

Operator:

Good morning, and welcome to Localiza&Co's webinar on the third quarter 2025 results. Joining us today are Rodrigo Tavares, CFO, and Nora Lanari, Head of Investor Relations at the Company.

Please note that this webinar is being recorded and will be available at ri.localiza.com, where the full earnings release materials are also available. The presentation is also available for download on the IR website.

For the Q&A session for analysts and investors, we recommend signaling your interest in participating via the Q&A icon at the bottom of your screen, typing your NAME, INSTITUTION, and LANGUAGE. When called upon, a prompt will appear on your screen to activate your microphone. Questions may be asked in either Portuguese or English.

To submit written questions, use the Q&A icon at the bottom of your screen and enter your NAME and INSTITUTION before your question.

Please note that the figures in this presentation are in millions of Reais and follow IFRS standards. We emphasize that the information contained in this presentation and any statements made during the conference regarding business outlook, projections, and operational and financial targets of Localiza represent the beliefs and assumptions of the Company's Management, as well as currently available information. Forward-looking statements are not guarantees of future performance. They involve risks, uncertainties, and assumptions, as they refer to future events and therefore depend on circumstances that may or may not occur.

Now, I'll hand it over to Rodrigo Tavares, CFO of the Company, to begin the presentation.

Rodrigo Tavares:

Good morning, everyone, and thank you for joining our third quarter 2025 webinar.

In the third quarter of 2025, we maintained a consistent trajectory of executing our strategic priorities, focusing on restoring the ROIC spread and consolidating operational and financial efficiency gains.

The results for this quarter, adjusted for the effects of the IPI reduction, reflect solid progress on this agenda. We reported net revenue of R\$10.7 billion, EBITDA of R\$3.5 billion, EBIT of R\$2.3 billion, and net income of R\$871 million. The annualized ROIC for the quarter reached 15.4%, with a spread of 5.3 p.p. over the cost of debt.

Guided by a long-term vision and a commitment to generating sustainable value, we continue to execute our strategy with discipline and a focus on continuous transformation. Our investments in innovation drive improvements in customer experience and operational excellence across all divisions.

In Car Rental, initiatives such as the AI-powered virtual assistant "Liza" handle more than 4,000 daily interactions with an NPS above 85, delivering agility and resolution in over 90% of cases without human intervention. Another highlight is FAST Digital Pickup, a benchmark in industry innovation, available in 252 branches, where one out of three individual customer contracts is opened fully autonomously. This generates significant productivity gains and supports our trajectory toward reaching 1 million contracts in 2025. FAST customers report higher NPS scores for the pickup experience and indicate that this journey will influence their next rental decision.

In Fleet Rental and Localiza Meoo, results are strengthened by initiatives that enhance customer experience, such as Localiza PitStop, which since 2019 has offered high-quality maintenance in private, and comfortable environments. The process ensures excellence standards combined with

cost efficiency, allowing customers to maintain their routine while their vehicle is serviced with convenience and agility. Additionally, the digital journey for these customers has evolved consistently, driven by vehicle connectivity, which improves management, enhances safety, and delivers smart solutions for a more integrated experience.

In Operations and Seminovos, we reaffirm our commitment to high standards of quality and trust through rigorous inspections carried out in our 15 Deactivation Centers, where 360 items are evaluated by specialized professionals using cutting-edge technology, ensuring technical precision and operational excellence. These practices reinforce brand credibility and guarantee that every seminovo delivered exceeds customer expectations.

In 3Q25, we continued investing in the evolution of our technology stack, cloud solutions, and artificial intelligence initiatives, positioning the Company for the future. These advancements strengthen our competitive edge, elevate customer experience, and increase the value delivered to all stakeholders.

This quarter, we recognized the one-off effect of the IPI reduction in our results, totaling R\$929 million in pre-tax impact, including R\$137 million in Impairment Adjustments, affecting EBITDA, and R\$792 million in additional depreciation. Unless otherwise indicated, year-over-year comparisons in this presentation will exclude these effects.

