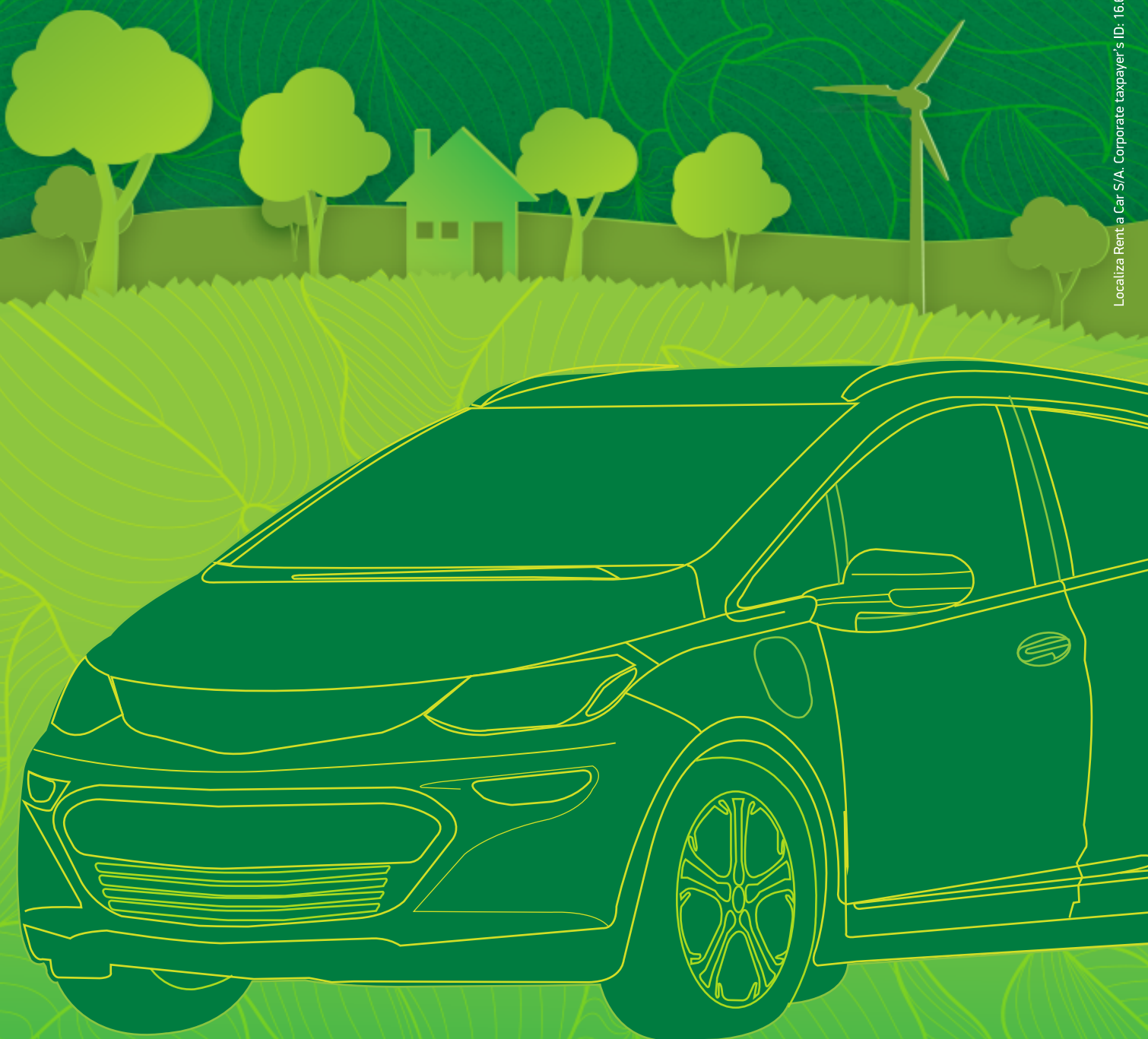


Interim Financial Information 1Q22



Localiza Rent a Car S/A. Corporate taxpayer's ID: 16.670.085/0001-55

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Company Information / Capital Structure

Number of Shares (Thousands)	Current Quarter 03/31/2022
Paid-In Capital	
Common Shares	758,467
Preferred Shares	0
Total	758,467
Treasury Shares	
Common Shares	6,272
Preferred Shares	0
Total	6,272

Individual Financial Statements / Balance Sheet – Assets**(In Thousands of Brazilian Reais)**

Code	Description	Current Quarter 03/31/2022	Prior Year 12/31/2021
1	Total Assets	22,811,034	21,453,404
1.01	Current Assets	6,535,018	5,799,406
1.01.01	Cash and Cash Equivalents	577,142	289,103
1.01.02	Financial Assets	4,001,724	3,642,455
1.01.02.01	Financial Assets at fair value through profit or loss	4,001,724	3,642,455
1.01.03	Accounts Receivable	1,151,824	1,164,104
1.01.03.01	Clients	1,151,824	1,164,104
1.01.06	Recoverable Taxes	126,437	136,666
1.01.07	Prepaid Expenses	131,130	27,556
1.01.08	Other Current Assets	546,761	539,522
1.01.08.01	Non-Current Assets Available for Sale	235,940	148,188
1.01.08.03	Other	310,821	391,334
1.01.08.03.01	Dividends Receivable	145,555	145,555
1.01.08.03.02	Derivative financial instruments	33,508	89,625
1.01.08.03.03	Other	131,758	156,154
1.02	Non-Current Assets	16,276,016	15,653,998
1.02.01	Long-Term Assets	550,480	740,936
1.02.01.01	Financial Assets at fair value through profit or loss	3,000	3,000
1.02.01.08	Prepaid Expenses	1,195	1,566
1.02.01.10	Other Non-Current Assets	546,285	736,370
1.02.01.10.03	Escrow Deposits	86,762	86,517
1.02.01.10.04	Derivative financial instruments	170,436	365,088
1.02.01.10.06	Recoverable Taxes	289,087	284,765
1.02.02	Investments	2,134,934	1,875,512
1.02.02.01	Equity Investments	2,134,934	1,875,512
1.02.02.01.02	Investments in subsidiaries	2,134,934	1,875,512
1.02.03	Property and Equipment	13,549,373	13,005,443
1.02.03.01	Property and Equipment in Use	12,535,413	12,003,478
1.02.03.02	Leased Right-of-use	992,646	985,666
1.02.03.02.02	Right-of-use	992,646	985,666
1.02.03.03	Constructions in Progress	21,314	16,299
1.02.04	Intangible Assets	41,229	32,107
1.02.04.01	Intangible	41,229	32,107
1.02.04.01.02	Software	26,430	28,953
1.02.04.01.04	Software in Progress	14,799	3,154

Individual Financial Statements / Balance Sheet – Liabilities**(In Thousands of Brazilian Reais)**

Code	Description	Current Quarter 03/31/2022	Prior Year 12/31/2021
2	Total Liabilities	22,811,034	21,453,404
2.01	Current Liabilities	3,178,655	4,207,098
2.01.01	Payroll and Related Taxes	283,979	250,533
2.01.01.01	Related Taxes	27,480	30,935
2.01.01.02	Payroll	256,499	219,598
2.01.02	Trade Payables	1,093,157	1,490,280
2.01.02.01	Domestic Suppliers	1,092,986	1,490,153
2.01.02.02	Foreign Suppliers	171	127
2.01.03	Taxes Payable	8,692	6,416
2.01.03.01	Federal Taxes Payable	5,144	3,187
2.01.03.01.02	Other Federal Taxes	5,144	3,187
2.01.03.03	Municipal Taxes Payable	3,548	3,229
2.01.04	Loans and Financing	1,100,857	1,725,157
2.01.04.01	Loans and Financing	494,861	565,859
2.01.04.01.01	In Local Currency	4,345	340,246
2.01.04.01.02	In Foreign Currency	490,516	225,613
2.01.04.02	Debentures	605,996	1,159,298
2.01.05	Other Payables	691,970	734,712
2.01.05.01	Payables to Related Parties	2,906	233
2.01.05.01.02	Payables to Subsidiaries	2,906	233
2.01.05.02	Other	689,064	734,479
2.01.05.02.01	Dividends and Interest on Capital Payable	300,059	288,849
2.01.05.02.04	Other Current Liabilities	184,110	261,884
2.01.05.02.05	Derivative financial instruments	38,213	8,560
2.01.05.02.06	Unearned Revenue	1,454	1,454
2.01.05.02.07	Right-of-use Lease Liability	165,228	173,732
2.02	Non-Current Liabilities	11,595,746	9,629,216
2.02.01	Loans and Financing	9,500,666	7,633,064
2.02.01.01	Loans and Financing	1,247,059	1,764,710
2.02.01.01.01	In Local Currency	397,458	397,101
2.02.01.01.02	In Foreign Currency	849,601	1,367,609
2.02.01.02	Debentures	8,253,607	5,868,354
2.02.02	Other Payables	1,040,748	1,049,954
2.02.02.02	Other	1,040,748	1,049,954
2.02.02.02.03	Other Non-Current Liabilities	27,082	23,775
2.02.02.02.04	Right-of-use Lease Liability	912,172	891,502
2.02.02.02.05	Derivative financial instruments	101,494	134,677
2.02.03	Deferred Taxes	941,091	808,299
2.02.03.01	Deferred Income Tax and Social Contribution	941,091	808,299
2.02.04	Provisions	111,305	135,622
2.02.04.01	Provision for Tax, Social Security, Labor and Civil Risks	111,305	135,622
2.02.04.01.05	Provision for Tax, Social Security, Labor and Civil Risks	111,305	135,622
2.02.06	Unearned Profit and Revenue	1,936	2,277

Individual Financial Statements / Balance Sheet – Liabilities**(In Thousands of Brazilian Reais)**

Code	Description	Current Quarter 03/31/2022	Prior Year 12/31/2021
2.02.06.02	Unearned Revenue	1,936	2,277
2.03	Equity	8,036,633	7,617,090
2.03.01	Paid-In Capital	3,956,889	3,956,889
2.03.01.01	Capital	4,000,000	4,000,000
2.03.01.02	Expenses on the issuance of shares, net of tax effects	-43,111	-43,111
2.03.02	Capital Reserves	53,344	40,890
2.03.02.05	Treasury Shares	-161,976	-162,074
2.03.02.07	Share Issuance Premium and Stock Options Granted	215,320	202,964
2.03.04	Earnings Reserves	3,618,430	3,618,430
2.03.04.01	Legal Reserve	375,157	375,157
2.03.04.02	Statutory Reserve	3,243,273	3,243,273
2.03.05	Retained Earnings (Accumulated Losses)	407,080	0
2.03.08	Other Comprehensive Income	890	881
2.03.08.01	Valuation adjustments	890	881

Individual Financial Statements / Statement of Income**(In Thousands of Brazilian Reais)**

Code	Description	Accumulated for the	
		Current Quarter 01/01/2022 to 03/31/2022	Current Year 01/01/2021 to 03/31/2021
3.01	Revenue from Sales and/or Services	2,140,652	2,297,368
3.02	Cost of Sales and/or Services	-1,197,217	-1,490,589
3.03	Gross Profit	943,435	806,779
3.04	Operating Income (Expenses)	-106,317	-158,303
3.04.01	Selling Expenses	-182,699	-247,404
3.04.02	General and Administrative Expenses	-86,601	-60,118
3.04.05	Other Operating Expenses	3,676	-2,950
3.04.06	Equity in the Earnings of Subsidiaries	159,307	152,169
3.05	Profit (Loss) Before Finance Income (Expenses) and Taxes	837,118	648,476
3.06	Finance Income (Expenses)	-186,849	-30,294
3.06.01	Finance Income	97,063	18,440
3.06.02	Finance Expenses	-283,912	-48,734
3.07	Net Income Before Income Taxes	650,269	618,182
3.08	Income Tax and Social Contribution on Profit	-132,846	-135,926
3.08.01	Current	0	-73,469
3.08.02	Deferred	-132,846	-62,457
3.09	Net Income from Continuing Operations	517,423	482,256
3.11	Net Income for the Period	517,423	482,256
3.99.01	Basic Earnings per Share		
3.99.01.01	Common Shares	0,68788	0,64157
3.99.02	Diluted Earnings per Share		
3.99.02.01	Common Shares	0,68357	0,64068

Individual Financial Statements / Statement of Comprehensive Income**(In Thousands of Brazilian Reais)**

Code	Description	Current Quarter 01/01/2022 to 03/31/2022	Accumulated for the Current Year 01/01/2021 to 03/31/2021
4.01	Net Income for the Period	517,423	482,256
4.02	Other Comprehensive Income	9	0
4.02.01	Adjustments of Financial Instruments	-160	0
4.02.02	Taxes on Adjustments of Financial Instruments	54	0
4.02.03	Effect of equity method of financial instruments - Subsidiary	115	0
4.03	Comprehensive Income for the Period	517,432	482,256

Individual Financial Statements / Statement of Cash Flows – Indirect Method (In Thousands of Brazilian Reais)

Code	Description	Accumulated for the Current Year 01/01/2021 to 03/31/2021	Accumulated for the Prior Year 01/01/2020 to 09/30/2020
6.01	Net Cash Provided by Operating Activities	-913,860	-160,640
6.01.01	Cash Provided by Operations	735,274	344,930
6.01.01.01	Net Income for the Period	517,423	482,256
6.01.01.02	Depreciation and Amortization	165,957	77,800
6.01.01.03	(Gain) /loss on the sale or write-off of decommissioned cars	-189,675	-220,047
6.01.01.04	Deferred Income Tax and Social Contribution	132,846	62,457
6.01.01.05	Equity in the Earnings of Subsidiaries	-159,307	-152,169
6.01.01.06	Other	12,250	4,389
6.01.01.07	Provisions for risks	-24,317	-770
6.01.01.08	Interest on Loans, Financing, Debentures and Derivatives	262,633	27,544
6.01.01.09	Lease interest	23,169	20,220
6.01.01.10	Other provisions	6,178	15,667
6.01.01.12	Allowance for doubtful debts	-11,883	27,583
6.01.02	Changes in Assets and Liabilities	-1,837,095	-1,660,458
6.01.02.01	Trade Receivables	24,141	482
6.01.02.02	Acquisition of Cars, Net of Changes in Balances with Car Manufacturers	-1,706,658	-1,687,090
6.01.02.03	Escrow Deposits	-245	-1,341
6.01.02.04	Recoverable Taxes	9,370	-14,107
6.01.02.05	Prepaid Expenses	-103,203	-79,684
6.01.02.06	Other Current and Non-Current Assets	18,186	19,449
6.01.02.07	Trade Payables (Except Car Manufacturers)	-36,841	33,180
6.01.02.08	Payroll and Related Taxes	33,446	55,692
6.01.02.09	Income Tax and Social Contribution	0	73,469
6.01.02.11	Insurance Premiums	4,638	-5,495
6.01.02.12	Other Current and Non-Current Liabilities	-79,929	-55,013
6.01.03	Other	187,961	1,154,888
6.01.03.01	Revenue on the sale of the decommissioned cars, net of taxes	801,925	1,317,722
6.01.03.02	Income tax and social contribution paid	0	-73,406
6.01.03.03	Interest paid on borrowings, debt securities and derivatives	-242,980	-30,682
6.01.03.04	Short-term investments	-359,269	-48,169
6.01.03.05	Lease interest paid	-11,715	-10,577
6.02	Net Cash Provided by Investing Activities	-131,827	-30,113
6.02.01	Capital increase in subsidiary	-100,000	0
6.02.03	Purchase of Other Property and Equipment	-20,181	-28,444
6.02.04	Purchase of Intangible Assets	-11,646	-1,669
6.03	Net Cash Provided by Financing Activities	1,333,726	-289,211
6.03.01	Loans, Financing and debt securities - funding	2,486,301	456,255
6.03.02	Loans, Financing and debt securities - repayments/ buyback	-1,015,573	-645,986
6.03.06	Interest on Capital	-97,157	-63,812
6.03.08	Exercise of stock options with treasury shares, net	104	88
6.03.10	Lease liability - repayments	-39,949	-35,756
6.05	Increase (Decrease) in Cash and Cash Equivalents	288,039	-479,964
6.05.01	Opening Balance of Cash and Cash Equivalents	289,103	1,575,486
6.05.02	Closing Balance of Cash and Cash Equivalents	577,142	1,095,522

Individual Financial Statements / Statement of Changes in Equity - 01/01/2022 to 03/31/2022**(In Thousands of Brazilian Reais)**

Code	Description	Paid-In Capital	Capital Reserves, Stock Options Granted and Treasury Share	Earnings Reserves	Retained Earnings (Accumulated Losses)	Other Comprehensive Income	Equity
5.01	Opening Balances	3,956,889	40,890	3,618,430	0	881	7,617,090
5.03	Adjusted Opening Balances	3,956,889	40,890	3,618,430	0	881	7,617,090
5.04	Capital Transactions with Shareholders	0	12,454	0	-110,343	0	-97,889
5.04.03	Stock Options Granted Recognized	0	12,350	0	0	0	12,350
5.04.07	Interest on Capital	0	0	0	-110,343	0	-110,343
	Exercise of long-term incentive						
5.04.08	programs with treasury shares	0	104	0	0	0	104
5.05	Total Comprehensive Income	0	0	0	517,423	9	517,432
5.05.01	Net Income for the Period	0	0	0	517,423	0	517,423
5.05.02	Outros Resultados Abrangentes	0	0	0	0	9	9
5.05.02.01	Ajustes de Instrumentos Financeiros	0	0	0	0	-160	-160
	Tributos s/ Ajustes Instrumentos						
5.05.02.02	Financeiros	0	0	0	0	54	54
	Effect of equity method of financial						
5.05.02.06	instruments - Subsidiary	0	0	0	0	115	115
5.07	Closing Balances	3,956,889	53,344	3,618,430	407,080	890	8,036,633

