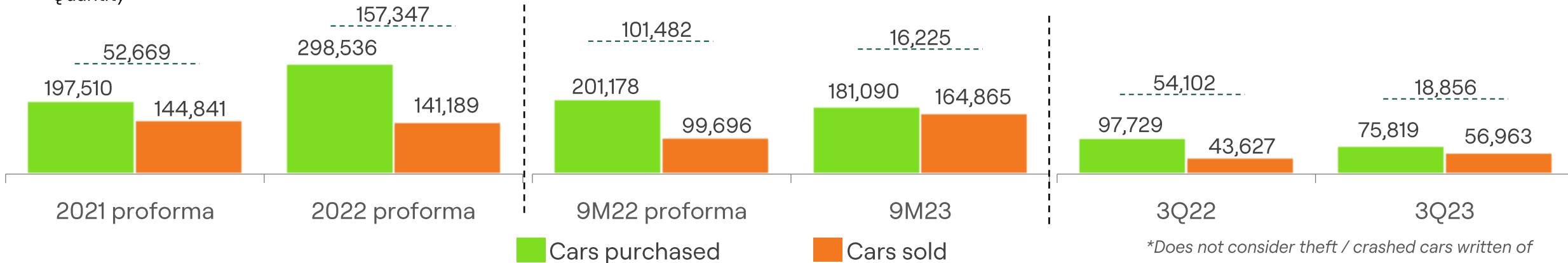


—●— Rental Rate – R\$ —●— Utilization

INCREASE IN AVERAGE RENTAL RATE, REFLECTING NEW CONTRACTS PRICED IN A CONTEXT OF MORE EXPENSIVE CARS AND HIGHER INTEREST CURVE, WITH UTILIZATION RATE ABOVE 96%