To present the details of the third quarter of 2025, I'll hand it over to our Head of Investor Relations, Nora Lanari.

Nora Lanari

Thank you, Bruno, and good morning, everyone. On slide 2, we begin with the Car Rental division in Brazil. In 3Q25, net revenue for the Car Rental division reached R\$2.6 billion, a 6.2% increase compared to 3Q24, driven by the rise in the average daily rate despite a strong comparison base, and stable volume.

On slide 3, we show a 5.7% increase in the average daily rate for the quarter, which ended at R\$150. The utilization rate rose 0.9 p.p., reaching 80.8%, reflecting efficient pricing and mix management.

Moving to slide 4, we present the Fleet Rental division, which posted net revenue of R\$2.3 billion, 6.0% higher than the same period last year. We continued reducing exposure to severe-use vehicle contracts, which ended the period with around 20,000 cars versus 31,000 in December 2024. The volume impact was more than offset by the increase in the average daily rate, contributing to the recovery of return levels in this division.

On slide 5, we show the average daily rate of R\$104, 8.5% higher than in 3Q24. The utilization rate of 94.9% reflects the reduction in severe-use contracts, which require longer preparation and deactivation times.

Moving to slide 6, we present the revenue evolution of Seminovos, which reached R\$5.8 billion, a 14.6% increase compared to 3Q24. Average selling prices rose in both Car Rental and Fleet Rental divisions, mainly reflecting a better model/model mix.

On slide 7, we highlight the significant reduction in average mileage at sale. The Company continues to reduce average mileage, especially in wholesale, contributing to higher selling prices and lower maintenance costs. The age and mileage of sold cars continue to show a gradual downward trend over the coming quarters.

On slide 8, we present the car purchase and sale volumes. In the quarter, 77,344 cars were purchased—50,930 in Car Rental and 26,414 in Fleet Rental—and 75,473 cars were sold, a historical record for the Company.

After a second quarter impacted by the IPI reduction announcement, we saw a recovery in sales volumes in 3Q25, contributing to a slight reduction in the average age of sold cars in Car Rental to 21.3 months.

Following the decree that reduced the IPI rate for entry-level cars, we observed a gradual adjustment in Seminovos prices throughout the quarter. Despite the impact of the IPI reduction on Seminovos prices, we recorded an increase in the average ticket in 3Q25, mainly due to a better model/year mix.

On slide 9, we show the evolution of average purchase and sale prices. In Car Rental, the average purchase price was R\$82.5 thousand and the average sale price reached R\$73.6 thousand in 3Q25, resulting in a fleet renewal investment of R\$8.9 thousand per car—significantly lower than the R\$18.1 thousand in 3Q24, reflecting gradual fleet rejuvenation.

In Fleet Rental, the average purchase price was R\$97.4 thousand in 3Q25, while the average sale price was R\$83.1 thousand, resulting in a renewal investment of R\$14.3 thousand—lower than the R\$20.6 thousand in 3Q24, mainly reflecting the sales mix and the participation of heavy vehicles.

On slide 10, we show the end-of-period fleet. The Company ended the quarter with a fleet of 632,267 cars in Brazil, stable compared to 3Q24. In Fleet Rental, the reduction in end-of-period fleet reflects portfolio optimization, with reduced exposure to heavy-use contracts.

Moving to slide 11, the Company posted consolidated revenue of R\$10.7 billion, a 10.8% increase in 3Q25 compared to the same period last year. Rental revenue grew 6.1%, totaling R\$4.9 billion, while Seminovos revenue reached R\$5.8 billion, a 15.1% increase year-over-year.

On slide 12, we present consolidated EBITDA. In the quarter, EBITDA was impacted by R\$137 million due to the expected effects of the IPI reduction. Excluding these effects, adjusted consolidated EBITDA totaled R\$3.5 billion, a 6.8% increase year-over-year.