Individual Financial Statements / Statement of Changes in Equity - 01/01/2021 to 03/31/2021**(In Thousands of Brazilian Reais)**

Code	Description	Paid-In Capital	Capital Reserves, Stock Options Granted and Treasury Share	Earnings Reserves	Retained Earnings (Accumulated Losses)	Other Comprehensive Income	Equity
5.01	Opening Balances	3,956,889	-578	2,096,348	0	0	6,052,659
5.03	Adjusted Opening Balances	3,956,889	-578	2,096,348	0	0	6,052,659
5.04	Capital Transactions with Shareholders	0	4,480	0	-63,739	0	-59,259
5.04.03	Stock Options Granted Recognized	0	4,392	0	0	0	4,392
5.04.07	Interest on Capital	0	0	0	-63,739	0	-63,739
5.04.08	Exercise of long-term incentive programs with treasury stock	0	88	0	0	0	88
5.05	Total Comprehensive Income	0	0	0	482,256	0	482,256
5.05.01	Net Income for the Period	0	0	0	482,256	0	482,256
5.07	Closing Balances	3,956,889	3,902	2,096,348	418,517	0	6,475,656

Individual Financial Statements / Statement of Value Added**(In Thousands of Brazilian Reais)**

Code	Description	Accumulated for the	Accumulated for the Prior
		Current Year 01/01/2021 to 03/31/2021	Year 01/01/2020 to 09/30/2020
7.01	Revenues	2,306,522	2,383,889
7.01.01	Sales of Goods, Products and Services	2,275,533	2,398,708
7.01.03	Revenues Related to the Construction of Own Assets	19,106	12,764
7.01.04	Allowance for/Reversal of Doubtful Debts	11,883	-27,583
7.02	Inputs Acquired from Third Parties	-1,148,327	-1,462,793
7.02.01	Cost of Products, Goods and Services Sold	-987,336	-1,312,154
7.02.02	Materials, Power, Third-Party Services and Other	-160,991	-150,639
7.03	Gross Value Added	1,158,195	921,096
7.04	Retentions	-165,957	-77,800
7.04.01	Depreciation, Amortization and Depletion	-165,957	-77,800
7.05	Net Wealth Created	992,238	843,296
7.06	Wealth Received in Transfer	256,370	170,609
7.06.01	Equity in the Earnings of Subsidiaries	159,307	152,169
7.06.02	Finance Income	97,063	18,440
7.07	Total Wealth for Distribution	1,248,608	1,013,905
7.08	Wealth Distributed	1,248,608	1,013,905
7.08.01	Personnel	211,505	220,303
7.08.01.01	Salaries and Wages	145,660	170,508
7.08.01.02	Benefits	41,341	33,451
7.08.01.03	Severance Pay Fund (FGTS)	12,154	11,952
7.08.01.04	Other	12,350	4,392
7.08.02	Taxes, Fees and Contributions	204,440	235,801
7.08.02.01	Federal	160,543	192,069
7.08.02.02	State	37,169	37,601
7.08.02.03	Municipal	6,728	6,131
7.08.03	Lenders and Lessors	315,240	75,545
7.08.03.01	Interest	283,912	48,734
7.08.03.02	Rentals	20,778	18,554
7.08.03.03	Other	10,550	8,257
7.08.03.03.01	Other Rentals	10,550	8,257
7.08.04	Shareholders	517,423	482,256
7.08.04.01	Interest on Capital	110,343	63,739
7.08.04.03	Retained Earnings (Loss for the Period)	407,080	418,517

Consolidated Financial Statements / Balance Sheet – Assets**(In Thousands of Brazilian Reais)**

Code	Description	Current Quarter 03/31/2022	Prior Year 12/31/2021
1	Total Assets	26,733,820	25,312,056
1.01	Current Assets	7,876,225	6,942,865
1.01.01	Cash and Cash Equivalents	759,044	444,139
1.01.02	Financial Assets	4,984,506	4,565,393
1.01.02.01	Financial Assets at fair value through profit or loss	4,984,506	4,565,393
1.01.03	Accounts Receivable	1,321,449	1,310,359
1.01.03.01	Clients	1,321,449	1,310,359
1.01.06	Recoverable Taxes	134,728	146,010
1.01.07	Prepaid Expenses	167,635	29,725
1.01.08	Other Current Assets	508,863	447,239
1.01.08.01	Non-Current Assets Available for Sale	269,336	181,999
1.01.08.03	Other	239,527	265,240
1.01.08.03.02	Derivative financial instruments	56,023	89,625
1.01.08.03.03	Other	183,504	175,615
1.02	Non-Current Assets	18,857,595	18,369,191
1.02.01	Long-Term Assets	709,448	932,308
1.02.01.01	Financial Assets at fair value through profit or loss	3,000	3,000
1.02.01.04	Accounts Receivable	2,377	2,666
1.02.01.04.01	Clients	2,377	2,666
1.02.01.07	Deferred Taxes	23,927	24,291
1.02.01.07.01	Deferred Income Tax and Social Contribution	23,927	24,291
1.02.01.08	Despesas Antecipadas	1,195	1,566
1.02.01.10	Other Non-Current Assets	678,949	900,785
1.02.01.10.03	Escrow Deposits	123,242	121,805
1.02.01.10.04	Derivative financial instruments	219,439	448,085
1.02.01.10.05	Investments in restricted accounts	47,181	46,130
1.02.01.10.06	Recoverable Taxes	289,087	284,765
1.02.03	Property and Equipment	17,995,145	17,293,854
1.02.03.01	Property and Equipment in Use	17,226,861	16,528,038
1.02.03.02	Right-of-use in Lease	730,636	736,026
1.02.03.02.02	Right-of-use	730,636	736,026
1.02.03.03	Constructions in Progress	37,648	29,790
1.02.04	Intangible Assets	153,002	143,029
1.02.04.01	Intangible Assets	153,002	143,029
1.02.04.01.02	Goodwill on Acquisition of Investments	105,437	105,437
1.02.04.01.03	Software	31,295	34,358
1.02.04.01.05	Software in Progress	16,270	3,234

Consolidated Financial Statements / Balance Sheet – Liabilities**(In Thousands of Brazilian Reais)**

Code	Description	Current Quarter 03/31/2022	Prior Year 12/31/2021
2	Total Liabilities	26,733,820	25,312,056
2.01	Current Liabilities	4,202,176	4,984,500
2.01.01	Payroll and Related Taxes	312,533	276,128
2.01.01.01	Related Taxes	30,244	33,817
2.01.01.02	Payroll	282,289	242,311
2.01.02	Trade Payables	1,402,412	2,059,296
2.01.02.01	Domestic Suppliers	1,402,241	2,059,169
2.01.02.02	Foreign Suppliers	171	127
2.01.03	Taxes Payable	42,665	18,506
2.01.03.01	Federal Taxes Payable	37,888	13,934
2.01.03.01.01	Income Tax and Social Contribution Payable	29,963	8,966
2.01.03.01.02	Other Federal Taxes	7,925	4,968
2.01.03.03	Municipal Taxes Payable	4,777	4,572
2.01.04	Loans and Financing	1,739,179	1,884,758
2.01.04.01	Loans and Financing	745,827	673,472
2.01.04.01.01	In Local Currency	106,265	360,793
2.01.04.01.02	In Foreign Currency	639,562	312,679
2.01.04.02	Debentures	993,352	1,211,286
2.01.05	Other Payables	705,387	745,812
2.01.05.02	Other	705,387	745,812
2.01.05.02.01	Dividends and Interest on Capital Payable	300,059	288,849
2.01.05.02.04	Other Current Liabilities	209,518	286,170
2.01.05.02.05	Derivative financial instruments	44,156	9,124
2.01.05.02.06	Unearned Revenue	4,503	4,718
2.01.05.02.07	Right-of-use Lease Liability	147,151	156,951
2.02	Non-Current Liabilities	14,495,011	12,710,466
2.02.01	Loans and Financing	12,154,637	10,548,337
2.02.01.01	Loans and Financing	1,928,749	2,375,219
2.02.01.01.01	In Local Currency	846,014	920,886
2.02.01.01.02	In Foreign Currency	1,082,735	1,454,333
2.02.01.02	Debentures	10,225,888	8,173,118
2.02.02	Other Payables	870,704	844,360
2.02.02.02	Other	870,704	844,360
2.02.02.02.03	Other Non-Current Liabilities	27,090	27,503
2.02.02.02.04	Derivative financial instruments	152,815	134,677
2.02.02.02.05	Restricted obligations	48,005	47,003
2.02.02.02.06	Right-of-use Lease Liability	642,794	635,177
2.02.03	Deferred Taxes	1,324,669	1,147,902
2.02.03.01	Deferred Income Tax and Social Contribution	1,324,669	1,147,902
2.02.04	Provisions	139,191	163,647
2.02.04.01	Provision for Tax, Social Security, Labor and Civil Risks	139,191	163,647
2.02.04.01.05	Provision for Tax, Social Security, Labor and Civil Risks	139,191	163,647
2.02.06	Unearned Profit and Revenue	5,810	6,220

Consolidated Financial Statements / Balance Sheet – Liabilities**(In Thousands of Brazilian Reais)**

Code	Description	Current Quarter 03/31/2022	Prior Year 12/31/2021
2.02.06.02	Unearned Revenue	5,810	6,220
2.03	Consolidated Equity	8,036,633	7,617,090
2.03.01	Paid-In Capital	3,956,889	3,956,889
2.03.01.01	Capital	4,000,000	4,000,000
2.03.01.02	Expenses on the issuance of shares, net of tax effects	-43,111	-43,111

Consolidated Financial Statements / Statement of Income**(In Thousands of Brazilian Reais)**

Code	Description	Accumulated for the Current Year	
		Current Quarter 01/01/2022 to 03/31/2022	01/01/2021 to 03/31/2021
3.01	Revenue from Sales and/or Services	2,711,652	2,797,122
3.02	Cost of Sales and/or Services	-1,436,634	-1,729,858
3.03	Gross Profit	1,275,018	1,067,264
3.04	Operating Income (Expenses)	-323,051	-358,928
3.04.01	Selling Expenses	-219,550	-278,427
3.04.02	General and Administrative Expenses	-105,309	-75,883
3.04.05	Other Operating Expenses	1,808	-4,618
3.05	Profit (Loss) Before Finance Income (Expenses) and Taxes	951,967	708,336
3.06	Finance Income (Expenses)	-226,950	-22,236
3.06.01	Finance Income	128,297	27,040
3.06.02	Finance Expenses	-355,247	-49,276
3.07	Net Income Before Income Taxes	725,017	686,100
3.08	Income Tax and Social Contribution on Profit	-207,594	-203,844
3.08.01	Current	-30,469	-113,955
3.08.02	Deferred	-177,125	-89,889
3.09	Net Income from Continuing Operations	517,423	482,256
3.11	Net Income for the Period	517,423	482,256
3.11.01	Attributable to the Company's Owners	517,423	482,256
3.99	Earnings per Share (R\$/Share)		
3.99.01	Basic Earnings per Share		
3.99.01.01	Common Shares	0,68788	0,64157
3.99.02	Diluted Earnings per Share		
3.99.02.01	Common Shares	0,68357	0,64068

Consolidated Financial Statements / Statement of Comprehensive Income**(In Thousands of Brazilian Reais)**

Code	Description	Current Quarter	Accumulated for the
		01/01/2022 to 03/31/2022	Current Year 01/01/2021 to 03/31/2021
4.01	Net Income for the Period	517,423	482,256
4.02	Other Comprehensive Income	9	0
4.02.01	Adjustments of Financial Instruments	15	0
4.02.02	Taxes on Adjustments of Financial Instruments	-6	0
4.03	Comprehensive Income for the Period	517,432	482,256
4.03.01	Attributable to the Company's Owners	517,432	482,256

Consolidated Financial Statements / Statement of Cash Flows – Indirect Method**(In Thousands of Brazilian Reais)**

Code	Description	Accumulated for the Current Year 01/01/2021 to 03/31/2021	Accumulated for the Prior Year 01/01/2020 to 09/30/2020
6.01	Net Cash Provided by Operating Activities	-1,259,483	-434,228
6.01.01	Cash Provided by Operations	945,231	488,821
6.01.01.01	Net Income for the Period	517,423	482,256
6.01.01.02	Depreciation and Amortization	186,965	97,454
6.01.01.03	(Gain) /loss on the sale or write-off of decommissioned cars	-275,321	-276,979
6.01.01.04	Deferred Income Tax and Social Contribution	177,125	89,889
6.01.01.05	Other	12,371	4,410
6.01.01.06	Provisions for risks	-24,456	-912
6.01.01.07	Interest on Loans, Financing, Debentures and Derivatives	338,173	33,151
6.01.01.09	Lease interest	17,090	14,564
6.01.01.10	Other provisions	6,856	15,448
6.01.01.11	Allowance for doubtful debts	-10,995	29,540
6.01.02	Changes in Assets and Liabilities	-2,489,045	-2,016,144
6.01.02.01	Trade Receivables	-506	-2,554
6.01.02.02	Acquisition of Cars, Net of Changes in Balances with Car Manufacturers	-2,296,242	-2,042,910
6.01.02.03	Escrow Deposits	-1,437	-646
6.01.02.04	Recoverable Taxes	10,447	-14,740
6.01.02.05	Prepaid Expenses	-137,539	-105,353
6.01.02.06	Other Current and Non-Current Assets	-16,328	9,654
6.01.02.07	Trade Payables (Except Car Manufacturers)	-39,150	32,497
6.01.02.08	Payroll and Related Taxes	36,405	62,212
6.01.02.09	Income Tax and Social Contribution	30,469	113,955
6.01.02.11	Insurance Premiums	5,101	-6,080
6.01.02.12	Other Current and Non-Current Liabilities	-80,265	-62,179
6.01.03	Other	284,331	1,093,095
6.01.03.01	Revenue on the sale of the decommissioned cars, net of taxes	1,039,059	1,536,866
6.01.03.02	Income Tax and Social Contribution Paid	-9,492	-120,195
6.01.03.03	Interest paid on borrowings, debt securities and derivatives	-314,383	-72,152
6.01.03.04	Short-term investments	-419,113	-239,055
6.01.03.05	Lease interest paid	-11,740	-12,369
6.02	Net Cash Provided by Investing Activities	-40,698	-40,035
6.02.01	Purchase of Other Property and Equipment	-23,870	-34,778
6.02.02	Purchase of Intangible Assets	-13,036	-1,676
6.02.04	Company acquisition payment	-3,792	-3,581
6.03	Net Cash Provided by Financing Activities	1,615,086	-291,330
6.03.01	Loans, Financing and debt securities - funding	2,770,802	456,255
6.03.02	Loans, Financing and debt securities - repayments/ buyback	-1,018,438	-649,573
6.03.06	Interest on Capital	-97,157	-63,812
6.03.07	Exercise of Stock Options with Treasury Shares, Net	104	88
6.03.10	Lease liability - repayments	-40,225	-34,288

6.05	Increase (Decrease) in Cash and Cash Equivalents	314,905	-765,593
6.05.01	Opening Balance of Cash and Cash Equivalents	444,139	2,586,393
6.05.02	Closing Balance of Cash and Cash Equivalents	759,044	1,820,800

Consolidated Financial Statements / Statement of Changes in Equity - 01/01/2022 to 03/31/2022**(In Thousands of Brazilian Reais)**

Code	Description	Paid-In Capital	Capital Reserves, Stock Options Granted and Treasury Share	Earnings Reserves	Retained Earnings (Accumulated Losses)	Other Comprehen sive Income	Equity	Noncontrollin g Interests	Consolidated Equity
5.01	Opening Balances	3,956,889	40,890	3,618,430	0	881	7,617,090	0	7,617,090
5.03	Adjusted Opening Balances	3,956,889	40,890	3,618,430	0	881	7,617,090	0	7,617,090
5.04	Capital Transactions with Shareholders	0	12,454	0	-110,343	0	-97,889	0	-97,889
5.04.03	Stock Options Granted Recognized	0	12,350	0	0	0	12,350	0	12,350
5.04.07	Interest on Capital	0	0	0	-110,343	0	-110,343	0	-110,343
5.04.08	Exercise of long-term incentive programs with treasury shares	0	104	0	0	0	104	0	104
5.05	Total Comprehensive Income	0	0	0	517,423	9	517,432	0	517,432
5.05.01	Net Income for the Period	0	0	0	517,423	0	517,423	0	517,423
5.05.02	Outros Resultados Abrangentes	0	0	0	0	9	9	0	9
5.05.02.01	Ajustes de Instrumentos Financeiros	0	0	0	0	15	15	0	15
5.05.02.02	Tributos s/ Ajustes Instrumentos Financeiros	0	0	0	0	-6	-6	0	-6
5.07	Closing Balances	3,956,889	53,344	3,618,430	407,080	890	8,036,633	0	8,036,633

Consolidated Financial Statements / Statement of Changes in Equity - 01/01/2021 to 03/31/2021**(In Thousands of Brazilian Reais)**

Code	Description	Paid-In Capital	Capital Reserves, Stock Options Granted and Treasury Share	Earnings Reserves	Retained Earnings (Accumulated Losses)	Other Comprehensive Income	Equity	Noncontrolling Interests	Consolidated Equity
5.01	Opening Balances	3,956,889	-578	2,096,348	0	0	6,052,659	0	6,052,659
5.03	Adjusted Opening Balances	3,956,889	-578	2,096,348	0	0	6,052,659	0	6,052,659
5.04	Capital Transactions with Shareholders	0	4,480	0	-63,739	0	-59,259	0	-59,259
5.04.03	Stock Options Granted Recognized	0	4,392	0	0	0	4,392	0	4,392
5.04.07	Interest on Capital	0	0	0	-63,739	0	-63,739	0	-63,739
5.04.08	Exercise of long-term incentive programs with treasury stock	0	88	0	0	0	88	0	88
5.05	Total Comprehensive Income	0	0	0	482,256	0	482,256	0	482,256
5.05.01	Net Income for the Period	0	0	0	482,256	0	482,256	0	482,256
5.07	Closing Balances	3,956,889	3,902	2,096,348	418,517	0	6,475,656	0	6,475,656