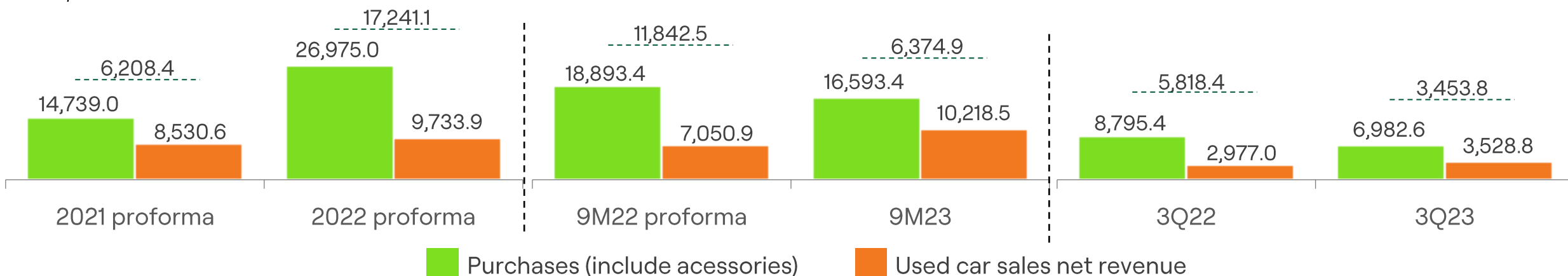
Car purchase and sales - Brazil

Quantity*



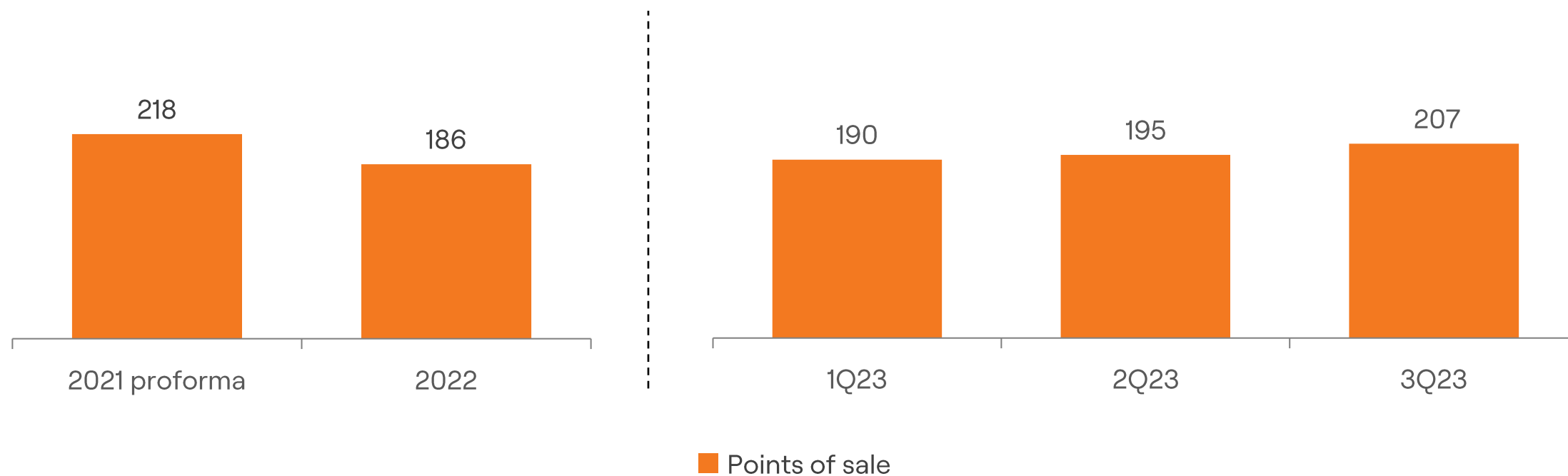
Net investment in fleet - Brazil

R\$ million



THE ADDITION OF 18.9 THOUSAND CARS IN THE QUARTER MARKS THE FLEET GROWTH RESUMPTION

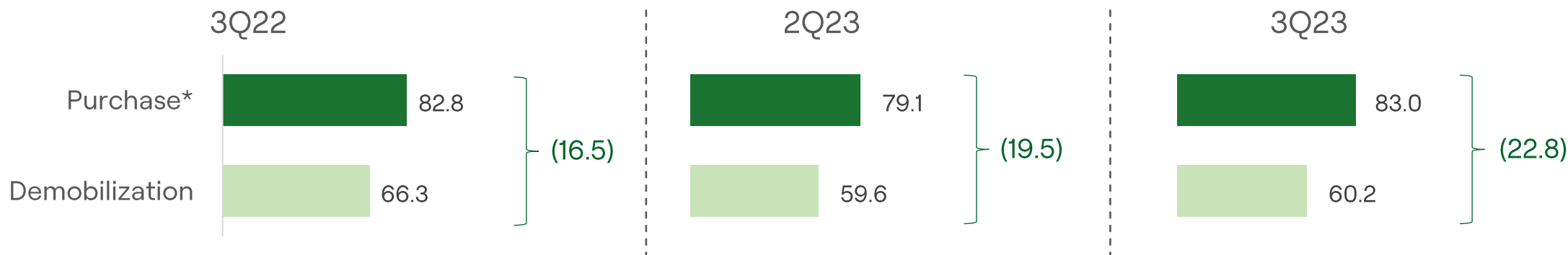
Quantity



21 SEMINOVOS STORES OPENED IN THE YEAR TO RECOMPOSE THE NETWORK

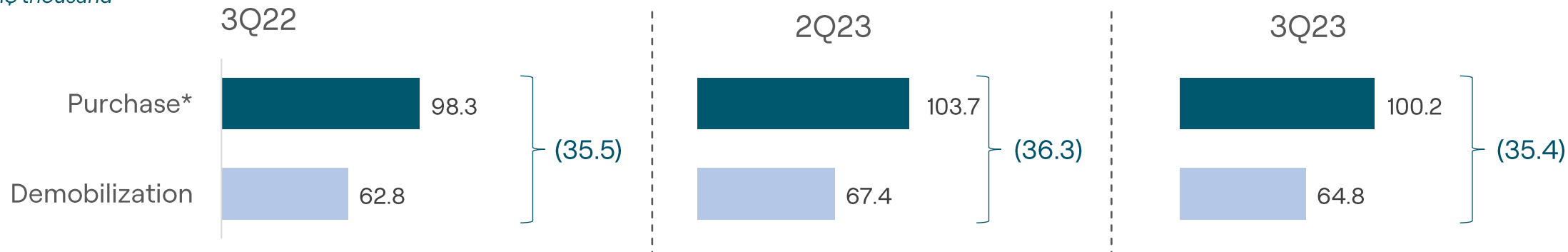
Average price of purchase and demobilization - Car Rental