In 3Q25, the adjusted EBITDA margin for Car Rental was 67.7%, a 3.5 p.p. increase year-over-year, reflecting rental pricing improvements combined with efficient cost and productivity management. Rental revenue increased R\$151 million while costs and expenses decreased R\$37 million. Maintenance and preparation costs saw a significant year-over-year reduction. On the other hand, SG&A increased due to higher provisions for doubtful accounts and increased technology spending, mainly related to artificial intelligence.

In Fleet Rental, the adjusted margin was 73.4%, a 3.5 p.p. increase compared to 3Q24. The margin was positively impacted by accelerated tax credits, with a one-off effect of R\$50.6 million. The SG&A increase reflects higher provisions for doubtful accounts, showing caution regarding the macroeconomic scenario.

Seminovos posted an adjusted margin of 2.6%. In 3Q25, we again saw increases in sales volumes and average prices, contributing to the dilution of selling expenses, which dropped from 5.6% of net revenue in 3Q24 to 4.8% in 3Q25. This quarter, R\$118 million was recognized as an

adjustment to the book value of cars available for sale whose selling prices were impacted by the IPI reduction, affecting the accounting margin for the quarter.

On slide 13, we show the evolution of annualized average depreciation per car.

In 3Q25, the Car Rental division posted annualized average depreciation per car of R\$7,652, excluding the effects of the IPI reduction, a slight sequential increase as expected by the Company. Including the IPI effect, depreciation would be R\$15,177.

In Fleet Rental, annualized average depreciation per car was R\$8,602, excluding IPI effects, following the upward trend signaled by the Company. Including IPI effects, depreciation totaled R\$12,298.

On slide 14, we show adjusted EBIT of R\$2.3 billion, an 11.2% increase year-over-year. The impact of the IPI reduction in the quarter totaled R\$929.2 million.

To present net income, I'll hand it back to Rodrigo.

Rodrigo Tavares:

On slide 15, we present adjusted net income of R\$871 million, excluding the effects of the IPI reduction.

The 7.3% increase in adjusted net income in 3Q25 compared to 3Q24 reflects a R\$224 million increase in EBITDA, partially offset by a R\$175 million increase in net financial expenses due to higher CDI and debt balance during the period.

On slide 16, we present free cash flow before interest. In 9M25, cash generated from rental activities was partially consumed by capex for cars and other fixed assets, as well as a reduction in accounts payable to automakers. Free cash flow before interest totaled R\$4.5 billion.

On slide 17, we show net debt movement, which ended the quarter at R\$31.1 billion, a 3% increase compared to debt as of 31/12/2024.

Moving to slide 18, we present the debt profile. The Company ended the quarter with R\$12.3 billion in cash, enough to cover short-term debt and accounts payable to automakers. We continue active debt management to capture cost reduction and duration extension opportunities.

On slide 19, we present debt ratios, highlighting net debt to fleet value at a comfortable level, even with the reduction in fleet value due to the IPI tax cut. The net debt/EBITDA ratio continues to improve, reflecting our pricing recovery and cost efficiency agenda.

Finally, on slide 20, we present the ROIC spread. In 9M25, the Company posted an increase in adjusted ROIC, which closed the period at 14.3%, contributing to a spread of 4.5 p.p. over the cost of debt. It's important to highlight that 3Q25 brought an annualized adjusted ROIC of 15.4% and a spread of 5.3 p.p., in line with the Company's goal of restoring return levels.

Before we start the Q&A, in our view this was a very strong quarter:

1. RAC:
 - a. strong performance

- b. productivity
 - c. utilization rate
 - d. sequential growth in volume and price
2. Fleet:
- a. Portfolio consistently improving
 - b. Target segments are already at the right ROIC SPREAD and growing revenue double digit
3. Depreciation both in rent a car and fleet under control
4. Seminovos:
- a. Record volumes
 - b. Gross margin at a healthy level
 - c. SG&A being diluted, with focus in productivity
 - d. Seminovos margin stable going forward
5. Issuances and cash flow
- a. Strong cash flow generation
 - b. Reduce spread and increase duration

On a final remark we issued yesterday a material fact informing about the selling of Voll, a travel tech that we invested in 2022.