Consolidated Financial Statements / Statement of Value Added**(In Thousands of Brazilian Reais)**

Code	Description	Accumulated for the Current Year 01/01/2021 to 03/31/2021	Accumulated for the Prior Year 01/01/2020 to 09/30/2020
7.01	Revenues	2,917,731	2,914,965
7.01.01	Sales of Goods, Products and Services	2,886,495	2,931,494
7.01.03	Revenues Related to the Construction of Own Assets	20,241	13,011
7.01.04	Allowance for/Reversal of Doubtful Debts	10,995	-29,540
7.02	Inputs Acquired from Third Parties	-1,384,278	-1,694,476
7.02.01	Cost of Products, Goods and Services Sold	-1,203,818	-1,527,468
7.02.02	Materials, Power, Third-Party Services and Other	-180,460	-167,008
7.03	Gross Value Added	1,533,453	1,220,489
7.04	Retentions	-186,965	-97,454
7.04.01	Depreciation, Amortization and Depletion	-186,965	-97,454
7.05	Net Wealth Created	1,346,488	1,123,035
7.06	Wealth Received in Transfer	128,297	27,040
7.06.02	Finance Income	128,297	27,040
7.07	Total Wealth for Distribution	1,474,785	1,150,075
7.08	Wealth Distributed	1,474,785	1,150,075
7.08.01	Personnel	253,888	256,800
7.08.01.01	Salaries and Wages	179,213	200,846
7.08.01.02	Benefits	47,716	37,841
7.08.01.03	Severance Pay Fund (FGTS)	14,609	13,721
7.08.01.04	Other	12,350	4,392
7.08.02	Taxes, Fees and Contributions	310,662	332,157
7.08.02.01	Federal	250,742	274,461
7.08.02.02	State	50,559	48,389
7.08.02.03	Municipal	9,361	9,307
7.08.03	Lenders and Lessors	392,812	78,862
7.08.03.01	Interest	355,247	49,276
7.08.03.02	Rentals	25,942	20,694
7.08.03.03	Other	11,623	8,892
7.08.03.03.01	Other Rentals	11,623	8,892
7.08.04	Shareholders	517,423	482,256
7.08.04.01	Interest on Capital	110,343	63,739
7.08.04.03	Retained Earnings (Loss for the Period)	407,080	418,517

Dear customers, employees, shareholders, and stakeholders,

We begin 2022 motivated by the perspective of restoring fleet growth and the capture of productivity initiatives and cost management that were initiated last year and together will allow greater volumes and margin expansion in the **Car Rental** and **Fleet Rental** divisions. This year will continue to present challenges in the macro and the global supply chain, but we see opportunities to increase our volume of purchase in comparison to last year. In this context, our energy will be invested in four big initiatives: Growth, Management of Costs and Productivity, Process of Integration and New Growth Opportunities. We believe that, this way, we will keep enchanting our customers and generating solid return that will allow us to push even further in the development of the sustainable mobility future.

In 1Q22, we presented important progress in the results: net revenue in the **Car Rental** division grew in 36%, surpassing R\$1.3 billion, with EBITDA margin of 57%. As mentioned in our last results call, after revisiting our internal process for car theft, we had significantly lower costs related to this subject, contributing to the margin expansion. We believe that with a more intense use of data science and telemetry there will still be opportunities in reducing the costs of fraud, non-payment, and accidents too, as well as the capture of additional revenue through new solutions offered to our clients.

The customer experience continues to be our main priority. Despite the increase in our fleet useful life, our NPS remains at a level of excellence. To maintain this, we keep managing the allocation of our cars by segment according to mix and average mileage, while investing efforts in the maintenance protocol e car preparation.

In the **Fleet Rental** division, we accelerated our sequential growth rhythm (1Q22/4Q21) and reached a revenue of R\$345 million, with an annual growth of 23% and EBITDA margin of 64%, even though the backlog of delivery is still behind schedule. In the quarter, we kept a consistent sale pace regarding the **Fleet Rental** and Localiza Meoo, our subscription car.

For the consolidated result, the Company's revenues reached R\$2.7 billion, EBITDA of R\$1.1 billion and a net profit of R\$517 million. The annualized ROIC of the quarter totaled 18.6% and the spread in relation to the debt cost after taxes was of 11 percentage points, result of our long-term vision and Company discipline in capital allocation, along with the search for continuous value generation, even in a context of increasing interest rates and new car prices.

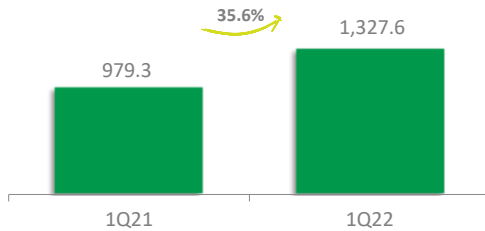
We ended 1Q22 with the net debt/EBITDA ratio of 2.0x and kept our AAA rating by the 3 main agencies. Localiza finds itself in a favorable competitive position to seize growth opportunities alongside with value creation, keeping in sight its strong balance sheet and the perspective for a gradual restoration of production levels by suppliers.

We have started the year with expressive results also in the sustainability side. To mention a few of those, we launched a program called *Neutraliza*, which allows our clients to neutralize the emissions during their rental period and we altered our policy to incentivize ethanol usage. We surpassed the milestone of over 1,000,000 kWh of clean energy generated; have joined the B3 indexes IGPTW and ELLAS13, comprised of companies with the best human resources practices also generating a positive impact in the business, and were placed among the 60 best reputation companies, according to the *Monitor Empresarial de Reputação Corporativa* (MERCOS).

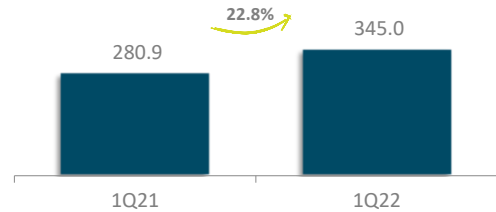
Lastly, concerning the business combination with Unidas, we kept progressing with the sales negotiation regarding the remedy established by the antitrust authority (CADE) and the process of planning the integration.

OPERATING AND FINANCIAL HIGHLIGHTS

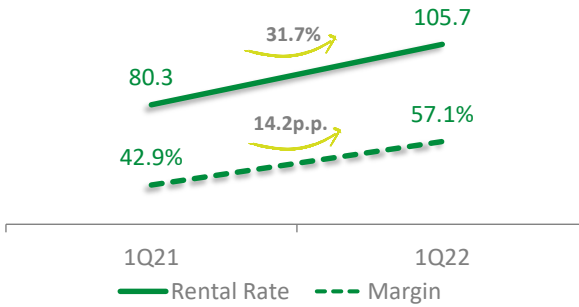
Revenue – Car Rental
R\$ million



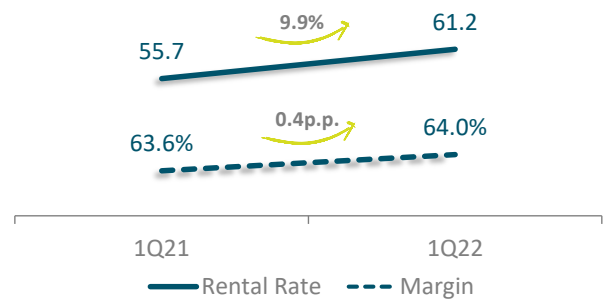
Revenue – Fleet Rental
R\$ million



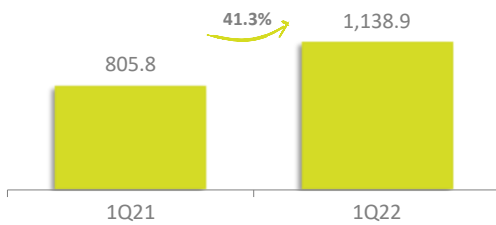
Average rental rate (in R\$) and Utilization rate (%)
Car Rental



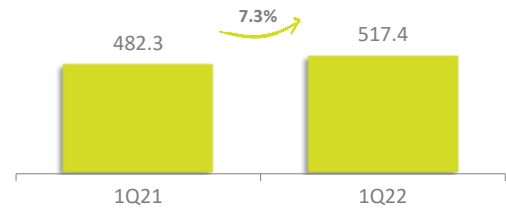
Average rental rate (in R\$) and Utilization rate (%)
Fleet Rental



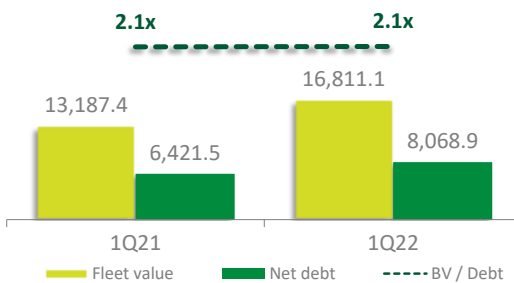
EBITDA
R\$ million



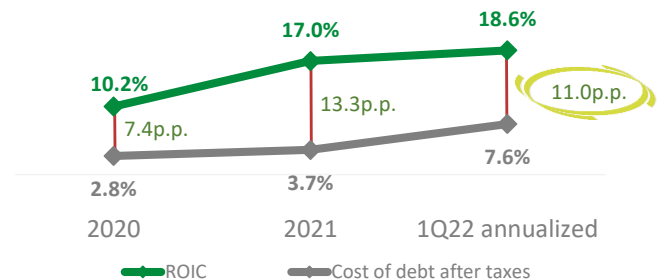
Net income
R\$ million



Net debt versus fleet value
R\$ million



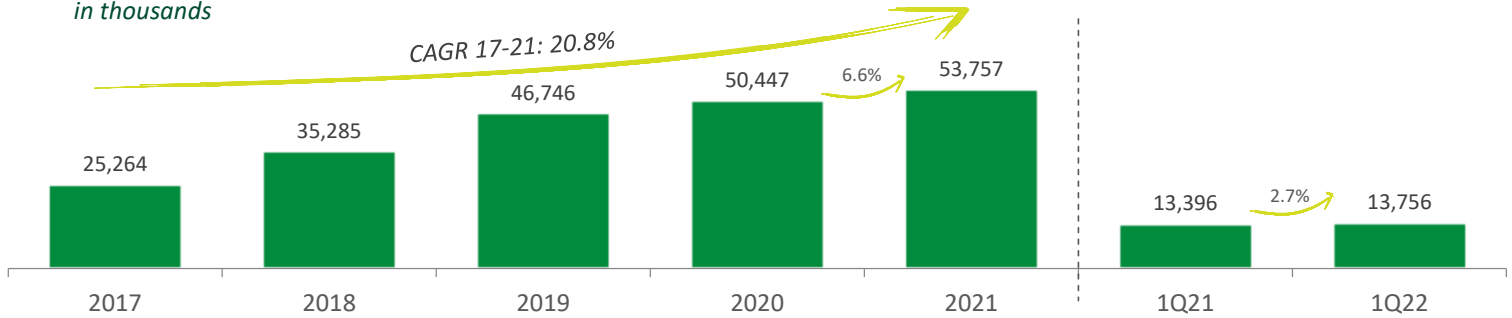
ROIC spread
%



1 - Rent a Car

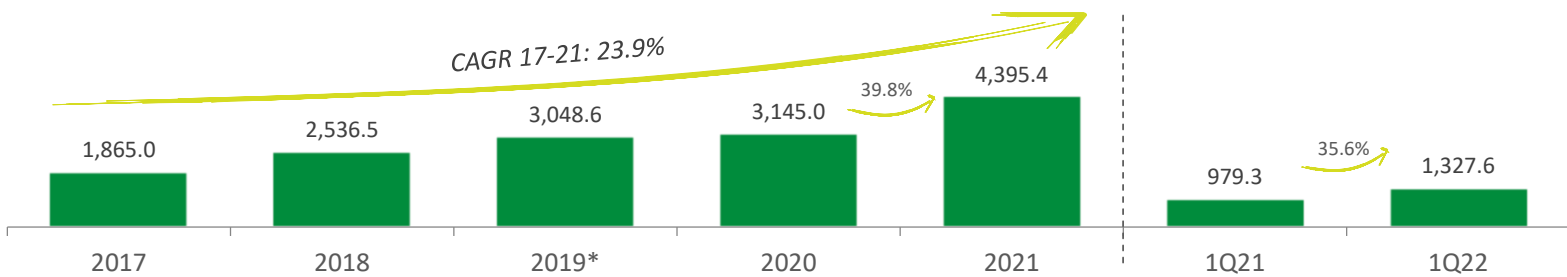
Number of rental days

in thousands



Net revenues

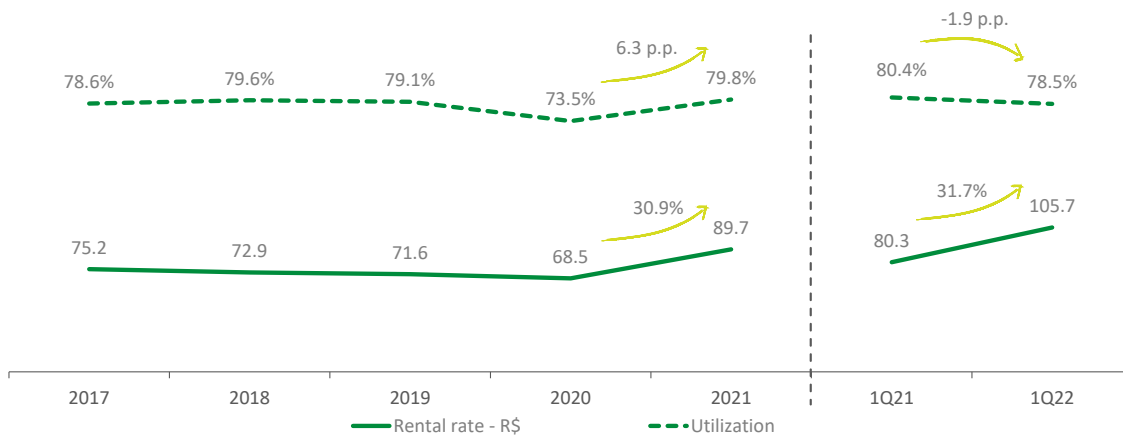
R\$ million, including royalties



(*) From 2019 the Company began to record PIS and COFINS credits in SG&A. Before, those credits were recorded as a reduction of sales taxes.

In 1Q22, the **Car Rental** net revenues grew 35.6% with a 2.7% increase in volume and 31.7% increase in rental rates, reaching R\$105.7, in comparison to 1Q21. Rising rental rates targets to rebalance the level of return of the operation in a context of higher car prices and interest rates.

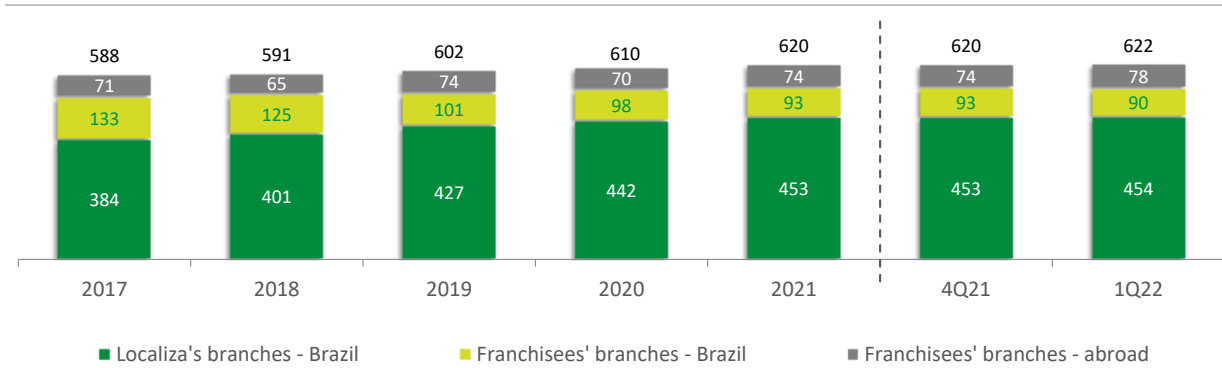
Average rental rate (in R\$) and Utilization rate (%)



The higher rental rate, combined with a more efficient car mix, offset the slower growth, due to the context of shortage in car supply.

1 – Rent a Car

Number of car rental locations - Brazil and abroad

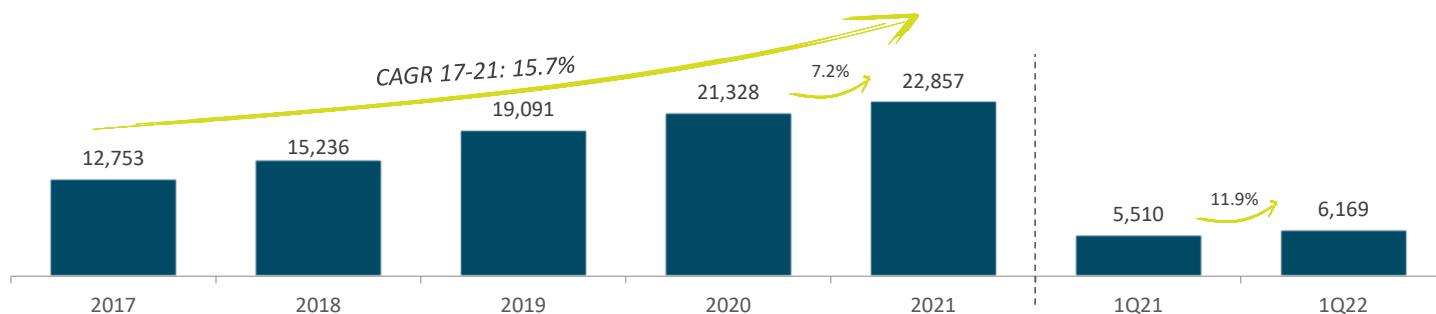


Throughout 1Q22, Localiza added 1 new corporate location, 4 international franchisees' branches, while Brazilian franchisees' branches were reduced by 3. We ended the period with 622 locations, being 544 in the Brazilian territory and 78 spread between other 4 countries in South American.