R\$ thousand



Average price of purchase and demobilization - Fleet Rental

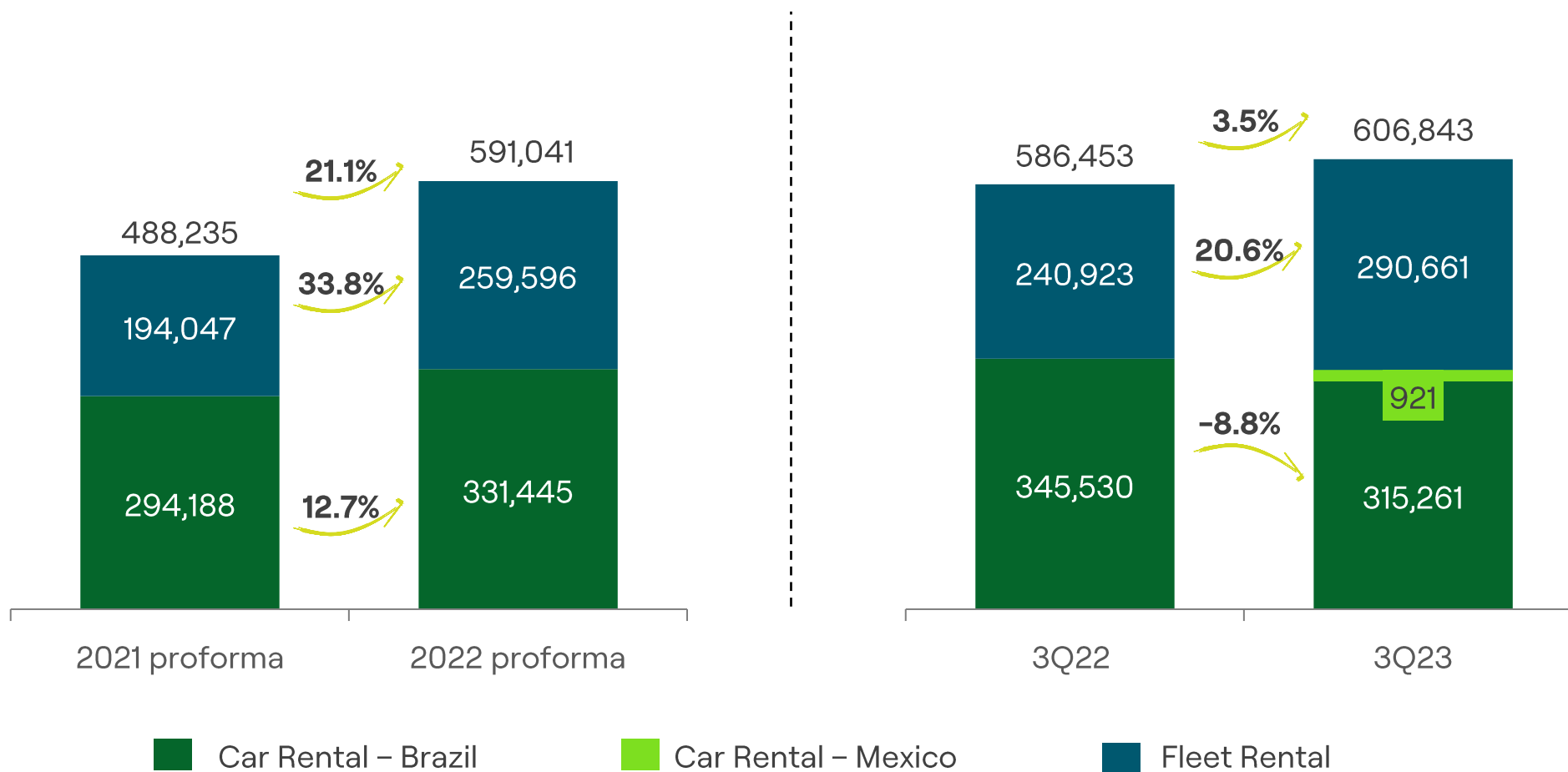
R\$ thousand



*Purchase price does not include accessories

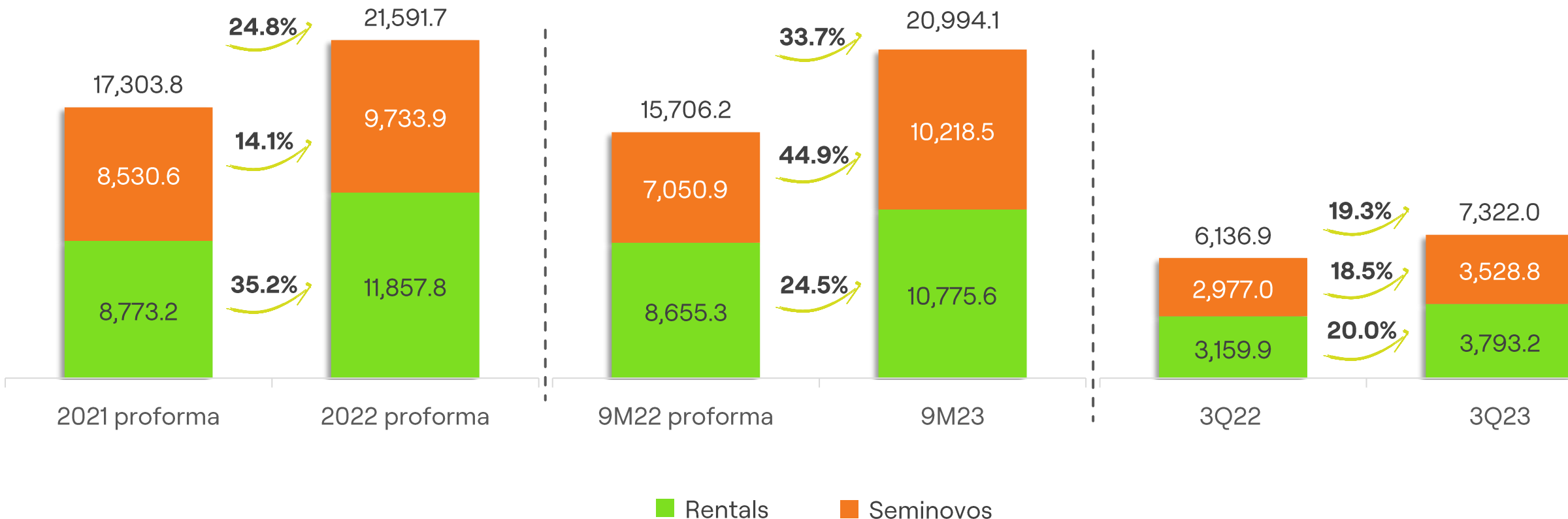
IN CAR RENTAL, THE AVERAGE PRICE REFLECTS THE PURCHASE MIX AND NEW CAR INFLATION.
IN FLEET RENTAL, THE PURCHASE PRICE RESULTS FROM THE MIX ALSO COMPOSED BY SPECIAL AND HEAVY VEHICLES

Quantity



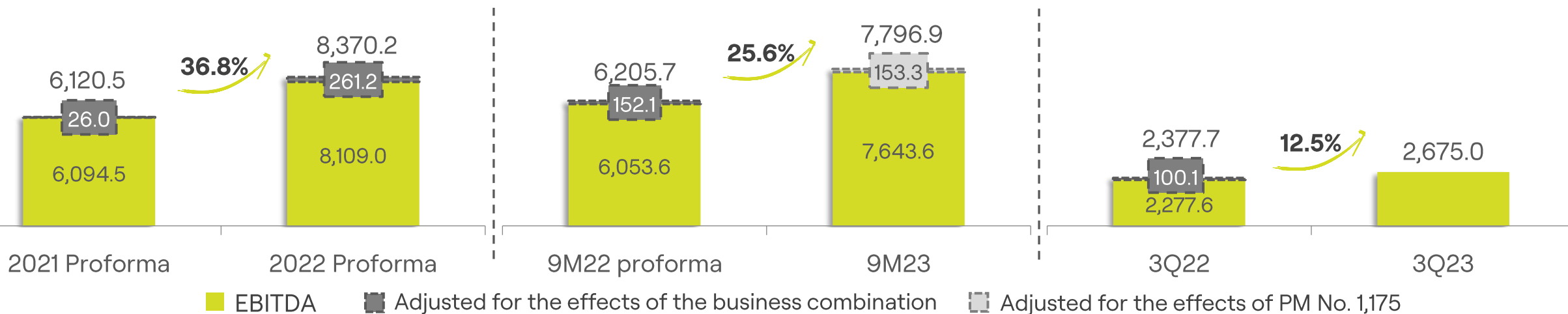
THE COMPANY SURPASSES THE MARK OF 600 THOUSAND CARS IN THE FLEET, SUPPORTED BY THE STRONG GROWTH IN FLEET RENTAL