- 1. Invested yield a 5,1x return on invested capital in 3 years
- 2. With us, revenue grew 6x and Co. reached breakeven
- 3. We maintain the partnership through commercial agreements and remains as an important client of Voll

With that we will move to the Q&A session

Q&A Session

Felipe Nielsen, Citi: Hello everyone, thank you for taking my question and congratulations on the results. Regarding depreciation, it has already been increasing over the past quarters, but I would like to know if the company has any indication of how this trend will look in the fourth quarter and in 2026?

You mentioned that the Seminovos segment is healthy, but I would like to know if the company is perhaps accelerating the pace of Seminovos sales and fleet turnover, as this could allow for some reductions in depreciation as early as next year. And if the automotive market remains stable or even improves, would the company prefer to see all these IPI adjustments and high depreciation offset by higher margins in the Seminovos segment, or would it rather reduce depreciation more quickly and maintain a stable margin for Seminovos?

Rodrigo Tavares: Thank you, Felipe. First of all, as the market behaves today, the company sees depreciation as being under control in both fleet and car rental. Looking ahead, we would like to see the Seminovos margin increase before we start reducing depreciation. So, it is still very early to talk about depreciation. From the company's perspective, given how we see the market, we believe depreciation is appropriate in both of our segments.

Felipe Nielsen: Great, thank you.

Guilherme Mendes, JP Morgan: Hello, good morning, thank you for taking my question. I would like to know if there is still room for further tariff increases in RAC in real terms going forward. And the second question is about margins. We've mentioned in previous calls that the company expects margins to accelerate until the fleet is rejuvenated, and when that happens, what can we expect regarding RAC margins? Thank you.

Rodrigo Tavares: Thank you, Guilherme. The issue of tariffs cannot be looked at in isolation, we need to analyze utilization rate. In terms of utilization, we are seeing gradual progress. If we go further and look at the tariff divided by the total number of cars, that is what really matters. You will see that we have also been consistently improving our efficiency across all quarters. Of course, the last quarter is very strong in terms of seasonality, so tariffs go up simply for that reason. What we noticed, especially around mid-September, was a slight change in the behavior of some competitors, mainly regarding daily rates. It's not a segment where we have much exposure, so the impact on the company is not very significant, but we will continue pricing accordingly. And based on customer preferences and activity dynamics, the last quarter will be strong on tariffs due to seasonality. But specifically on daily rates, we do see some competitive pressure. In the long-term trend, it's important to highlight that you are right: as we accelerate Seminovos sales, we will capture the benefits of rejuvenating the fleet, mainly in car preparation and maintenance costs, and there are a few percentage points in EBITDA margin that can be captured.

Nora Lanari: I would like to add a few points, Guilherme, and thank you for the question. Regarding tariffs, I'd like to highlight that with the company's tariff levels, we have grown more than 4% quarter over quarter and in the average daily rate, along with utilization also increasing. And more importantly, the ROIC spread in the RAC division. This shows that we will have a lighter need to raise prices, and we are entering the fourth quarter with appetite. Regarding margins, the most important point is that the margin itself is the ROIC spread. We have room to optimize costs in the RAC division according to the fleet, and there is still some room for pricing, but if prices drop, we can adjust. So the main KPI for the company is the ROIC spread. This quarter, the company reached a record level.

Guilherme Mendes: Very clear, thank you.

André Ferreira, Bradesco BBI: Hello, good morning, Rodrigo and Nora. I have a few questions on my side, first regarding the provision for doubtful accounts and RAC management, which the company mentioned in the release was a better quarter. What drove this improvement in RAC and fleet? Does it have to do with severe usage? And the second question is about the gap between the average purchase and sale price quarter over quarter. What part is due to mix and what part is an actual comparable improvement?