2 – Fleet Rental

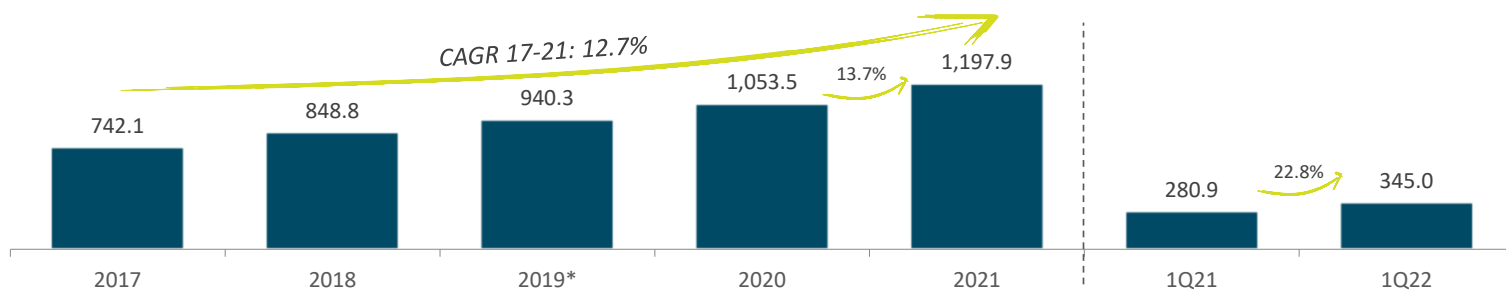
Number of rental days

in thousands



Net revenues

R\$ million



(*) From 2019 the Company began to record PIS and COFINS credits in SG&A. Before, those credits were recorded as a reduction of sales taxes.

In 1Q22, **Fleet Rental** Division accelerated the sequential and annual growth and registered an 11.9% increase in the number of rental days and 22.8% in net revenue, compared to the same period of the prior year, with the average rental rate 9.9% higher.

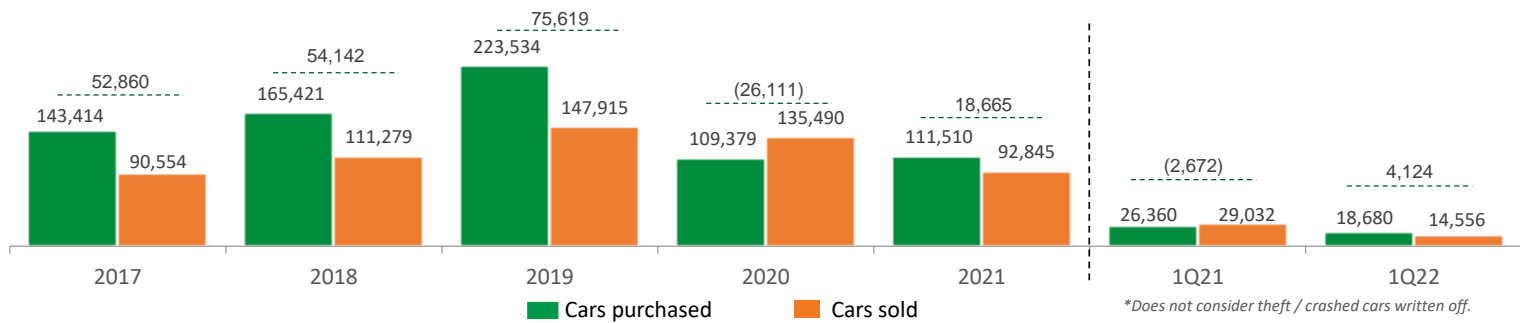
The number of new rental contracts in this division has been increasing, but still not fully reflected in the average rented fleet due to the delivery backlog, above 18 thousand cars.

3 - Fleet

3.1 – Net investment in the fleet

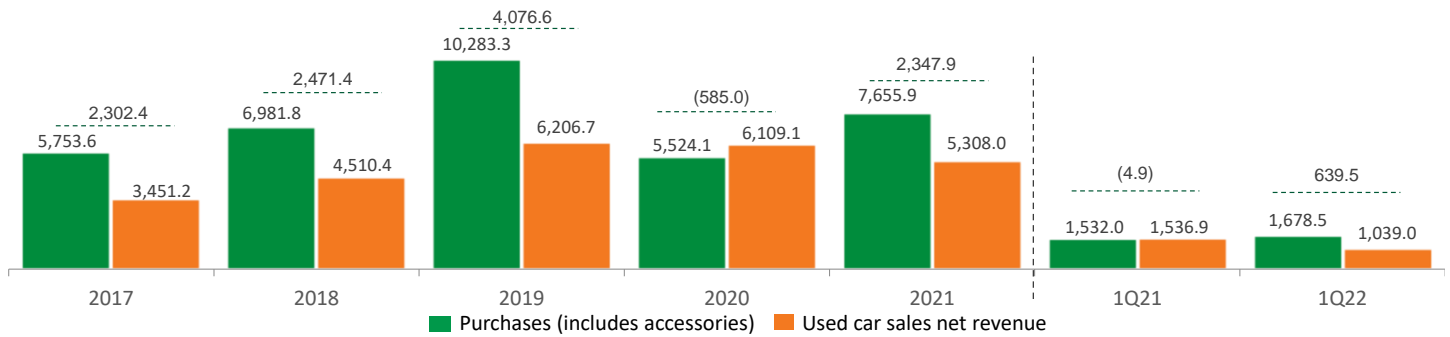
Car purchase and sales

quantity*



Net investment in fleet

R\$ million



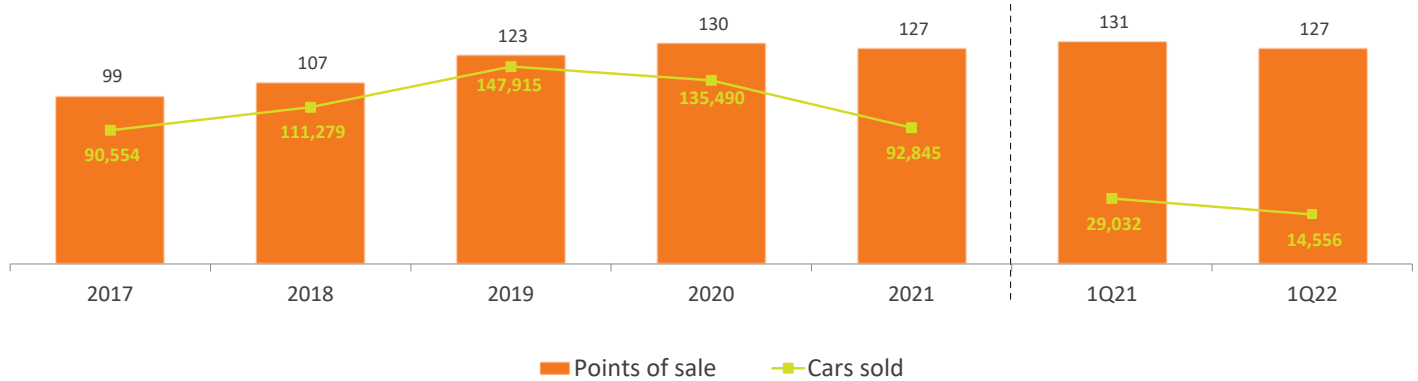
In 1Q22, we added 4,124 cars to the fleet, made possible by the reduction in the pace of cars' decommissioning, even with OEM's production still impacted by the shortage of semiconductors.

	2017	2018	2019	2020	2021	Var. %	1Q21	1Q22	Var. %
Average price of cars sold (R\$ thousand)	38.2	40.6	42.1	45.2	57.2	26.5%	53.0	71.5	34.9%

In 1Q22, the average price of cars sold increased by 34.9% compared to 1Q21, reflecting the increases in new car prices, and the sales mix at **Seminovos**.

4 – Seminovos

Number of points of sale and cars sold



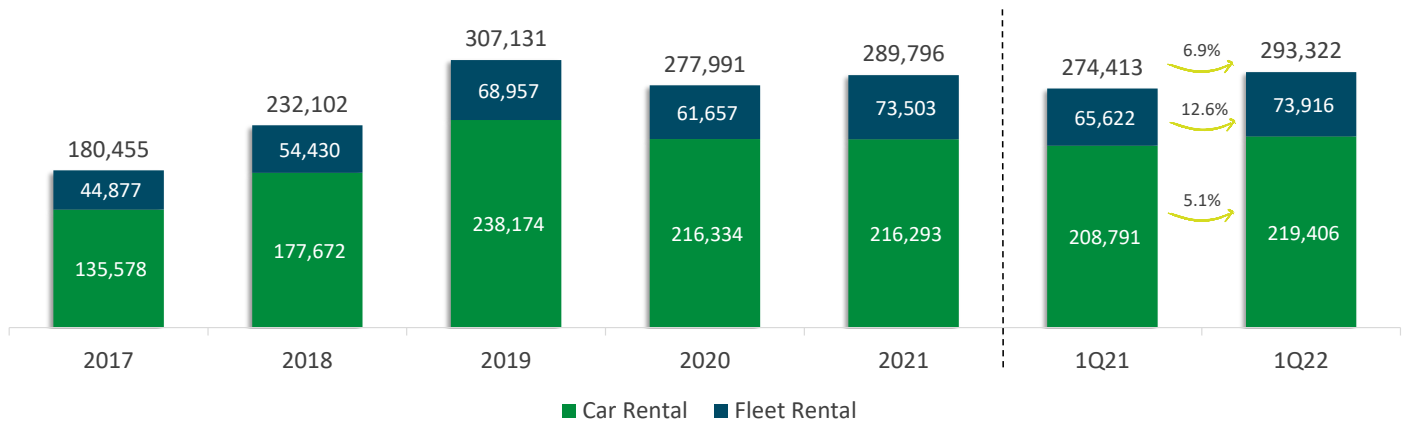
In 1Q22, the **Seminovos** stores totaled 127 in 85 cities in Brazil, a reduction of 4 stores compared to 131 stores in 1Q21.

With a long-term view, we made selective adjustment to the structure while keeping it prepared to accelerate the pace of fleet renewal, which will be gradually expanded as purchase volumes increase, which should occur progressively throughout the year. In addition, we are becoming more efficient in the maintenance of aged cars, as well as in the allocation of these by segment, allowing for a better allocation by sales channel in a context of lower volumes.

5 – End of period fleet

End of period fleet

quantity

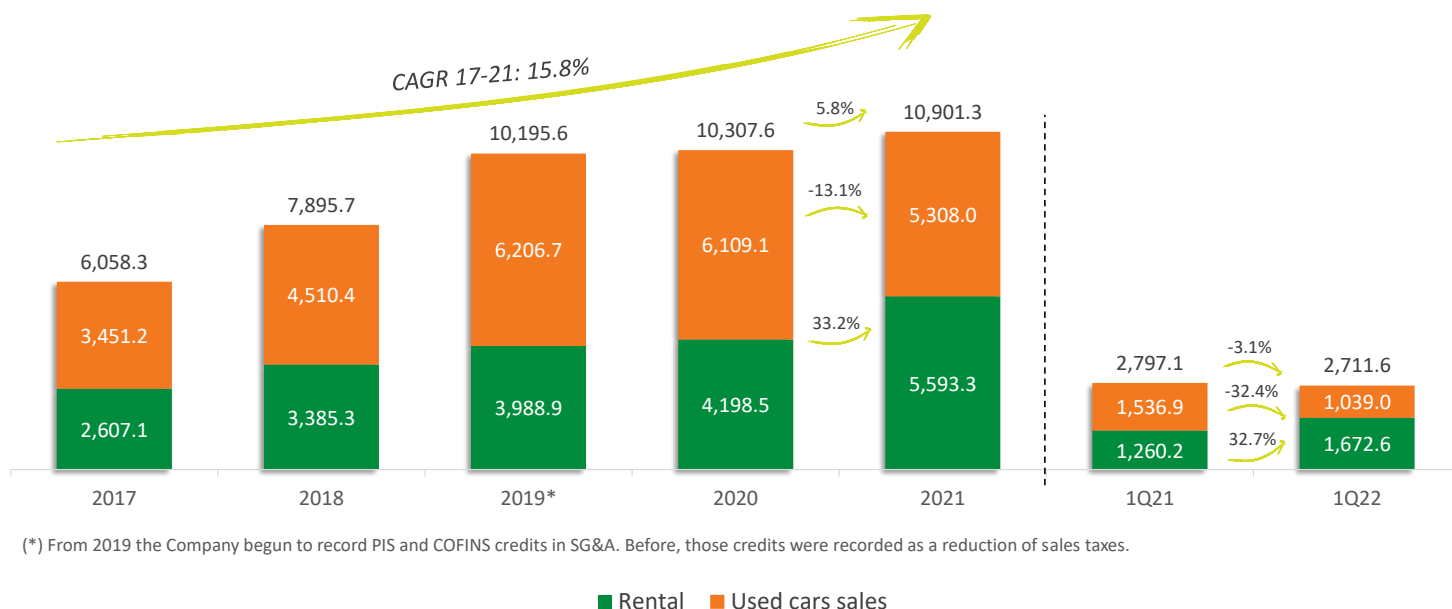


In 1Q22, the end of period fleet increased 6.9% versus the 1Q21, with a growth of 5.1% in the **Car Rental** Division and a 12.6% expansion in **Fleet Rental** Division.

6 – Consolidated net revenues

Consolidated net revenues

R\$ million



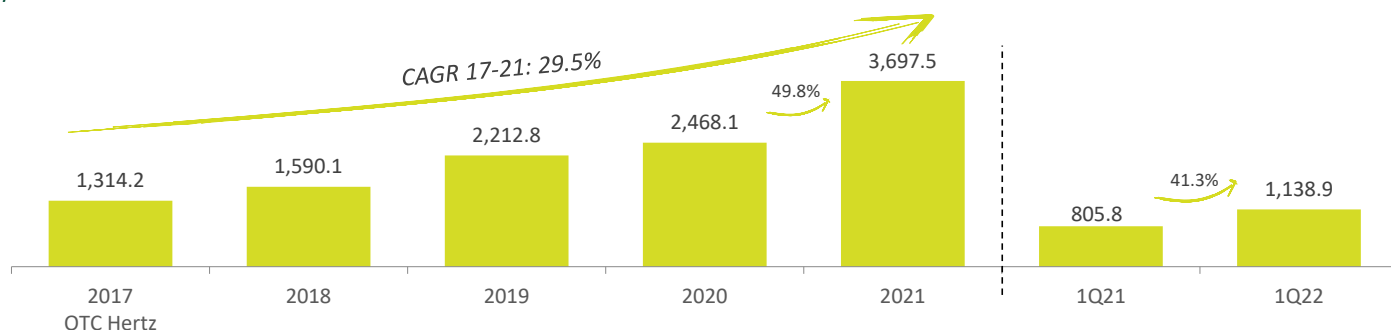
In 1Q22, net rental revenues increased 32.7%, being 35.6% in **Car Rental** and 22.8% in **Fleet Rental** Division. The revenue growth is mainly explained by the higher average rental rate, aiming at rebalancing the Company's level of return, in a context of increasing new car prices and fleet costs (maintenance, parts, depreciation), as well as higher interests rates.

Due to the lower cars decommissioning, in this quarter the sales volume of **Seminovos** was reduced by 49.9%, in the annual comparison, which was partially offset by the 34.9% increase in the price of the car sold, resulting in a reduction of 32.4% in **Seminovos** net revenue. As a result, consolidated net revenue decreased by 3.1% in 1Q22 compared to the same quarter of the previous year.

7 - EBITDA

Consolidated EBITDA

R\$ million



EBITDA margin:

	2017*	2018	2019**	2020	2021	1Q21	1Q22
Car Rental and Franchising	34.9%	35.9%	45.7%	45.3%	49.0%	42.9%	57.1%
Fleet Rental	61.9%	64.0%	67.7%	72.4%	61.9%	63.6%	64.0%
Rental Consolidated	42.6%	43.0%	50.9%	52.1%	51.8%	47.5%	58.5%
Used Car Sales	5.9%	3.0%	3.0%	4.6%	15.1%	13.5%	15.5%
Consolidated (over rental revenue)	50.4%	47.0%	55.5%	58.8%	66.1%	63.9%	68.1%

(*) 2017 adjusted by the one-time costs incurred (OTC) - Hertz Brasil acquisition and franchisees incorporation

(**) From 2019, EBITDA margin calculated based on the GAAP number including the reclassification of PIS and COFINS credits for the period, in the Car Rental and Fleet Rental divisions.

In 1Q22, consolidated EBITDA totaled R\$1,138.9 million, 41.3% higher YoY. In the **Car Rental** Division, EBITDA margin was 57.1% in 1Q22, a growth of 14.2p.p. YoY. The **Fleet Rental** Division presented a margin of 64.0%, 0.4p.p. higher YoY.

The EBITDA margin expansion in the **Car Rental** Division was due to the rising rental rates and operational efficiency achieved through lower default rates and car theft, despite the increase of maintenance costs, justified by a growing inflation in car parts and fleet aging. In comparison to the 1Q21 there was also the effect of PIS and COFINS credits, after a review of the car's useful life supported by technical reports issued throughout 2021, already covering nearly 90% of **Car Rental** Division's fleet. We still carry expenses with integration and with the merger process with Unidas, that this quarter added up to R\$12.2 million, 65% of those being from this division, 22% in **Fleet Rental** and the remainder in fleet decommissioning.