R\$ million



STRONG GROWTH IN CONSOLIDATED NET REVENUE, ADVANCING 19.3% IN THE QUARTER AND 33.7% IN 9M23

R\$ million



EBITDA Margin:	2021 proforma adjusted*	2022 proforma adjusted*	9M22 proforma adjusted*	9M23 adjusted**	3Q22 adjusted*	3Q23
Car Rental Brazil and Franchising	49.6%	57.6%	56.5%	65.1%	58.9%	64.7%
Fleet Rental	65.7%	67.9%	68.5%	73.1%	73.6%	73.7%
Rental Consolidated	55.1%	61.5%	60.8%	68.6%	64.3%	68.8%
Rental Consolidated with México	55.1%	61.5%	60.8%	68.4%	64.3%	68.3%
Seminovos	15.1%	11.2%	13.4%	4.1%	11.6%	2.4%
Consolidate (over rental revenues)	69.8%	70.6%	71.7%	72.4%	75.2%	70.5%

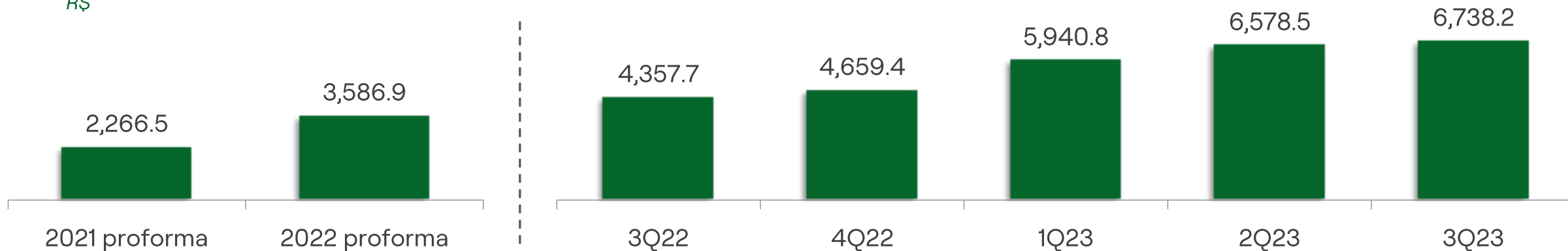
*Adjusted for One-offs related to the integration expenses and the discontinuity of operations