Rodrigo Tavares: Thank you for the questions, André. I'll start with the first one. At the end of last year, in the fourth quarter, the company increased provisions for doubtful accounts in line with higher interest rates. So we saw a slowdown in economic activity, but since the fourth quarter, the company has raised provisions for doubtful accounts. Therefore, it's a year-over-year comparison, and the fourth quarter will be a better comparison. As a result of severe usage, the company increased doubtful accounts due to some clients, and we replaced some trucks that we are now selling. But the trend is positive, and we are seeing improvement. Most of it happened in the first half of the year. Now, in the second half, we see a more positive scenario compared to the third quarter of last year, which was strong, but sequentially, most of the improvement occurred in the first half. Regarding the price gap between purchase and sale, this trend should occur as we renew our fleet, mainly in RAC, where we will see this gap closing. This happens largely due to the model year mix. Just to give you an idea, in 2024 we started selling these cars in November of last year, while this year the company started in June, so that raises prices and reduces the renewal cost. Of course, there may be some mix adjustment, but the main factor here is that we began selling

newer cars in a model year that represents the current year, so this is an effect that was already expected.

André Ferreira: Thank you.

Lucas Esteves, Santander: Good morning, Rodrigo and Nora. Thank you for the opportunity. I have two questions. The first is about the recognition of tax credits in the fleet. I would like to know what we can expect regarding the recurrence of this tax credit. My understanding is that the company did not accelerate depreciation in the fleet compared to Locamerica before these integrations due to tax efficiency, and now the company would start recognizing and applying accelerated depreciation to the entire fleet. So, just to understand the recognition of the tax credit and how this affects fleet margins. I also want to hear about the Seminovos margin and recognizing this one-off depreciation in the period, and whether there will be depreciation with gradual increase.

Rodrigo Tavares: Lucas, you said that correctly. The tax credit before the merger did not consider accelerated depreciation for part of the fleet that remained with Locamerica. Of course, this reflects our owner mindset it doesn't make sense to recognize a credit just for accounting purposes. And now we did that in the first quarter, it started to accelerate, and we have a small one-off effect. But from now on, there is tax recognition that should be greater than before the merger in fleet, and we expect this to be a positive influence on fleet margins going forward. In Seminovos, as I mentioned, we recognized the IPI and so far we've seen the market behaving well; up to now, we are seeing stable margins for the future and should see a positive scenario for a significant margin increase. This is not our expectation in the short term. There is an impact in the fourth quarter, when companies usually give an IPVA discount, which is about 1% of the price, but even with this discount, we believe the margin should remain stable, at least in the last quarter of this year. It's a positive trend, but I wouldn't assume a margin increase, at least in the short term.

Daniel Gasparete, IBBA: Two questions from my side. The first one is for Rodrigo. What is your view on the size of the impairment? How much of this impairment do you think is conservative? And regarding the information provided so far, we see your comments and others in the market that the Seminovos segment is performing well, so in that sense, is it conservative? Second, I'd like to know a bit more about how you see the severe usage category going forward and how this could benefit margins?

Rodrigo Tavares: Thank you, Gasparete. The incremental depreciation is a technical adjustment; the company simply considers the IPI car by car, and then we had the effect that was recorded. We expect this to be conservative, but only time will tell. Many markets do not adjust everything at once. And while the market is behaving well, it's too early to decide whether this was conservative or not. Once again, it was a technical decision, without judgment from the company, simply replicating the impact and assuming that the effect on new cars would be replicated for used ones that was the methodology. Again, I hope it's conservative, but we need to wait and see if these prices will not be impacted in the future. Regarding severe usage, the main effect is not only on EBITDA margin, because these are usually priced higher, but the depreciation of Seminovos is much higher. So the main benefit is ROIC and spread, because not only do we have a higher capital base, but depreciation is also much higher than average. We started with an average of 31,000 cars and should end the year with half of that, and next year we expect to reduce by more than 50%. So gradually, severe usage will not have a major impact on our balance sheet. I believe that in 2026 we will see a cleaner result regarding the fleet, with only a small remainder of these cars on our balance sheet.