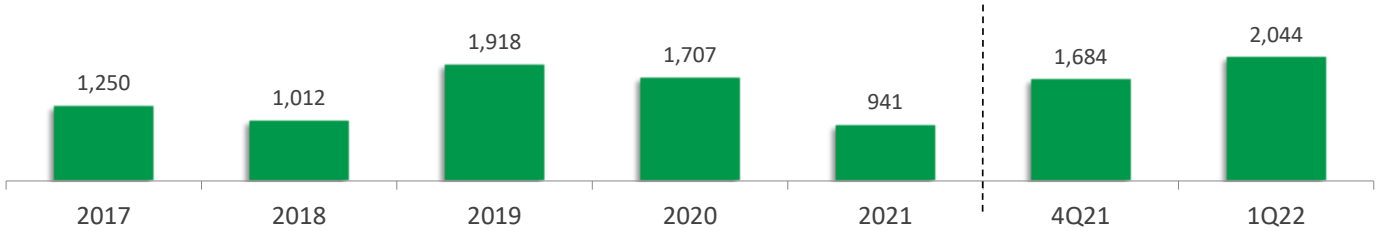
The **Fleet Rental** Division presented a margin of 64.0% with a sequential raise justified by a larger operational leverage, given the growth in volume and contracts with a higher contribution margin, seeking adequate return to the operation in a context of higher car prices and interest rates.

In **Seminovos**, the EBITDA margin was 15.5% in 1Q22, 2.0p.p. higher than the same period last year, especially due to the increase in new car prices, passed on to **Seminovos**, and sale mix, even in a context of a 49.9% reduction in the number of cars sold. We opted to maintain our structure in **Seminovos**, together with a high capillarity, mature sales network and a qualified team to give us agility in car's decommissioning when the volume of car purchase is restored. We are confident that this strategy will be of most importance for an accelerated fleet renewal pace, showing once again the Company's competitive differential.

8 - Depreciation

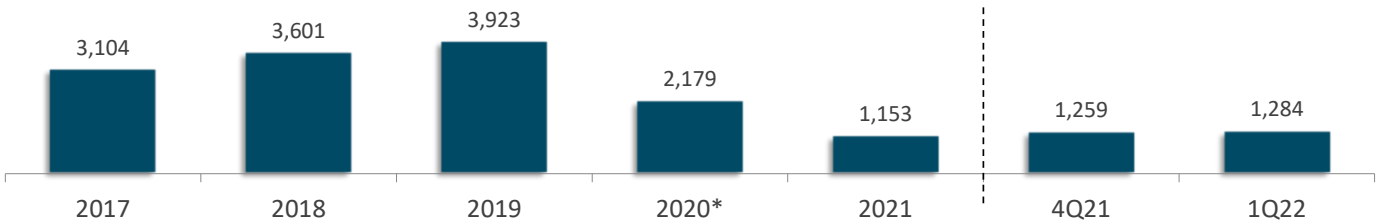
Depreciation is calculated using the straight-line method, considering the difference between the purchase price of the car and the estimated selling price at the end of its useful life, net of estimated costs and expenses to sell it. The estimated selling price is reassessed quarterly, so the book value of the cars reflects market prices.

8.1 – Average annualized depreciation per car (R\$) - Rent a Car



In 1Q22, there were bought 15 thousand cars to this division, that due to the context of higher car prices impacted the average annualized depreciation. Beyond that, in 1Q22 the Company reduced the car sales pace extending their useful life of its fleet. Lower sales volumes have a direct impact on depreciation, since the estimated cost to sell is one of the variables that make up the calculation. We expect sales volume to remain low throughout 1H22, contributing to the fleet growth while car supply remain low.

8.2 – Average annualized depreciation per car (R\$) - Fleet Rental



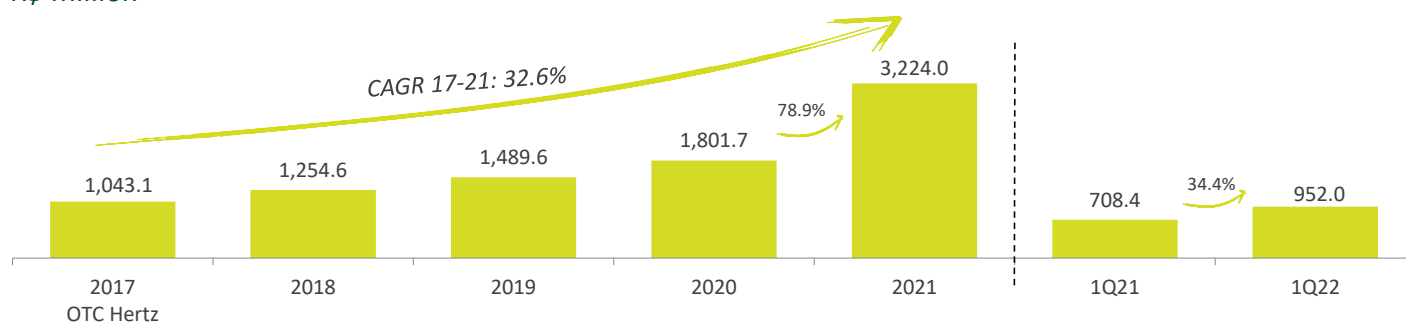
*Since 2020, the Company began depreciating the Fleet Rental cars using the linear method opposed to the SOYD (Sum-of-the-years' digits)

In the **Fleet Rental** division, the average depreciation per car in 1Q22 was R\$1,284. As the pace of fleet renewal in this division is lower, the progression of the depreciation is slower.

9 - EBIT

Consolidated EBIT

R\$ million



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

	2017*	2018	2019**	2020	2021	1Q21	1Q22
Car Rental and Franchising	35.2%	33.2%	33.7%	35.1%	54.7%	53.3%	53.1%
Fleet Rental	51.4%	48.6%	49.1%	66.4%	68.4%	66.5%	71.5%
Consolidated	40.0%	37.1%	37.3%	42.9%	57.6%	56.2%	56.9%

(*) 2017 adjusted by the one-time costs incurred (OTC) - Hertz Brasil acquisition and franchisees incorporation

(**) From 2019, EBITDA margin calculated based on the GAAP number including the reclassification of PIS and COFINS credits for the period, in the Car Rental and Fleet Rental divisions

Consolidated EBIT for the 1Q22 totaled R\$952 million, representing a 34,4% increase compared to 1Q21.

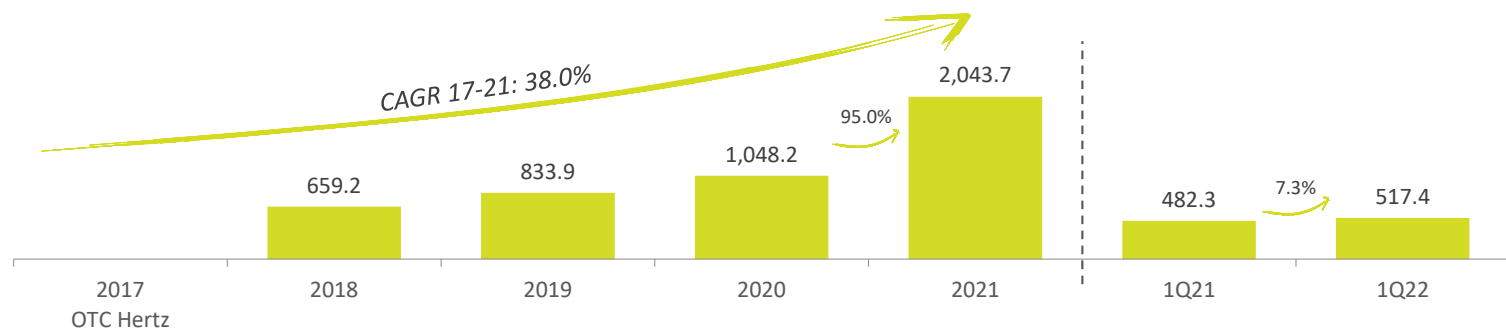
In 1Q22, the EBIT margin of the **Car Rental** division, was 53.1%, representing a stability *yoy* even with an increase of approximately R\$1,500 per car in the average annualized depreciation compared to the same period last year. In the **Fleet Rental** division, the EBIT margin totaled 71.5%, an increase of 5.0 p.p. YoY.

As the fleet renewal cycle returns to normal levels, we expect an increase in depreciation and a reduction in the **Seminovos** EBITDA margin to be offset by the growth in rental revenues and the normalization of maintenance costs, as well as the increase in efficiency and dilution of the platform's fixed costs. We had already mentioned this process and we started to observe its gradual evolution during this quarter.

10 - Consolidated net income

Consolidated net income

R\$ million



EBITDA x Net income reconciliation	2017*	2018	2019	2020	2021	Var. R\$	Var. %	1Q21	1Q22	Var. R\$	Var. %
Consolidated EBITDA	1,314.2	1,590.1	2,212.8	2,468.1	3,697.5	1,229.4	49.8%	805.8	1,138.9	333.1	41.3%
Cars depreciation	(232.0)	(291.6)	(551.5)	(473.0)	(255.1)	217.9	-46.1%	(46.6)	(126.8)	(80.2)	172.1%
Other property depreciation and amortization	(39.1)	(43.9)	(171.7)	(193.4)	(218.4)	(25.0)	12.9%	(50.8)	(60.1)	(9.3)	18.3%
EBIT	1,043.1	1,254.6	1,489.6	1,801.7	3,224.0	1,422.3	78.9%	708.4	952.0	243.6	34.4%
Financial expenses, net	(315.0)	(368.9)	(409.8)	(374.4)	(320.9)	53.5	-14.3%	(22.3)	(227.0)	(204.7)	917.9%
Income tax and social contribution	(164.7)	(226.5)	(245.9)	(379.1)	(859.4)	(480.3)	126.7%	(203.8)	(207.6)	(3.8)	1.9%
Net income of the period	563.4	659.2	833.9	1,048.2	2,043.7	995.5	95.0%	482.3	517.4	35.1	7.3%

(*) 2017 adjusted by the one-time costs (OTC) - incurred Hertz Brasil acquisition and franchisees incorporation

Net income in 1Q22 was R\$517.4 million, representing an increase of 7.3% YoY, resulting from:

(+) R\$333.1 million increase in EBITDA;

(-) R\$89.5 million increase in depreciation;

(-) R\$204.7 million addition in net financial expenses, mainly due to the increase in the average CDI, higher average debt balance, and positive MTM of the swap contracts in 1Q21; and

(-) R\$3.8 million increase in income tax and social contribution, due to the higher profit base.

11 – Free cash flow (FCF)

Free cash flow (R\$ million)		2017	2018	2019	2020	2021	1Q22
Operations	EBITDA	1.314,2*	1.590,1	2.212,8	2.468,1	3.697,5	1.138,9
	Used car sale revenue, net of taxes	(3.451,2)	(4.510,4)	(6.206,7)	(6.109,1)	(5.308,0)	(1.039,0)
	Net book value of vehicles written-off	3.106,6	4.198,5	5.863,6	5.599,9	4.346,0	763,8
	(-) Income tax and social contribution	(108,3)	(131,2)	(146,1)	(250,1)	(307,1)	(9,5)
	Change in working capital	21,1	(339,1)	(250,3)	91,6	(568,3)	(291,3)
Cash generated by rental operations		882,4	807,9	1.473,3	1.800,4	1.860,1	562,9
Capex - renewal	Used car sale revenue, net from taxes – fleet renewal	3.451,2	4.510,4	6.206,7	4.886,9	5.308,0	1.039,0
	Fleet renewal investment	(3.660,9)	(4.696,7)	(6.804,6)	(5.524,1)	(6.366,9)	(1.307,9)
	Change in accounts payable to car suppliers for fleet renewal	247,7	313,2	373,7	(466,6)	(282,6)	77,6
	Net investment for fleet renewal	38,0	126,9	(224,2)	(1.103,8)	(1.341,5)	(191,3)
Fleet renewal – quantity		90.554	111.279	147.915	109.379	92.845	14.556
Investment, property and intangible		(28,8)	(42,8)	(70,0)	(108,0)	(143,4)	(36,9)
Free cash flow from operations, before fleet increase or reduction		891,6	892,0	1.179,1	588,6	375,2	334,7
Capex - Growth	(Investment) / Divestment in cars for fleet growth	(1.807,0)	(2.285,1)	(3.478,7)	1.222,2	(1.289,0)	(370,6)
	Change in accounts payable to car suppliers for fleet growth	167,7	554,9	(31,9)	(522,5)	571,6	(695,4)
	Acquisition of Hertz and franchisees (fleet value)	(285,7)	-	(105,5)	0,0	-	-
	Net investment for fleet growth	(1.925,0)	(1.730,2)	(3.616,1)	699,7	(717,4)	(1.066,0)
Fleet increase / (reduction) – quantity		52.860	54.142	75.619	(26.111)	18.665	4.124
Free cash flow after growth		(1.033,4)	(838,2)	(2.437,0)	1.288,3	(342,2)	(731,3)
Other invest.	Acquisitions - except fleet value	(121,5)	-	(18,2)	(7,9)	(3,6)	(3,8)
	New headquarters construction and furniture	(146,2)	-	-	-	-	-
Free cash generated (applied) before interest and others		(1.301,1)	(838,2)	(2.455,2)	1.280,4	(345,8)	(735,1)

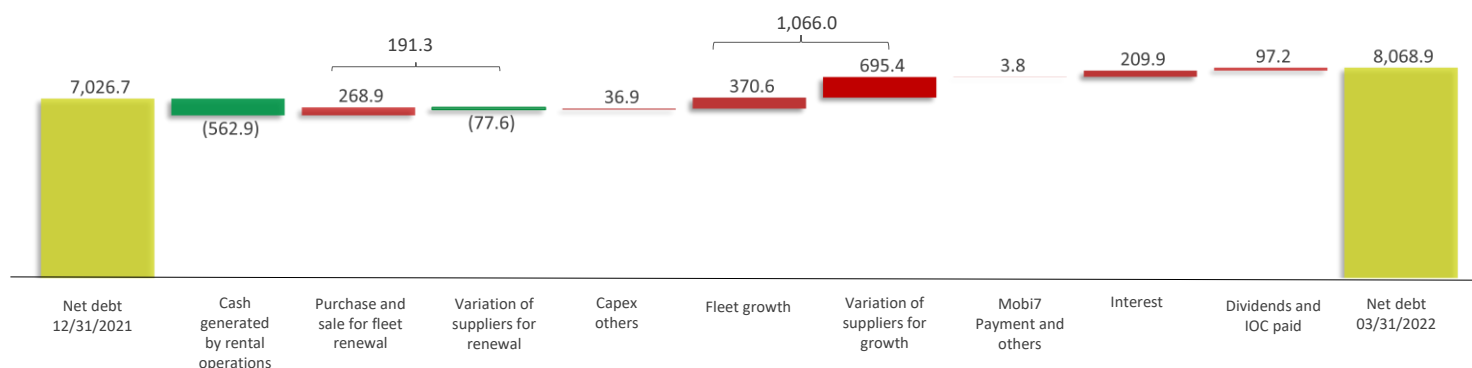
In the free cash flow, short-term financial assets were considered as cash.

(*) 2017 adjusted by one-time costs incurred - Hertz Brasil acquisition and franchisees incorporation.

In 1Q22, the Company had a cash consumption of R\$735,1 million before interest and others. The strong cash generation by the rental activities were consumed mostly by i) an increased renewal capex per car, resulting from the higher new car price and from the more premium mix of car purchased compared to the mix sold, in a context of lower car production and imbalances between demand and supply, and ii) a rise in the capex for fleet growth due to higher car prices and a reduction of accounts payable to car suppliers.

12 – Net debt

12.1 – Change in net debt – R\$ million



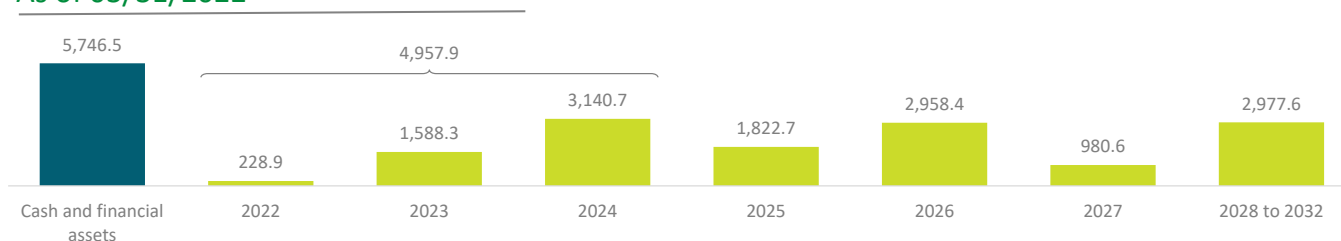
On 03/31/2022, net debt totaled R\$8,068.9 million, an increase of 14.8%, or R\$1,042.2 million compared to 12/31/2021, explained mainly by our fleet growth and renewal, alongside a reduction in R\$617.8 million in accounts payable to suppliers.