**Adjusted for the effects of PM No. 1,175

CONSOLIDATED EBITDA REACHED R\$2.7 BILLION, A GROWTH OF 12.5% IN 3Q23 AND 25.6% IN 9M23

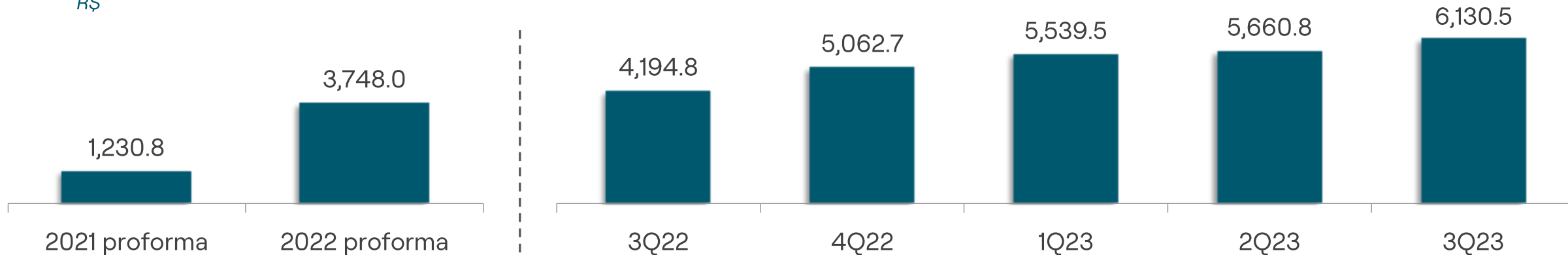
Car Rental

R\$



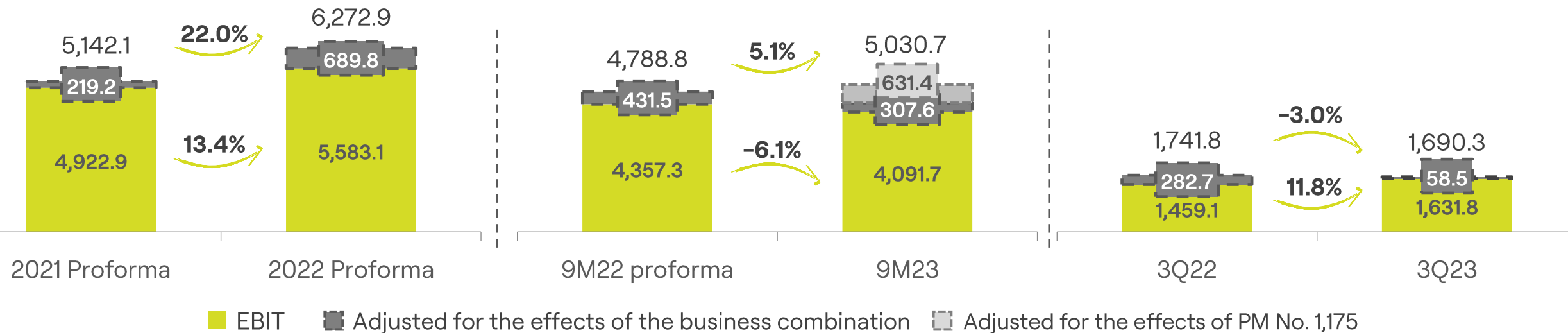
Fleet Rental

R\$



THE HIGHER SEQUENTIAL DEPRECIATION REFLECTS THE REPLACEMENT OF CARS ALREADY DEPRECIATED

R\$ million



The EBIT Margin includes the result of **Seminovos** and is calculated on rental revenues:

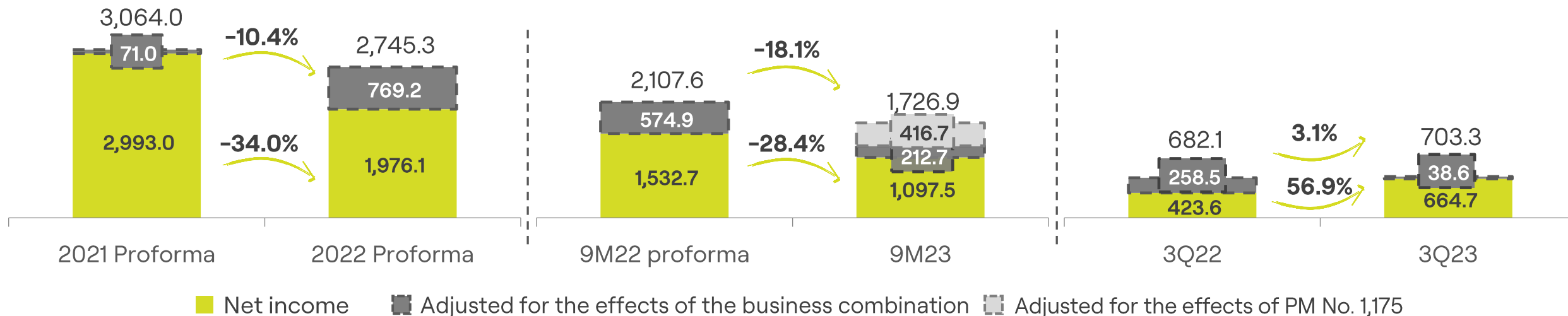
EBIT Margin:	2021 proforma adjusted*	2022 proforma adjusted*	9M22 proforma adjusted*	9M23 adjusted**	3Q22 adjusted*	3Q23 adjusted*
Car Rental and Franchising	55.2%	49.2%	50.6%	40.5%	49.7%	37.7%
Fleet Rental	65.3%	59.0%	63.8%	54.9%	64.5%	54.2%
Consolidated Brazil (over rental revenues)	58.6%	52.9%	55.3%	46.9%	55.1%	45.2%
Consolidated with México (over rental revenues)	58.6%	52.9%	55.3%	46.7%	55.1%	44.6%

*Ajustado para *One-offs* relacionados à gastos com integração, além da amortização de mais valia de carros e clientes.

** Ajustado pela amortização de mais valia de carros e clientes e pelo efeito da Medida Provisória

ADJUSTED EBIT OF R\$5.0 BILLION IN 9M23 AND R\$1.7 BILLION IN THE QUARTER, REFLECTING THE GREATER DEPRECIATION OF CARS

R\$ million



EBITDA x Net income reconciliation	2021 proforma	2022 proforma	Var. R\$	Var. %	9M22 proforma	9M23	Var. R\$	Var. %	3Q22	3Q23	Var. R\$	Var. %
Consolidated EBITDA	6,120.5	8,370.2	2,249.7	36.8%	6,205.7	7,796.9	1,591.2	25.6%	2,377.7	2,675.0	297.3	12.5%
Cars depreciation	(672.6)	(1,762.0)	(1,089.4)	162.0%	(1,152.9)	(2,443.7)	(1,290.8)	112.0%	(538.1)	(866.6)	(328.5)	61.0%
Other PP&E depreciation and amortization	(305.8)	(335.3)	(29.5)	9.6%	(264.0)	(322.5)	(58.5)	22.2%	(97.8)	(118.1)	(20.3)	20.8%
Equity equivalence result	-	0.2	0.2	-	0.2	-	(0.2)	0.0%	-	-	-	0.0%
EBIT	5,142.1	6,272.9	1,130.8	22.0%	4,788.8	5,030.7	241.9	5.1%	1,741.8	1,690.3	(51.5)	-3.0%
Financial expenses, net	(785.0)	(2,726.0)	(1,941.0)	247.3%	(1,978.0)	(3,050.0)	(1,072.0)	54.2%	(883.2)	(882.8)	0.4	0.0%
Income tax and social contribution	(1,293.1)	(801.8)	491.3	-38.0%	(703.4)	(253.8)	449.6	-63.9%	(176.6)	(104.2)	72.4	-41.0%
Adjusted net income of the period	3,064.0	2,745.3	(318.7)	-10.4%	2,107.6	1,726.9	(380.7)	-18.1%	682.0	703.3	21.3	3.1%