Daniel Gasparete: I have a follow-up question about severe usage. How long will it take to see the Seminovos affected by the reduction in IPI, and when will we see stabilization?

Rodrigo Tavares: It's hard to pinpoint exactly what happened in 2023, which took more than six months. So at the beginning of this year and the start of next year, we should wait to see if we have any evolution, but it's difficult to give an exact date. I think by early next year we should have a clearer view of the full effect of the IPI on the used car market.

Daniel Gasparete: A second follow-up, since you are buying cheaper cars due to the price reduction. Can we assume that the purchase and sale spread is improving?

Rodrigo Tavares: We are not only buying cheaper cars, but we are also getting other discounts. In the short term, we may see an improvement in the gap between the purchase price and the selling price, but as I mentioned before, part of this comes from the fact that we are selling newer cars, cars that are model year 2025 instead of 2024.

Daniel Gasparete: Thank you, Rodrigo.

Alberto Valério, UBS: Good morning Rodrigo and Nora, thank you for the opportunity. I have a question on my side about Seminovos as well. I remember that at Localiza Day, when the company announced the impairment last year, you mentioned the spread between what you bought and what you would sell those cars for as being negative 2 to 4%. And with the current depreciation presented after this year's impairment, we estimate that this gap will be closer to -4% than -2%. Is that correct? Is that how we should consider it going forward? That depreciation is at the right level at this moment, or should we expect any difference in the future? Thank you.

Rodrigo Tavares: Thank you, Alberto. Yes, we can get to -4 or -5, but one thing to keep in mind is that today we don't sell cars that are 15 months old or 20-21 months old, so we need to consider the impact not only of the price of a younger car, but also the impact on the channel where we sell. We sell a younger car at a higher price and we sell more at retail than we would otherwise. So, to account for your calculation, we need to consider these adjustments as well. Taking these adjustments into account, you can reach a number that is below -5. Now, if we consider 19, 20, 21 months, then yes, your numbers are quite reasonable.

Alberto Valério: If I may, a follow-up question for next year: we see some competitors optimistic about rates. Does the company share the same view that there will be a rate increase in 2026?

Rodrigo Tavares: Competitors are always optimistic. That said, we see that it depends on several factors. First, we have interest rates, which are the main driver. The company looks at the ROIC spread, it does not look at the rate individually, nor do we look at the EBITDA margin individually the company focuses on the ROIC spread. So I believe the company is very well prepared for the next cycle. Our utilization efficiency is very strong. As I mentioned, we are ready to focus on daily rentals, even if the competitive environment is more challenging in those specific segments. So it depends on all these parameters, but I believe we will have a very strong implication here. That said, for the first quarter in RAC, we reached the ROIC spread range, and in the next quarter, it is even stronger due to seasonality. So, once again, I believe the company has done its homework and is ready for the next cycle.

Alberto Valério: Thank you very much, that's very clear.

Lucas Marchiori, BTG Pactual: Hello, everyone. Good morning. I have two questions as well. One is a follow-up on overall RAC trends. You talked about rates and their dynamics, but if you are buying cheaper cars, and if the company looks at the yield trend and how you price based on a lower overall fleet cost, would you say that the margin yield is better looking ahead, since you are buying cheaper cars? Is there such a trend for 2026?

And the second question on the cost agenda, I know the company has been talking about this for some time now. When should the company start to see the real benefits of integration? And does

the company believe that in a strong season like the fourth quarter we will see better figures in RAC and Fleet, aside from the tax credit and cost-related issues?