12.2 – Debt maturity profile – R\$ million

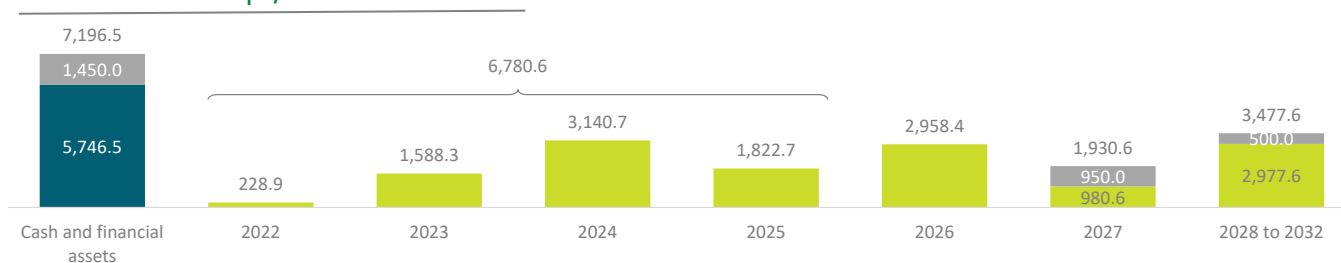
Debt	Issuance	Contract rate	2022	2023	2024	2025	2026	2027	2028 to 2032	Total
Debentures 11th Issuance	12/12/2016	111,50% CDI	-	-	-	-	-	-	-	-
Debentures 12th Issuance	5/15/2017	107,25% CDI	-	-	678.5	-	-	-	-	678.5
Debentures 13th Issuance - 1st serie	12/15/2017	109,35% CDI	-	306.2	-	-	-	-	-	306.2
Debentures 13th Issuance - 2nd serie	12/15/2017	111,30% CDI	-	-	94.1	94.1	-	-	-	188.2
Debentures 14th Issuance - 1st serie	9/18/2018	107,90% CDI	-	-	200.0	-	-	-	-	200.0
Debentures 14th Issuance - 2nd serie	9/18/2018	112,32% CDI	-	-	111.2	111.2	222.5	-	-	444.9
Debentures 15th Issuance	4/15/2019	107,25% CDI	-	-	-	377.4	377.4	-	-	754.8
Debentures 16th Issuance	11/29/2019	CDI + 1,05%	-	-	333.3	333.3	333.3	-	-	999.9
Debentures 17th Issuance	4/7/2021	IPCA + 5,47%	-	-	-	-	-	-	1,200.0	1,200.0
Debentures 18th Issuance	10/5/2021	CDI + 1,15%	-	-	-	-	1,500.0	-	-	1,500.0
Debentures 19th Issuance - 1st serie	2/25/2022	CDI + 1,60%	-	-	-	-	-	950.0	-	950.0
Debentures 19th Issuance - 2nd serie	2/25/2022	CDI + 2,00%	-	-	-	-	-	-	1,550.0	1,550.0
Debentures 5th Issuance of Localiza Fleet	7/31/2018	112,00% CDI	-	-	-	202.4	-	-	-	202.4
Debentures 6th Issuance of Localiza Fleet	12/21/2018	110,40% CDI	-	-	310.1	-	-	-	-	310.1
Debentures 7th Issuance of Localiza Fleet	7/29/2019	109,00% CDI	-	100.0	100.0	100.0	-	-	-	300.0
Debentures 8th Issuance of Localiza Fleet	2/17/2020	CDI + 1,00%	-	333.3	333.3	333.3	-	-	-	999.9
Debentures 9th Issuance of Localiza Fleet	10/8/2021	CDI + 1,30%	-	-	-	-	500.0	-	-	500.0
Foreign currency loan with swap	-	Several	215.0	465.0	739.3	250.0	-	-	-	1,669.3
Real State Receivables Certificate (CRI)	2/26/2018	99,00% CDI	9.0	12.3	15.0	20.1	25.1	30.6	227.6	339.7
Working Capital / Others	-	Several	4.9	371.6	226.0	0.9	-	-	-	603.4
Interest accrued	-	-	118.1	-	-	-	-	-	-	118.1
Cash and cash equivalents on 03/31/2022	-	-	(5,746.5)	-	-	-	-	-	-	(5,746.5)
Net debt	-	-	(5,399.5)	1,588.4	3,140.8	1,822.7	2,958.3	2,977.6	2,977.6	8,068.9

12.3 – Debt profile – R\$ million

As of 03/31/2022

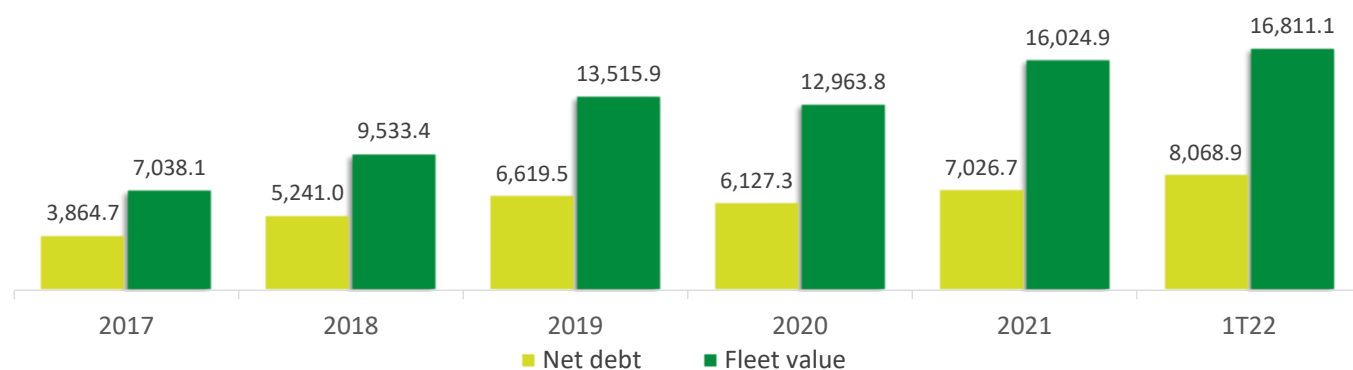


Proforma after Apr/22 issuances



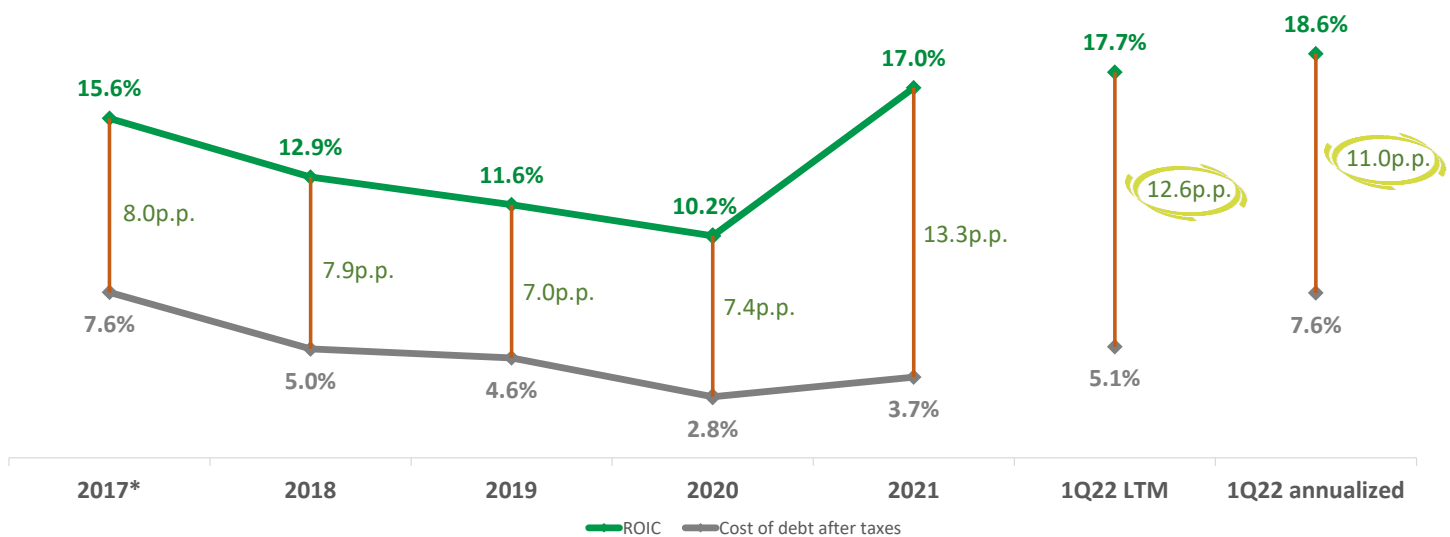
The Company ended the quarter with a cash balance of R\$5,746.5 million. Considering 2022 April anticipated funds raise to fund fleet growth and renewal, we would have a proforma cash position of R\$7,196.5 million.

12.4 – Debt ratios – R\$ million



BALANCE AT THE END OF PERIOD	2017	2018	2019	2020	2021	1Q22 LTM
Net debt/Fleet value (book value)	55%	55%	49%	47%	44%	48%
Net debt/EBITDA	2.9x	3.3x	3.0x	2.5x	1.9x	2.0x
Net debt/Equity	1.5x	1.7x	1.2x	1.0x	0.9x	1.0x
EBITDA/Net financial expenses	4.2x	4.3x	5.4x	6.6x	11.5x	7.7x

13 – Spread (ROIC minus cost of debt after taxes)



ROE considered LTM net income divided by the average Equity of the period

* 2017 adjusted by the one-time costs (OTC) incurred Hertz Brasil acquisition and franchisees incorporation

STRONG VALUE GENERATION

14 – Dividends and interest on capital (IOC)

2022 interest on capital were approved as follow:

Nature	Reference period	Approval date	Shareholding position date	Payment date	Gross amount (R\$ million)	Gross amount per Share(*) (R\$)
IOC	2022	03/24/2022	03/29/2022	05/20/2022	110.3	0.146694
Dividend	2021	04/26/2022	04/29/2022	05/20/2022	206.2	0.274130
Total					316.5	

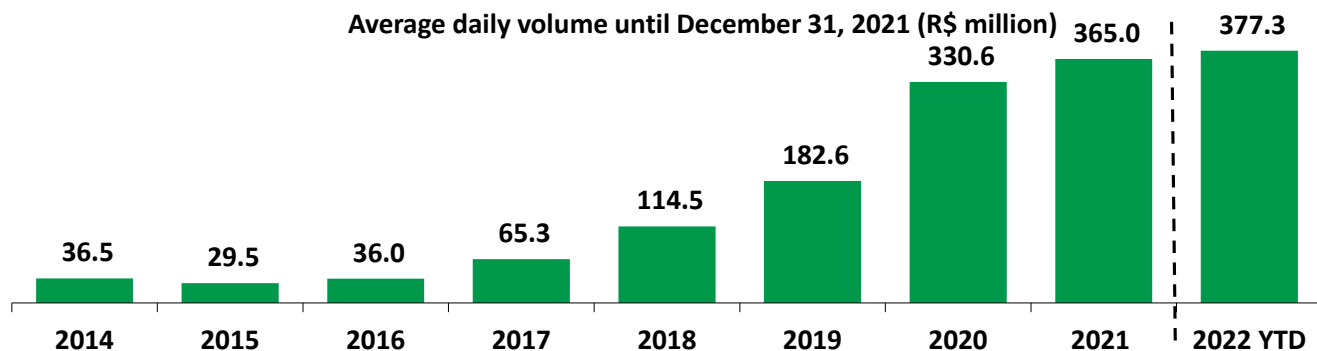
2021 interest on capital were approved as follow:

Nature	Reference period	Approval date	Shareholding position date	Payment date	Gross amount (R\$ million)	Gross amount per Share (R\$)
IOC	2021	03/24/2021	03/29/2021	05/21/2021	63.7	0.084795
Dividend	2020	04/27/2021	04/30/2021	05/21/2021	18.1	0.024111
IOC	2021	06/24/2021	06/29/2021	08/20/2021	72.4	0.096195
IOC	2021	09/24/2021	09/29/2021	11/22/2021	82.1	0.109203
IOC	2021	12/14/2021	12/17/2021	02/11/2022	97.2	0.129163
Total					333.5	

The Annual Shareholders' Meeting held on April 26, 2022 approved the payment of dividends in the amount of R\$206.2 million referring to the net income for the year 2021.

15 – RENT3

Up to March 31, 2022, RENT3 average daily traded volume was R\$377.3 million, 3.4% higher than the average volume traded in 2021. Under the ADR level I program, the Company had 7,022,510 ADRs as of March 31, 2022.



With the purpose of delivering the best solutions regarding sustainable mobility, the Company forged ahead in the initiatives aiming at reducing the impact of greenhouse gas emissions – GHG. In 1Q22, we altered our policy to encourage the fueling with Ethanol as a way of reducing GHG emissions of our collaborators. To mitigate vehicle emissions by our clients and achieve the whole chain of value, we launched “Neutraliza”, allowing our clients to neutralize their rental emissions.

We kept progressing with our solar energy program in our branches. In 1Q22, we broke through the milestone of 1,000,000 kWh of clean energy generation, corresponding to a 38% rise when compared to the same period of last year. Beyond that, we advanced in a new project regarding the capture of clean energy via marketplace, through shared distributed generation. With this project we injected more than 115,000 kWh of clean energy in our branches throughout 1Q22.

Regarding people management, we reached a new record with 97% of adhesion by our team in the annual Climate Research, scoring 85% of favorability, keeping us in P90 while achieving 96% of favorability in the matter of Diversity and Inclusion. Beyond that, we joined the new stock market index, the IGPTW, which comprises companies that invest in the workplace with the best practices in human resources, also providing a positive impact in the business. We also joined the ELLAS11 B3 index. The index recognizes companies that have at least 50% of woman in positions of leadership, considering positions in Executive Board, Fiscal Council, Board of Directors, Audit Committee, and other committees.

Advancing in the social transformation agenda, the Localiza Institute organized the first meeting with the 24 other organizations winners of the “Juventude em Movimento” project, kicking off a process of experience exchange among the institutions and a follow up of the capacitation projects and productive inclusion that opened positions for young people in vulnerability situation all over the country. Through the Elder, Childhood and Adolescence funds, Localiza supported two other projects that focus on entrepreneurship capacitation. To contribute towards mitigating the impacts of heavy rainfall in the first quarter, the Institute also joined forces with supportive initiatives in the north of Minas Gerais, Petrópolis and Bahia.

Still in the social aspect, as a citizen company, we extended the maternity and paternity leave with inclusive politics contemplating the family’s diversity. In addition, we established full home office of 6 months to parents and mothers. We made a partnership with Sisterwave – a community made by woman to offer hosting and tourism experiences guide to woman travelers and with WoMakersCode, an NGO that promotes female leadership in technology, through capacitation, mentorship, and employability.

In Governance, Localiza figured in the 60 best reputation companies and our founding partner and Chairman, Eugênio Mattar, figured between the 50 leaders with the best reputation, according to the “Monitor Empresarial de Reputação Corporativa” (MERCOC).

17 – Results per division

17.1 –Table 1 – Car Rental – R\$ million

CAR RENTAL RESULTS	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	2019	2020	2021	Var.	1Q21	1Q22	Var.
Car rental and franchising gross revenues, net of discounts and cancellations	1,916.3	1,916.3	2,588.9	3,367.4	3,367.4	3,475.2	4,851.3	39.6%			
Taxes on revenues (*)	(51.3)	(51.3)	(52.4)	(44.5)	(318.8)	(330.2)	(455.9)	38.1%	1,082.3	1,463.5	35.2%
Car rental net revenues	1,865.0	1,865.0	2,536.5	3,322.9	3,048.6	3,145.0	4,395.4	39.8%	979.3	1,327.6	35.6%
Car rental and franchising costs	(935.3)	(879.6)	(1,187.7)	(1,484.5)	(1,112.0)	(1,124.3)	(1,406.9)	25.1%	(362.6)	(387.8)	6.9%
Gross profit	929.7	985.4	1,348.8	1,838.4	1,936.6	2,020.7	2,988.5	47.9%	616.7	939.8	52.4%
Operating expenses (SG&A)	(349.0)	(334.1)	(437.8)	(544.0)	(544.0)	(595.4)	(832.6)	39.8%	(196.7)	(182.4)	-7.3%
Other assets depreciation and amortization	(24.2)	(24.2)	(27.1)	(31.1)	(108.8)	(120.7)	(142.6)	18.1%	(32.7)	(41.3)	26.3%
Operating profit before financial results and taxes (EBIT)	556.5	627.1	883.9	1,263.3	1,283.8	1,304.6	2,013.3	54.3%	387.3	716.1	84.9%
Financial expenses, net	(3.5)	(3.5)	(22.4)	(12.1)	(42.3)	(43.3)	(47.9)	10.6%	(12.3)	(14.6)	18.7%
Income tax and social contribution	(124.6)	(140.1)	(219.5)	(284.9)	(282.0)	(348.7)	(583.2)	67.2%	(111.3)	(200.7)	80.3%
Net income for the period	428.4	483.5	642.0	959.5	951.0	912.6	1,382.2	51.5%	263.7	500.8	89.9%
Net Margin	23.0%	25.9%	25.3%	29.1%	31.5%	29.0%	31.4%	2.4 p.p.	26.9%	37.7%	10.8 p.p.
EBITDA	580.7	651.3	911.0	1,294.4	1,392.6	1,425.3	2,155.9	51.3%	420.0	757.4	80.3%
EBITDA Margin	31.1%	34.9%	35.9%	39.0%	45.7%	45.3%	49.0%	3.7 p.p.	42.9%	57.1%	14.2 p.p.