R\$703.3 MILLION OF NET INCOME IN 3Q23, ADJUSTED FOR THE EFFECTS OF THE WRITE-UP. ACCOUNTING PROFIT OF R\$664.7 MILLION SHOWS A GROWTH OF 56.9% IN THE QUARTER

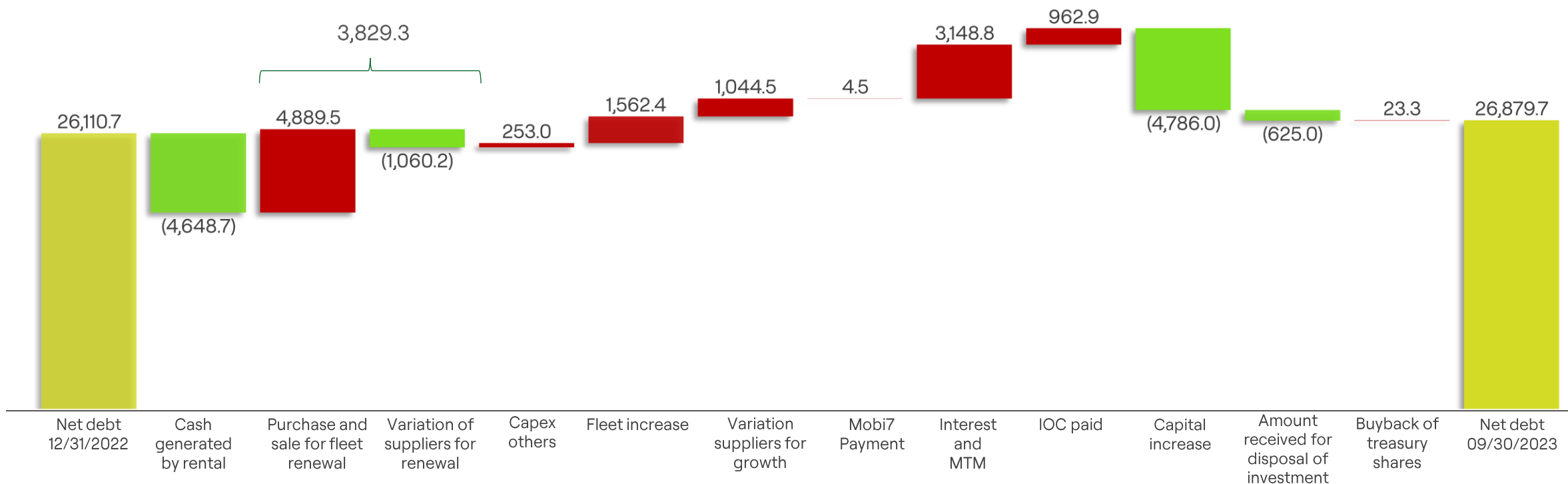
Free cash flow (R\$ million)		2020 actual	2021 actual	2022 actual	9M23
Operations	EBITDA	2,468.1	3,697.5	6,589.2	7,643.6
	Used car sale revenue, net of taxes	(6,109.1)	(5,308.0)	(7,833.6)	(10,141.7)
	Net book value of vehicles written-off	5,599.9	4,346.0	6,085.3	8,783.4
	(-) Income tax and social contribution	(250.1)	(307.1)	(83.4)	(59.6)
	Change in working capital	91.6	(568.3)	(1,284.3)	(1,577.0)
	Cash generated by rental operations	1,800.4	1,860.1	3,473.2	4,648.7
Capex renewal	Used car sale revenue, net from taxes – fleet renewal	4,886.9	5,308.0	7,833.6	10,141.7
	Fleet renewal investment	(5,524.1)	(6,366.9)	(9,902.5)	(15,031.2)
	Change in accounts payable to car suppliers for fleet renewal	(466.6)	(282.6)	1,619.6	1,060.2
	Net investment for fleet renewal	(1,103.8)	(1,341.5)	(449.3)	(3,829.3)
	Fleet renewal – quantity	109,379	92,845	118,538	164,865
	Investment, property and intangible	(108.0)	(143.4)	(352.8)	(253.0)
	Free cash flow from operations, before fleet increase or reduction	588.6	375.2	2,671.1	566.4
Capex Growth	(Investment) / Divestment in cars for fleet growth	1,222.2	(1,289.0)	(12,636.4)	(1,562.4)
	Change in accounts payable to car suppliers	(522.5)	571.6	2,298.3	(1,044.5)
	Net investment for fleet growth	699.7	(717.4)	(10,338.1)	(2,606.9)
	Fleet increase / (reduction) – quantity	(26,111)	18,665	136,391	17,142
	Free cash flow after growth	1,288.3	(342.2)	(7,667.0)	(2,040.5)
Other invest.	Acquisitions - except fleet value	(7.9)	(3.6)	(11.5)	(4.5)
	Free cash generated (applied) before interest and others	1,280.4	(345.8)	(7,678.5)	(2,045.0)