Rodrigo Tavares: Lucas, in RAC mainly, this is not the best metric we should follow. I can give you several examples. A monthly rental of 5 thousand per month has a good return, high yield, and economy cars have a higher yield because the fixed cost is higher, so for the store, for rental, I need a higher yield. So yield is not the best metric. If you consider the entire fleet, the operational side also to check this, I prefer to look at returns rather than yield, and as I said, the company has delivered a strong price increase, whether you adjust for utilization or even without the utilization adjustment.

You are talking about the benefits of integration, the benefit is greater in Fleet because you have operational procedures that are simplified here and of course there are also challenges when the company changes a system and incorporates it. But the company is already seeing many benefits, we see margin increases and cost control, the company has invested more, mainly in technology, so it will be gradual. We are not going to see a one-off of this in the next quarter, it will be gradual. But the main lever here is to rejuvenate our fleet, to renew our fleet in RAC.

We have just completed the integration of systems in RAC, sorry in Fleet, and we should see other synergies being captured in the fourth quarter. But that said, we mentioned in the release that the ROIC spread for this segment is already in line with our target, so the company does not need to further increase the EBITDA margin, and if interest rates fall, the company can benefit from that. That is why we say the best metric is the ROIC spread and not the margin itself. That said, subscriptions are one of the segments that has been growing rapidly, and this segment uses the car less and depreciation is lower, and we can adjust the margin with that. So just to reinforce the point, we have margin gains ahead and we have an efficiency and cost agenda that will help the margin, but we will continue following the ROIC spread and pricing eventually, then yield in RAC. Conceptually, an impact as small as possible on price would be excellent to help demand, so we are doing our homework on the cost side to impact the rate less. So yield is not the best metric for the company; we need to consider this and cost productivity and, in the end, the capital invested to have the best idea of the ROIC spread.

João Frizo, Goldman Sachs: Good morning, everyone. Thank you for taking my question. Regarding the volume of car sales, the company is selling 76,000 cars per quarter. I would like to understand what the level should be to reach 14 or 15 months in the age of the car sold and the average sold per month, and I would like to get an idea regarding the automakers for 25 and 26.

Rodrigo Tavares: Thank you, João, I appreciate the question. First, we are delivering, as you said, 76,000–75,000 and we keep trying to increase that number. This will probably happen gradually. To reach 15 months, we need something around 85,000; that is the number the company needs to reach to get to 15 months. Once again, it is a long journey, we are increasing and this quarter was a record in sales for Localiza. We managed to increase quarter over quarter and deliver results, but this will be gradual. But once we reach the milestone of 85,000, first we need to pass the milestone of 80,000, and then we will have the fleet at an excellent level.

And with the automakers, there are many negotiations, it is too early to say about the conditions, but the company does not expect anything to change significantly. Regarding what you mentioned in the first question, the record was 75.5 thousand cars this quarter. We are at a base of 19 months, 19–20 months, so we have not yet reached 15 months, and to get there, we need to reach a little over 80,000 cars, but we are increasing the ROIC spread and will continue increasing it despite returning to 15 months. Once we get there, we will have more room to adjust prices and eventually accelerate growth.

João Frizo: Thank you, perfect.

Jens Spiess, Morgan Stanley: A follow-up on the number of cars sold, first congratulations on improving the pace of cars sold and reaching your target. For modeling purposes, should we expect the company to continue increasing this pace in the coming quarters? Do you see a

favorable dynamic in October and November so that the company can already assume a slightly higher number, or should it be similar to the number you reported?

My second question is about the impact of the IPI on the used car market. Just to clarify, you mentioned that we still need to wait to see if the impairment was conservative or not, but I wanted to know, the company did not see any impact from the IPI? Because we saw several models depreciating at a higher rate, the typical monthly range, according to Fipe. Now, regarding the impact you have already seen, could you talk about the monthly depreciation in the last quarters? That would be great, thank you.