USED CAR SALES RESULTS (SEMINOVOS)	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	2019	2020	2021	Var.	1Q21	1Q22	Var.
Gross revenues, net of discounts and cancellations	2,990.0	2,990.0	3,919.2	5,479.6	5,479.6	5,150.7	4,413.3	-14.3%	1,334.7	813.1	-39.1%
Taxes on revenues	(4.9)	(4.9)	(7.4)	(13.8)	(13.8)	(10.0)	(5.2)	-48.0%	(1.5)	(1.1)	-26.7%
Net revenues	2,985.1	2,985.1	3,911.8	5,465.8	5,465.8	5,140.7	4,408.1	-14.3%	1,333.2	812.0	-39.1%
Book value of cars sold and preparation for sale	(2,603.2)	(2,603.2)	(3,542.5)	(5,040.5)	(5,037.8)	(4,629.7)	(3,416.2)	-26.2%	(1,054.6)	(636.5)	-39.6%
Gross profit	381.9	381.9	369.3	425.3	428.0	511.0	991.9	94.1%	278.6	175.5	-37.0%
Operating expenses (SG&A)	(220.0)	(220.0)	(269.6)	(349.4)	(300.2)	(316.1)	(360.7)	14.1%	(104.4)	(68.4)	-34.5%
Cars depreciation	(117.7)	(117.7)	(131.7)	(332.8)	(332.8)	(342.6)	(183.7)	-46.4%	(26.0)	(104.9)	303.5%
Other assets depreciation and amortization	(9.7)	(9.7)	(10.2)	(8.4)	(50.5)	(54.3)	(66.1)	3.3%	(14.0)	(12.9)	-7.9%
Operating profit (loss) before financial results and taxes (EBIT)	34.5	34.5	(42.2)	(265.3)	(255.5)	(202.0)	391.4	-293.8%	134.2	(10.7)	-108.0%
Financial expenses, net	(229.9)	(229.9)	(266.5)	(247.7)	(264.5)	(261.9)	(212.3)	-18.9%	(8.5)	(161.8)	1803.5%
Income tax and social contribution	43.9	43.9	77.5	116.8	115.8	158.7	(54.6)	-134.4%	(37.4)	49.2	-231.6%
Net income (loss) for the period	(151.5)	(151.5)	(231.2)	(396.2)	(404.2)	(305.2)	124.5	-140.8%	88.3	(123.3)	-239.6%
Net Margin	-5.1%	-5.1%	-5.9%	-7.2%	-7.4%	-5.9%	2.8%	6.7 p.p.	6.6%	-15.2%	-21.1 p.p.
EBITDA	161.9	161.9	99.7	75.9	127.8	194.9	631.2	223.9%	174.2	107.1	-38.5%
EBITDA Margin	5.4%	5.4%	2.5%	1.4%	2.3%	3.8%	14.3%	10.5 p.p.	13.1%	13.2%	0.1 p.p.

CAR RENTAL TOTAL FIGURES	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	2019	2020	2021	Var.	1Q21	1Q22	Var.
Car rental and franchising gross revenues, net of discounts and cancellations	1,916.3	1,898.7	2,588.9	3,367.4	3,367.4	3,475.2	4,851.3	39.6%			
Car sales for fleet renewal - gross revenues, net of discounts and cancellations	2,990.0	2,990.0	3,919.2	5,479.6	5,479.6	5,150.7	4,413.3	-14.3%	1,334.7	813.1	-39.1%
Total gross revenues	4,906.3	4,888.7	6,508.1	8,847.0	8,847.0	8,625.9	9,264.6	7.4%	2,417.0	2,276.6	-5.8%
Taxes on revenues	(51.3)	(50.2)	(52.4)	(44.5)	(318.8)	(330.2)	(455.9)	38.1%	(103.0)	(135.9)	31.9%
Car rental and franchising(*)	(4.9)	(4.9)	(7.4)	(13.8)	(13.8)	(10.0)	(5.2)	-48.0%	(1.5)	(1.1)	-26.7%
Car sales for fleet renewal	1,865.0	1,848.5	2,536.5	3,322.9	3,048.6	3,145.0	4,395.4	39.8%	979.3	1,327.6	35.6%
Car sales for fleet renewal - net revenues	2,985.1	2,985.1	3,911.8	5,465.8	5,465.8	5,140.7	4,408.1	-14.3%	1,333.2	812.0	-39.1%
Total net revenues	4,880.1	4,833.6	6,448.3	8,782.5	8,514.4	8,285.7	8,803.5	6.2%	2,312.5	2,139.6	-7.5%
Direct costs	(935.3)	(870.7)	(1,187.7)	(1,484.5)	(1,112.0)	(1,124.3)	(1,406.9)	25.1%	(362.6)	(387.8)	6.9%
Car rental	(2,603.2)	(2,603.2)	(3,542.5)	(5,040.5)	(5,037.8)	(4,629.7)	(3,416.2)	-26.2%	(1,054.6)	(636.5)	-39.6%
Gross profit	1,311.6	1,359.7	1,718.1	2,363.4	2,531.7	2,657.0	3,980.4	57.2%	895.3	1,115.3	24.6%
Operating expenses (SG&A)	(349.0)	(332.3)	(437.8)	(544.0)	(544.0)	(595.4)	(832.6)	39.8%	(196.7)	(182.4)	-7.3%
Car rental	(220.0)	(220.0)	(269.6)	(349.4)	(300.2)	(316.1)	(360.7)	14.1%	(104.4)	(68.4)	-34.5%
Car sales for fleet renewal	(117.7)	(117.7)	(131.7)	(332.8)	(332.8)	(342.6)	(183.7)	-46.4%	(26.0)	(104.9)	303.5%
Other assets depreciation and amortization	(24.2)	(23.6)	(27.1)	(31.1)	(108.8)	(120.7)	(142.6)	18.1%	(32.7)	(41.3)	26.3%
Car rental	(9.7)	(9.7)	(10.2)	(8.4)	(50.5)	(54.3)	(66.1)	3.3%	(14.0)	(12.9)	-7.9%
Operating profit before financial results and taxes (EBIT)	591.0	656.4	841.7	998.0	1,028.3	1,102.6	2,404.7	118.1%	521.5	705.4	35.3%
Financial expenses, net	(233.4)	(235.2)	(288.9)	(259.8)	(306.8)	(305.2)	(260.2)	-14.7%	(20.8)	(176.4)	748.1%
Income tax and social contribution	(80.7)	(95.0)	(142.0)	(168.1)	(168.2)	(190.0)	(637.8)	235.7%	(148.7)	(151.5)	1.9%
Net income for the period	276.9	326.2	410.8	570.1	555.3	607.4	1,506.7	148.1%	352.0	377.5	7.2%
Net margin	5.7%	6.7%	6.4%	6.5%	6.5%	7.3%	17.1%	9.8 p.p.	15.2%	17.6%	2.4 p.p.
EBITDA	742.6	807.4	1,010.7	1,370.3	1,520.4	1,620.2	2,787.1	72.0%	594.2	864.5	45.5%
EBITDA margin	15.3%	16.7%	15.7%	15.6%	17.9%	19.6%	31.7%	12.1 p.p.	25.7%	40.4%	14.7 p.p.

CAR RENTAL OPERATING DATA	2017	2017	2018	2019	2019	2020	2021	Var.	1Q21	1Q22	Var.
Average operating fleet	94,194	94,194	130,058	173,649	173,649	200,742	195,242	0.0%	196,980	205,372	4.3%
Average rented fleet	69,762	69,762	97,245	128,718	128,718	140,151	151,686	8.2%	153,467	157,380	2.5%
Average operating fleet age (in months)	6.5	6.5	7.2	7.0	7.0	10.0	13.9	39.0%	12.6	16.7	32.5%
End of period fleet	135,578	135,578	177,672	238,174	238,174	216,334	216,293	0.0%	208,791	219,406	5.1%
Number of rental days - in thousands (net of fleet replacement service)	25,263.6	25,263.6	35,284.5	46,745.9	46,745.9	50,446.5	53,756.6	6.6%	13,396.0	13,756.0	2.7%
Average daily rental revenues per car (R\$)	75.16	75.16	72.86	71.57	71.57	68.52	89.71	30.9%	80.29	105.71	31.7%
Annualized average depreciation per car (R\$)	1,250.1	1,250.1	1,012.4	1,917.6	1,917.6	1,706.8	941.1	-44.9%	526.4	2,043.7	288.2%
Utilization rate (Does not include cars in preparation and decommissioning)	78.6%	78.6%	79.6%	79.1%	79.1%	73.5%	79.8%	6.3 p.p.	80.4%	78.5%	-1.9 p.p.
Number of cars purchased	114,966	114,966	139,273	192,292	192,292	92,801	83,382	-10.1%	18,385	14,789	-19.6%
Number of cars sold	76,901	76,901	94,945	128,677	128,677	113,346	76,906	-32.1%	25,091	11,195	-55.4%
Average sold fleet age (in months)	14.3	14.3	14.7	15.2	15.2	16.9	21.9	29.6%	18.7	27.1	44.9%
Average total fleet	107,997	107,997	150,045	201,791	201,791	221,895	209,172	-5.7%	209,205	217,377	3.9%
Average value of total fleet - R\$ million	4,100.6	4,100.6	6,005.7	8,652.7	8,652.7	9,951.6	10,592.7	6.4%	9,960.8	12,208.3	22.6%
Average value per car in the period - R\$ thsd	38.0	38.0	40.0	42.9	42.9	44.8	50.6	12.9%	47.6	56.2	18.1%

(*) In 4Q19, PIS and COFINS credits were reclassified, which were recorded as credits in the rental income tax line and started to be recorded in the rental cost line.

17.2 – Table 2 – Fleet Rental – R\$ million

FLEET RENTAL RESULTS	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	2019	2020	2021	Var.	1Q21	1Q22	Var.
Fleet rental gross revenues, net of discounts and cancellations	757.4	757.4	857.8	1,039.1	1,039.1	1,163.7	1,325.2	13.9%	310.6	382.6	23.2%
Taxes on revenues (*)	(15.3)	(15.3)	(9.0)	(15.2)	(98.8)	(110.2)	(127.3)	15.5%	(29.7)	(37.6)	26.6%
Fleet rental net revenues	742.1	742.1	848.8	1,023.9	940.3	1,053.5	1,197.9	13.7%	280.9	345.0	22.8%
Fleet rental costs	(220.4)	(220.1)	(245.9)	(304.1)	(220.5)	(221.5)	(315.6)	42.5%	(75.0)	(88.0)	17.3%
Gross profit	521.7	522.0	602.9	719.8	719.8	832.0	882.3	6.0%	205.9	257.0	24.8%
Operating expenses (SG&A)	(65.4)	(62.3)	(59.6)	(83.6)	(83.2)	(69.7)	(141.2)	102.6%	(27.2)	(36.1)	32.7%
Other assets depreciation and amortization	(3.5)	(3.5)	(4.9)	(5.3)	(5.7)	(8.4)	(8.3)	-1.2%	(1.9)	(2.2)	15.8%
Operating profit before financial results and taxes (EBIT)	452.8	456.2	538.4	630.9	630.9	753.9	732.8	-2.8%	176.8	218.7	23.7%
Financial expenses, net	(1.6)	(1.6)	(0.5)	(0.6)	(0.7)	(0.5)	(0.5)	0.0%	(0.1)	(0.3)	200.0%
Income tax and social contribution	(102.8)	(103.6)	(136.5)	(143.5)	(140.3)	(228.1)	(213.6)	-6.4%	(52.5)	(62.5)	19.0%
Net income for the period	348.4	351.0	401.4	486.8	489.9	518.7	518.7	-1.3%	124.2	155.9	25.5%
Net Margin	46.9%	47.3%	47.3%	47.5%	52.1%	49.9%	43.3%	-6.6 p.p.	44.2%	45.2%	1.0 p.p.
EBITDA	456.3	459.7	543.3	636.6	636.6	762.3	741.1	-2.8%	178.7	220.9	23.6%
EBITDA Margin	61.5%	61.9%	64.0%	62.1%	67.7%	72.4%	61.9%	-10.5 p.p.	63.6%	64.0%	0.4 p.p.

USED CAR SALES RESULTS (SEMINOVOS)	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	2019	2020	2021	Var.	1Q21	1Q22	Var.
Gross revenues, net of discounts and cancellations	466.5	466.5	599.5	742.4	742.4	969.2	900.7	-7.1%	203.9	227.2	11.4%
Taxes on revenues	(0.4)	(0.4)	(0.9)	(1.5)	(1.5)	(0.8)	(0.8)	0.0%	(0.2)	(0.2)	0.0%
Net revenues	466.1	466.1	598.6	740.9	740.9	968.4	899.9	-7.1%	203.7	227.0	11.4%
Book value of cars sold and preparation for sale	(392.1)	(392.1)	(525.9)	(650.2)	(650.1)	(832.0)	(659.3)	-20.8%	(157.1)	(154.5)	-1.7%
Gross profit	74.0	74.0	72.7	90.8	90.8	136.4	240.6	76.4%	46.6	72.5	55.6%
Operating expenses (SG&A)	(32.7)	(32.7)	(36.6)	(41.4)	(35.0)	(50.8)	(71.2)	40.2%	(13.7)	(19.0)	38.7%
Cars depreciation	(114.3)	(114.3)	(159.9)	(218.7)	(218.7)	(130.4)	(71.4)	-45.2%	(20.6)	(21.9)	6.3%
Other assets depreciation and amortization	(1.7)	(1.7)	(1.7)	(1.5)	(6.7)	(10.0)	(11.4)	14.0%	(2.2)	(3.7)	68.2%
Operating profit (loss) before financial results and taxes (EBIT)	(74.7)	(74.7)	(125.5)	(170.9)	(169.6)	(54.8)	86.6	-258.0%	10.1	27.9	176.2%
Financial expenses, net	(80.0)	(80.0)	(79.6)	(100.2)	(102.3)	(68.7)	(60.2)	-12.4%	(1.4)	(50.3)	3492.9%
Income tax and social contribution	35.1	35.1	52.0	61.7	60.6	39.0	(8.0)	-120.5%	(2.6)	6.4	-346.2%
Net income (loss) for the period	(119.6)	(119.6)	(153.1)	(209.4)	(211.3)	(84.5)	18.4	-121.8%	6.1	(16.0)	-362.3%
Net Margin	-25.7%	-25.7%	-25.6%	-28.3%	-28.5%	-8.7%	2.0%	10.7 p.p.	3.0%	-7.0%	-10.0 p.p.
EBITDA	41.3	41.3	36.1	49.3	55.8	85.6	169.4	97.9%	32.9	53.5	62.6%
EBITDA Margin	8.9%	8.9%	6.0%	6.7%	7.5%	8.8%	18.8%	10.0 p.p.	16.2%	23.6%	7.4 p.p.

FLEET RENTAL TOTAL FIGURES	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	2019	2020	2021	Var.	1Q21	1Q22	Var.
Fleet rental gross revenues, net of discounts and cancellations	757.4	757.4	857.8	1,039.1	1,039.1	1,163.7	1,325.2	13.9%	310.6	382.6	23.2%
Car sales for fleet renewal - gross revenues, net of discounts and cancellations	466.5	466.5	599.5	742.4	742.4	969.2	900.7	-7.1%	203.9	227.2	11.4%
Total gross revenues	1,223.9	1,223.9	1,457.3	1,781.5	1,781.5	2,132.9	2,225.9	4.4%	514.5	609.8	18.5%
Taxes on revenues	(15.3)	(15.3)	(9.0)	(15.2)	(98.8)	(110.2)	(127.3)	15.5%	(29.7)	(37.6)	26.6%
Fleet rental (*)	(15.3)	(15.3)	(9.0)	(15.2)	(98.8)	(110.2)	(127.3)	15.5%	(29.7)	(37.6)	26.6%
Car sales for fleet renewal	(0.4)	(0.4)	(0.9)	(1.5)	(1.5)	(0.8)	(0.8)	0.0%	(0.2)	(0.2)	0.0%
Fleet rental - net revenues	742.1	742.1	848.8	1,023.9	940.3	1,053.5	1,197.9	13.7%	280.9	345.0	22.8%
Car sales for fleet renewal - net revenues	466.1	466.1	598.6	740.9	740.9	968.4	899.9	-7.1%	203.7	227.0	11.4%
Total net revenues (**)	1,208.2	1,208.2	1,447.4	1,764.8	1,681.2	2,021.9	2,097.8	3.8%	484.6	572.0	18.0%
Direct costs	(220.4)	(220.1)	(245.9)	(304.1)	(220.5)	(221.5)	(315.6)	42.5%	(75.0)	(88.0)	17.3%
Fleet rental	(220.4)	(220.1)	(245.9)	(304.1)	(220.5)	(221.5)	(315.6)	42.5%	(75.0)	(88.0)	17.3%
Car sales for fleet renewal	(392.1)	(392.1)	(525.9)	(650.2)	(650.1)	(832.0)	(659.3)	-20.8%	(157.1)	(154.5)	-1.7%
Gross profit	595.7	596.0	675.6	810.5	810.6	968.4	1,122.9	16.0%	252.5	329.5	30.5%
Operating expenses (SG&A)	(65.4)	(62.3)	(59.6)	(83.6)	(83.2)	(69.7)	(141.2)	102.6%	(27.2)	(36.1)	32.7%
Fleet rental	(65.4)	(62.3)	(59.6)	(83.6)	(83.2)	(69.7)	(141.2)	102.6%	(27.2)	(36.1)	32.7%
Car sales for fleet renewal	(32.7)	(32.7)	(36.6)	(41.4)	(35.0)	(50.8)	(71.2)	40.2%	(13.7)	(19.0)	38.7%
Cars depreciation	(114.3)	(114.3)	(159.9)	(218.7)	(218.7)	(130.4)	(71.4)	-45.2%	(20.6)	(21.9)	6.3%
Other assets depreciation and amortization	(3.5)	(3.5)	(4.9)	(5.3)	(5.7)	(8.4)	(8.3)	-1.2%	(1.9)	(2.2)	15.8%
Fleet rental	(3.5)	(3.5)	(4.9)	(5.3)	(5.7)	(8.4)	(8.3)	-1.2%	(1.9)	(2.2)	15.8%
Car sales for fleet renewal	(1.7)	(1.7)	(1.7)	(1.5)	(6.7)	(10.0)	(11.4)	14.0%	(2.2)	(3.7)	68.2%
Operating profit before financial results and taxes (EBIT)	378.1	381.5	412.9	460.0	461.3	699.1	818.4	17.2%	186.9	246.6	31.9%
Financial expenses, net	(81.6)	(81.6)	(80.1)	(100.8)	(102.3)	(68.2)	(60.2)	-12.3%	(1.5)	(50.6)	3273.3%
Income tax and social contribution	(67.7)	(68.5)	(84.5)	(81.8)	(79.7)	(189.1)	(221.6)	17.2%	(55.1)	(56.1)	1.8%
Net income for the period	228.8	231.4	248.3	277.4	278.6	448.8	537.1	21.8%	130.3	139.9	7.4%
Net margin	18.9%	19.2%	17.2%	15.7%	16.6%	21.8%	25.6%	3.8 p.p.	26.9%	24.5%	-2.4 p.p.
EBITDA	497.6	501.0	579.4	685.5	692.4	847.9	910.5	7.4%	211.6	274.4	29.7%
EBITDA margin	41.2%	41.5%	40.0%	38.8%	41.2%	41.9%	43.4%	1.5 p.p.	43.7%	48.0%	4.3 p.p.