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

STRONG OPERATING CASH, CONSUMED BY THE HIGHER CAPEX OF CARS

As of 09/30/2023

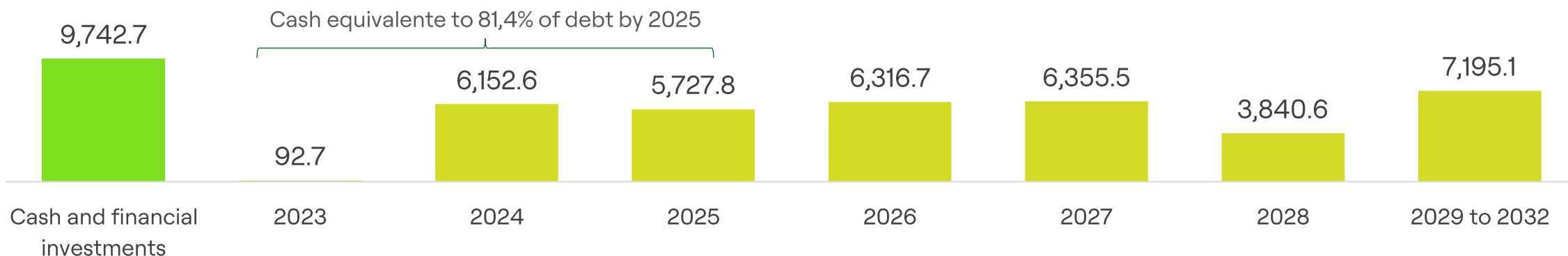
R\$ million



THE COMPANY ENDED THE PERIOD WITH NET DEBT OF R\$26.9 BILLION

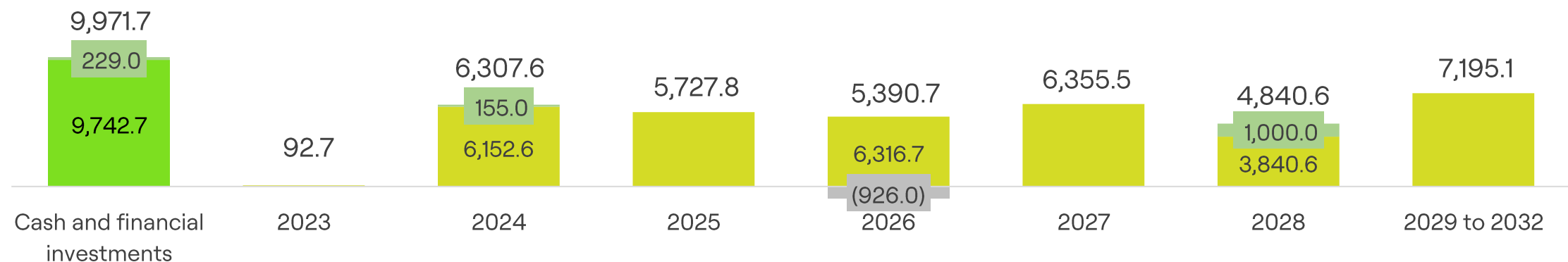
As of 09/30/2023

R\$ million



Proforma after issuances and amortizations in Oct/23

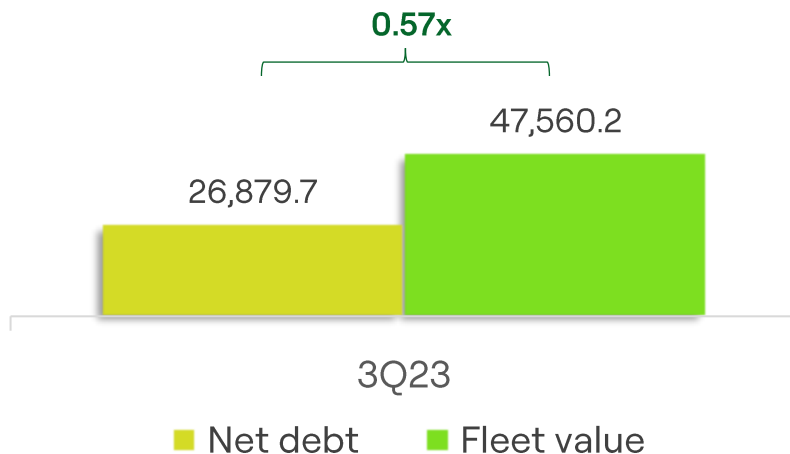
R\$ million



THE COMPANY ENDED THE PERIOD WITH R\$9.7 BILLION IN CASH, MAINTAINING AN ACTIVE DEBT MANAGEMENT

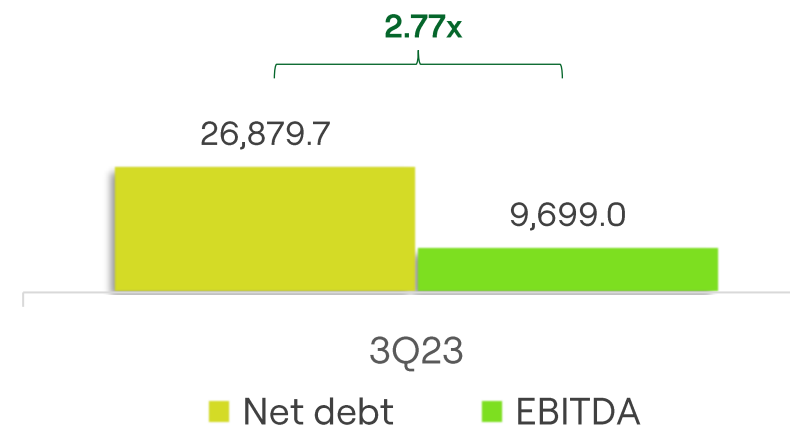
Net debt vs. Book value

R\$ million



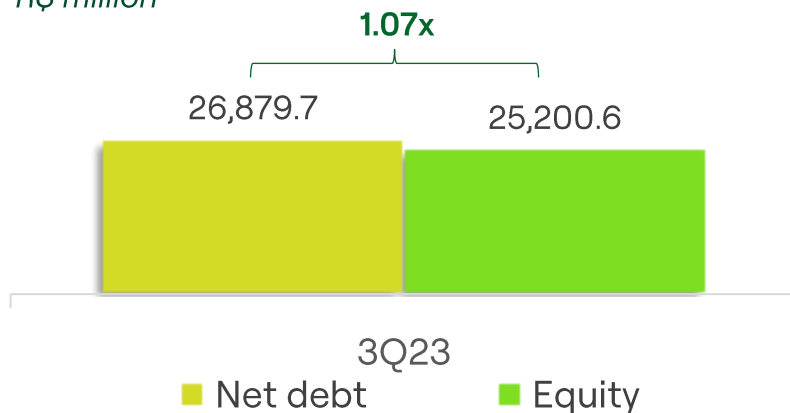