Rodrigo Tavares: Thank you, Jens. First, the company does not provide guidance on the number of cars that will be sold in the future. Seasonality, right? The third quarter is usually strong in terms of seasonality, October is a strong month, November and December not so much, so it really depends. But that said, we do not expect anything to happen that is not gradual, neither up nor down, we do not expect anything too big regarding the IPI. We have indeed already seen some impacts; if we consider that regular depreciation should be 0.5%, 50 bps. Any number you look at, you will see that cars are depreciating more than that. This is already a reflection of the IPI. So, in the last 3 months, after the IPI reduction, cars have been depreciating more than usual, but we still do not have the full impact of the IPI, which is why I said we still need to wait and see if this will continue from now on or if cars will return to depreciating at 50 bps per month.

Nora Lanari: Jens, just a quick comment before a follow-up, in RAC we still have locations to be opened in the fourth quarter, which is where we concentrate some openings. So we are working to increase capillarity. But more important than that is commercial efficiency and sales. So we expect an improvement in cars sold gradually, but not in the fourth quarter. Usually we have a strong October but it slows down in November and December, since we have holidays, right? Sorry, you were going to ask another question? The pace of cars sold should be higher, but with a bit of seasonality.

Jens Spiess: About the IPI and considering the impairment the company made, how much has already happened, already occurred? How much cushion does the company still have from the impairment, 80%, 50%, 90%? Just an idea of how much you still have.

Rodrigo Tavares: $\frac{3}{4}$ that we already see.

Jens Spiess: Perfect, thank you.

Daniel Spielberg, BTG: Rodrigo/Nora, next year, the market is pricing in a loosening cycle starting in January. In a scenario of lower interest rates and ROIC spread converging to 7–8 percentage points, is there any reason that would prevent Localiza from applying its long-term strategy of volume growth and market consolidation?

Rodrigo: In that sense, if interest rates fall and the ROIC spread reaches the correct level, we can resume the company's growth mode. We are waiting for this strategic dilemma that, when we reach 7 and 8, right? Then we can resume another cycle of growth and market consolidation. We have a strong balance sheet that will allow the company to take any strategic option we want now with this interest rate. This depends on the company's decision whether it wants to earn a little more or increase growth.

So, considering this efficiency of interest rates in tariffs or in growth.

Rogério Araujo, BofA: Hi Rodrigo and Nora, thank you for the opportunity. Regarding ROIC spread, if I understood correctly, the idea is not that Localiza will pass this reduction in interest rates to consumers before the company reaches 7–8%, or if interest rates start to fall, does the company see a fair reduction? Something below inflation or something like that? That is the first question.

And the second question, if you could talk about your expectation for the price of new cars, there was a recent appreciation of 5%, there are Chinese brands entering Brazil, producing locally, so could you talk about the expectations for car prices and any change in the mix of automakers from which the company usually buys vehicles? Because the market is changing, will Localiza follow something similar to a market mix according to the brands? Or will you not do that in the near future?

Rodrigo Tavares: Well, first we need to reach our target regarding profitability before talking about the efficiency of interest rates through tariffs. In a scenario where rates fall and the company achieves its profitability goal, we can increase or decrease tariffs below inflation for a new growth cycle. Regarding automakers, there are some changes, but the dollar is depreciating compared to the real, and we do not believe car prices will rise more than inflation, though it is hard to see transactional prices falling. Automakers are not making big profits in Brazil; they are healthy, but it is not like they have much margin to burn here in Brazil, so the company expects a stable dynamic. Of course, there are new entrants in relation to our portfolio. We always evaluate according to expected profitability. If we understand that we can have a better return by changing or adjusting the portfolio, we will do that. But all decisions regarding portfolio adjustments will be based on our expected profitability in these purchases.

Rogério Araujo, BofA: Very good, very clear, thank you.

Rodrigo Tavares: Thank you, Rogério.

Now, to close the call, I'll hand it back to Rodrigo.

I would like to thank everyone, and we remain available should you have any other questions, thank you very much.