Net debt vs. EBITDA LTM

R\$ milhões



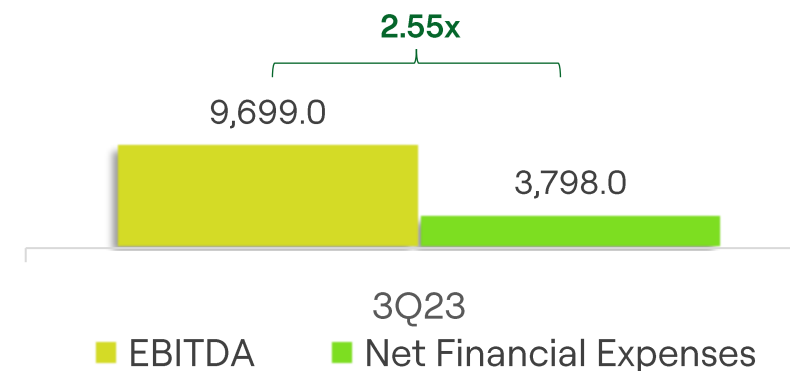
Net debt vs. Equity

R\$ million

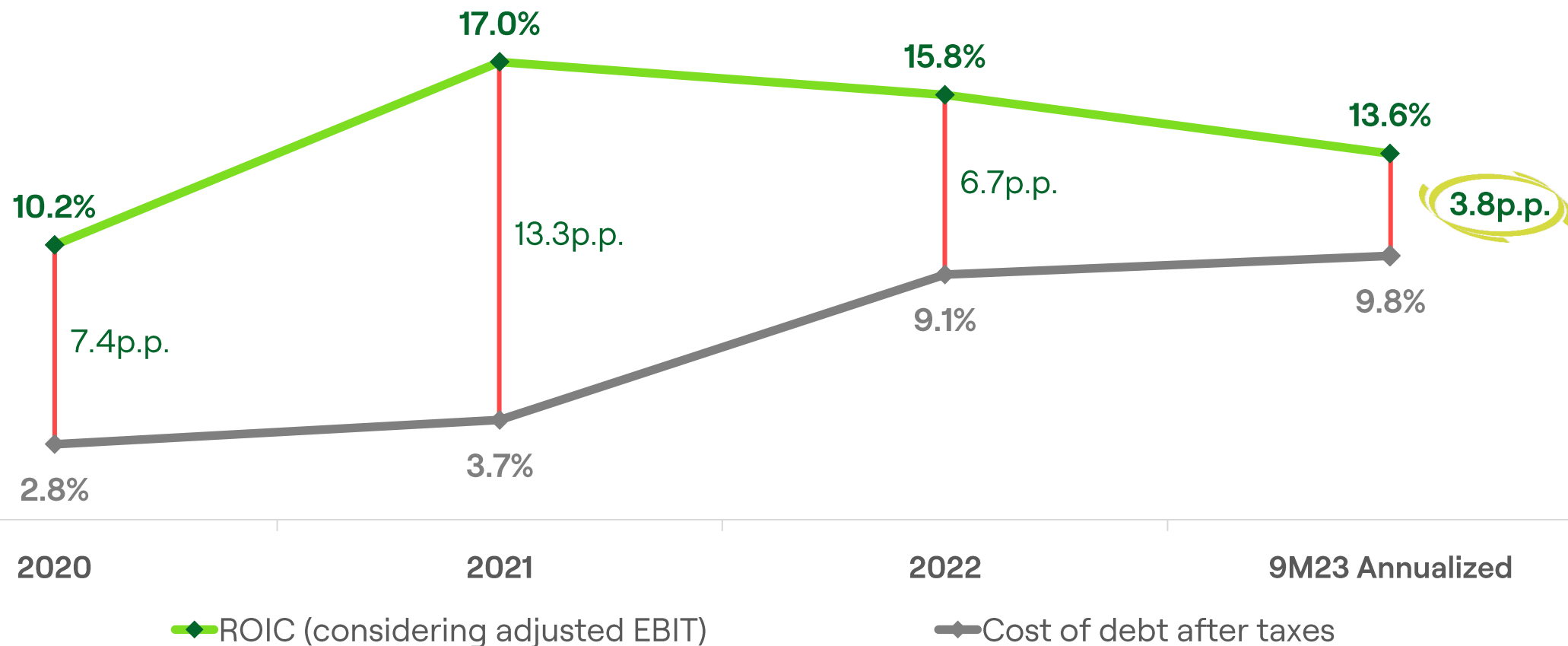


EBITDA vs. Net financial expenses LTM

R\$ million



COMFORTABLE DEBT RATIOS, MAINLY EVIDENCED BY THE NET DEBT TO THE FLEET VALUE



Annualized ROIC 9M23 calculated:

$\text{NOPAT} = \text{EBIT} \times (1 - \text{effective income tax rate}); \text{Invested Capital} = \text{Net Debt} + \text{PL} - \text{Goodwill}$

ANNUALIZED ROIC OF 13.6%

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ri.localiza.com

Email: ri@localiza.com

Telephone: 55 31 3247-7024