OPERATING DATA	2017	2017 adjusted	2018	2019	2019	2020	2021	Var.	1Q21	1Q22	Var.
Average operating fleet	36,804	36,804	44,404	55,726	55,726	59,801	61,962	3.6%	59,124	68,254	15.4%
Total Average rented fleet	35,424	35,424	42,321	53,029	53,029	59,244	63,493	7.2%	61,226	68,541	11.9%
Average rented fleet	35,424	35,424	42,321	53,029	53,029	57,706	60,133	4.2%	57,689	65,454	13.5%
Average rented fleet - Car Rental fleet replacement	-	-	-	-	-	1,538	3,360	118.5%	3,537	3,087	-12.7%
Average operating fleet age (in months)	18.1	18.1	15.1	15.1	15.1	17.4	20.3	16.7%	19.5	21.3	9.2%
End of period fleet											
Rented Fleet	44,877	44,877	54,430	68,957	68,957	61,657	73,503	19.2%	65,622	73,916	12.6%
Managed Fleet	94	94	57	32	32	105	57	-45.7%	103	56	-45.6%
Number of rental days - in thousands	12,752.7	12,752.7	15,235.7	19,090.5	19,090.5	21,328.0	22,857.3	7.2%	5,510.3	6,168.7	11.9%
Average daily rental revenues per car (R\$)	58.77	58.77	56.62	53.92	53.92	53.81	57.49	6.8%	55.68	61.19	9.9%
Annualized average depreciation per car (R\$)	3,104.3	3,104.3	3,601.1	3,923.4	3,923.4	2,178.9	1,152.7	-47.1%	1,393.2	1,283.5	-7.9%
Utilization rate (Does not include cars in preparation and decommissioning) (**)(***)	98.2%	98.2%	96.8%	96.6%	96.6%	97.4%	98.0%	0.6 p.p.	98.6%	96.8%	-1.8 p.p.
Number of cars purchased	20,286	20,286	26,148	31,242	31,242	16,578	28,128	69.7%	7,975	3,891	-51.2%
Number of cars sold	13,653	13,653	16,334	19,238	19,238	22,144	15,939	-28.0%	3,941	3,361	-14.7%
Average sold fleet age (in months)	31.8	31.8	31.2	28.6	28.6	28.9	31.8	10.0%	30.1	34.3	14.0%
Average total fleet	39,605	39,605	48,776	61,374	61,374	63,919	66,451	4.0%	63,742	73,500	15.3%
Average value of total fleet - R\$ million	1,482.5	1,482.5	1,943.1	2,520.6	2,520.6	2,812.1	3,370.7	19.9%	2,997.3	4,221.4	40.8%
Average value per car in the period - R\$ thsd	37.4	37.4	39.8	41.1	41.1	44.0	50.7	15.2%	47.0	57.4	22.1%

(*) In 4Q19, PIS and COFINS credits were reclassified, which were recorded as credits in the rental income tax line and started to be recorded in the rental cost line.

(**) The 2015 utilization rate was calculated only on the basis of the fourth quarter of 2015.

(***) Does not include replacement service from Car Rental

17.3 – Table 3 – Consolidated – R\$ million

CONSOLIDATED RESULTS	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	2019	2020	2021	Var.	1Q21	1Q22	Var.
Car rental and franchising gross revenues, net of discounts and cancellations	1,916.3	1,916.3	2,588.9	3,367.4	3,367.4	3,475.2	4,851.3	39.6%	1,082.3	1,463.5	35.2%
Fleet Rental gross revenues, net of discounts and cancellations	757.4	757.4	857.8	1,039.1	1,039.1	1,163.7	1,325.2	13.9%	310.6	382.6	23.2%
Car and Fleet Rentals and Franchising total gross revenues	2,673.7	2,673.7	3,446.7	4,406.5	4,406.5	4,638.9	6,176.5	33.1%	1,392.9	1,846.1	32.5%
Taxes on revenues - Car and Fleet Rentals and Franchising (*)	(66.6)	(66.6)	(61.4)	(59.7)	(417.6)	(440.4)	(583.2)	32.4%	(132.7)	(173.5)	30.7%
Car and Fleet Rentals and Franchising net revenues	2,607.1	2,607.1	3,385.3	4,346.8	3,988.9	4,198.5	5,593.3	33.2%	1,260.2	1,672.6	32.7%
Car sales gross revenues											
Car sales for fleet renewal - Car Rental, net of discounts and cancellations	2,990.0	2,990.0	3,919.2	5,479.6	5,479.6	5,150.7	4,413.3	-14.3%	1,334.7	813.1	-39.1%
Car sales for fleet renewal - Fleet Rental, net of discounts and cancellations	466.5	466.5	599.5	742.4	742.4	969.2	900.7	-7.1%	203.9	227.2	11.4%
Car sales for fleet renewal - total gross revenues (*)	3,456.5	3,456.5	4,518.7	6,222.0	6,222.0	6,119.9	5,314.0	-13.2%	1,538.6	1,040.3	-32.4%
Taxes on revenues - Car sales for fleet renewal	(5.3)	(5.3)	(8.3)	(15.3)	(15.3)	(10.8)	(6.0)	-44.4%	(1.7)	(1.3)	-23.5%
Car sales for fleet renewal - net revenues	3,451.2	3,451.2	4,510.4	6,206.7	6,206.7	6,109.1	5,308.0	-13.1%	1,536.9	1,039.0	-32.4%
Total net revenues	6,058.3	6,058.3	7,895.7	10,553.5	10,195.6	10,307.6	10,901.3	5.8%	2,797.1	2,711.6	-3.1%
Direct costs and expenses:											
Car rental and franchising	(935.3)	(879.6)	(1,187.7)	(1,484.5)	(1,112.0)	(1,124.3)	(1,406.9)	25.1%	(362.6)	(387.8)	6.9%
Fleet Rental	(220.4)	(220.1)	(245.9)	(304.1)	(220.5)	(221.5)	(315.6)	42.5%	(75.0)	(88.0)	17.3%
Total Car and Fleet Rentals and Franchising	(1,155.7)	(1,099.7)	(1,433.6)	(1,788.6)	(1,332.5)	(1,345.8)	(1,722.5)	28.0%	(437.6)	(475.8)	8.7%
Car sales for fleet renewal - Car rental	(2,603.2)	(2,603.2)	(3,542.5)	(5,037.8)	(5,037.8)	(4,629.7)	(3,416.2)	-26.2%	(1,054.6)	(636.5)	-39.6%
Car sales for fleet renewal - Fleet Rental	(392.1)	(392.1)	(525.9)	(650.2)	(650.1)	(832.0)	(659.3)	-20.8%	(157.1)	(154.5)	-1.7%
Total Car sales for fleet renewal (book value) and preparation for sale	(2,995.3)	(2,995.3)	(4,068.4)	(5,690.7)	(5,687.9)	(5,461.7)	(4,075.5)	-25.4%	(1,211.7)	(791.0)	-34.7%
Total costs	(4,151.0)	(4,095.0)	(5,502.0)	(7,479.3)	(7,020.4)	(6,807.5)	(5,798.0)	-14.8%	(1,649.3)	(1,266.8)	-23.2%
									0.0	0.0	0.0%
Gross profit	1,907.3	1,963.3	2,393.7	3,074.2	3,175.2	3,500.1	5,103.3	45.8%	1,147.8	1,444.8	25.9%
Operating expenses											
Advertising, promotion and selling:											
Car rental and franchising	(200.7)	(194.4)	(285.8)	(357.3)	(357.3)	(460.3)	(563.3)	22.4%	(140.5)	(114.1)	-18.8%
Fleet Rental	(18.8)	(18.8)	(27.7)	(36.0)	(35.6)	(38.2)	(84.0)	119.9%	(15.2)	(17.8)	17.1%
Car sales for fleet renewal	(232.3)	(232.3)	(279.5)	(357.1)	(301.6)	(328.4)	(374.8)	14.1%	(106.8)	(71.6)	-33.0%
Total advertising, promotion and selling	(451.8)	(445.5)	(593.0)	(750.4)	(694.5)	(826.9)	(1,022.1)	23.6%	(262.5)	(203.5)	-22.5%
General, administrative and other expenses	(215.3)	(203.6)	(210.6)	(268.0)	(267.9)	(205.1)	(383.7)	87.1%	(79.5)	(102.4)	28.8%
Total Operating expenses	(667.1)	(649.1)	(803.6)	(1,018.4)	(962.4)	(1,032.0)	(1,405.8)	36.2%	(342.0)	(305.9)	-10.6%
Depreciation expenses:											
Cars depreciation:											
Car rental	(117.7)	(117.7)	(131.7)	(332.8)	(332.8)	(342.6)	(183.7)	-46.4%	(26.0)	(104.9)	303.5%
Fleet Rental	(114.3)	(114.3)	(159.9)	(218.7)	(218.7)	(130.4)	(71.4)	-45.2%	(20.6)	(21.9)	6.3%
Total cars depreciation expenses	(232.0)	(232.0)	(291.6)	(551.5)	(551.5)	(473.0)	(255.1)	-46.1%	(46.6)	(126.8)	172.1%
Other assets depreciation and amortization	(39.1)	(39.1)	(43.9)	(46.3)	(171.7)	(193.4)	(218.4)	12.9%	(50.8)	(60.1)	18.3%
Total depreciation and amortization expenses	(271.1)	(271.1)	(335.5)	(597.8)	(723.2)	(666.4)	(473.5)	-28.9%	(97.4)	(186.9)	91.9%
Operating profit before financial results and taxes (EBIT)	969.1	1,043.1	1,254.6	1,458.0	1,489.6	1,801.7	3,224.0	78.9%	708.4	952.0	34.4%
Financial expenses, net:											
Expense	(511.9)	(511.9)	(536.8)	(591.2)	(630.0)	(512.4)	(576.9)	12.6%	(49.3)	(355.3)	620.7%
Income	196.9	196.9	167.9	230.6	220.2	138.0	256.0	85.5%	27.0	128.3	375.2%
Financial (expenses) revenues, net	(315.0)	(315.0)	(368.9)	(360.6)	(409.8)	(374.4)	(320.9)	-14.3%	(22.3)	(227.0)	917.9%
Income before tax and social contribution	654.1	728.1	885.7	1,097.4	1,079.8	1,427.3	2,903.1	103.4%	686.1	725.0	5.7%
Income tax and social contribution	(148.4)	(164.7)	(226.5)	(249.9)	(245.9)	(379.1)	(859.4)	126.7%	(203.8)	(207.6)	1.9%
Net income for the period	505.7	563.4	659.2	847.5	833.9	1,048.2	2,043.7	95.0%	482.3	517.4	7.3%
EBITDA	1,240.2	1,314.2	1,590.1	2,055.8	2,212.8	2,468.1	3,697.5	49.8%	805.8	1,138.9	41.3%
EBIT	969.1	1,043.1	1,254.6	1,458.0	1,489.6	1,801.7	3,224.0	78.9%	708.4	952.0	34.4%
Consolidated EBIT Margin (calculated over rental revenues)	37.2%	40.0%	37.1%	33.5%	37.3%	42.9%	57.6%	14.7 p.p.	56.2%	56.9%	0.7 p.p.
Car and Fleet Rentals and Franchising EBITDA	1,037.0	1,111.0	1,454.3	1,930.6	2,029.2	2,187.6	2,897.0	32.4%	598.7	978.3	63.4%
EBITDA Margin	39.8%	42.6%	43.0%	44.4%	50.9%	52.1%	51.8%	-0.3 p.p.	47.5%	58.5%	11.0 p.p.
Used Car Sales (Seminovos) EBITDA	203.2	203.2	135.8	125.2	183.6	290.5	800.6	185.4%	207.1	160.6	-22.5%
EBITDA Margin	5.9%	5.9%	3.0%	2.0%	3.0%	4.6%	15.1%	10.5 p.p.	13.5%	15.5%	2.0 p.p.

(*) In 4Q19, PIS and COFINS credits were reclassified, which were recorded as credits in the rental income

18 – Table 4 – Operating data

SELECTED OPERATING DATA	2017	2018	2019	2020	2021	Var.	1Q21	1Q22	Var.
Average operating fleet:									
Car Rental	94,194	130,058	173,649	200,742	195,242	-2.7%	196,980	205,372	4.3%
Fleet Rental	36,804	44,404	55,726	59,801	61,962	3.6%	59,124	68,254	15.4%
Total	130,998	174,462	229,375	260,543	257,204	-1.3%	256,104	273,626	6.8%
Average rented fleet:									
Car Rental	69,762	97,245	128,718	140,151	151,686	8.2%	153,467	157,380	2.5%
Fleet Rental	35,424	42,321	53,029	59,244	63,493	7.2%	61,226	68,541	11.9%
Total	105,186	139,566	181,747	199,395	215,179	7.9%	214,693	225,921	5.2%
Average age of operating fleet (months)									
Car Rental	6.5	7.2	7.0	10.0	13.9	39.0%	12.6	16.7	32.5%
Fleet Rental	18.1	15.1	15.1	17.4	20.3	16.7%	19.5	21.3	9.2%
Average age of total operating fleet	9.8	9.3	9.0	11.7	15.5	32.5%	14.3	18.0	25.9%
Fleet at end of period:									
Car Rental	135,578	177,672	238,174	216,334	216,293	0.0%	208,791	219,406	5.1%
Fleet Rental	44,877	54,430	68,957	61,657	73,503	19.2%	65,622	73,916	12.6%
Total	180,455	232,102	307,131	277,991	289,796	4.2%	274,413	293,322	6.9%
Managed fleet at end period - Fleet Rental	94	57	32	105	57	-45.7%	103	56	-45.6%
Fleet investment (R\$ million) (does not include accessories)									
Car Rental	4,581.8	5,785.2	8,802.1	4,541.9	5,625.1	23.8%	1,055.1	1,335.2	26.5%
Fleet Rental	881.5	1,189.2	1,472.6	975.7	2,022.1	107.2%	474.7	336.4	-29.1%
Total	5,463.3	6,974.4	10,274.7	5,517.6	7,647.2	38.6%	1,529.8	1,671.6	9.3%
Number of rental days (In thousands):									
Car Rental - Total	25,494.0	35,514.6	47,029.0	51,286.4	55,358.0	7.9%	13,799.3	14,163.3	2.6%
Rental days for Fleet Rental replacement service	(230.4)	(230.1)	(283.0)	(839.9)	(1,601.4)	90.7%	(403.3)	(407.3)	1.0%
Car Rental - Net	25,263.6	35,284.5	46,745.9	50,446.5	53,756.6	6.6%	13,396.0	13,756.0	2.7%
Fleet Rental	12,752.7	15,235.7	19,090.5	21,328.0	22,857.3	7.2%	5,510.3	6,168.7	11.9%
Total	38,016.3	50,520.2	65,836.5	71,774.5	76,613.9	6.7%	18,906.3	19,924.7	5.4%
Annualized average depreciation per car (R\$)									
Car Rental	1,250.1	1,012.4	1,917.6	1,706.8	941.1	-44.9%	526.4	2,043.7	288.2%
Fleet Rental	3,104.3	3,601.1	3,923.4	2,178.9	1,152.7	-47.1%	1,393.2	1,283.5	-7.9%
Total	1,771.0	1,671.2	2,405.2	1,815.2	992.0	-45.4%	726.2	1,854.4	155.4%
Average annual gross revenues per operating car (R\$ thousand)									
Car Rental	20.2	19.8	19.3	17.3	24.7	42.8%	20.0	26.0	30.0%
Fleet Rental	20.4	19.1	18.5	19.2	21.2	10.5%	18.8	20.0	6.4%
Average daily rental (R\$)									
Car Rental (*)	75.16	72.86	71.57	68.52	89.71	30.9%	80.29	105.71	31.7%
Fleet Rental	58.77	55.62	53.92	53.81	57.49	6.8%	55.68	61.19	9.9%
Utilization rate (does not include cars in preparation and decommissioning):									
Car Rental	78.6%	79.6%	79.1%	73.5%	79.8%	6.3 p.p.	80.4%	78.5%	-1.9 p.p.
Fleet Rental	98.2%	96.8%	96.6%	97.4%	98.0%	0.6 p.p.	98.6%	96.8%	-1.8 p.p.
Number of cars purchased - consolidated (**)	135,252	165,421	223,534	109,379	111,510	1.9%	26,360	18,680	-29.1%
Average price of cars purchased (R\$ thsd) - consolidated	40.39	42.16	45.96	50.45	68.58	35.9%	58.04	89.49	54.2%
Numbers of cars sold - consolidated	90,554	111,279	147,915	135,490	92,845	-31.5%	29,032	14,556	-49.9%
Average price of cars sold (R\$ thsd) (***) - consolidated	35.38	37.86	39.80	42.46	52.63	24.0%	48.93	65.46	33.8%

(*) Not included the rentals for Fleet Rental Division.

(**) Does not include cars from Hertz Brazil in 2017

(***) Net of SG&A expenses related to the sale of cars decommissioned for fleet renewal.

19 – Consolidated financial statements – IFRS – R\$ million

ASSETS	2017	2018	2019 without IFRS 16	2019	2020	2021	1Q22
CURRENT ASSETS:							
Cash and cash equivalents	1,338.2	2,175.3	2,220.1	2,220.1	2,586.4	444.1	759.0
Financial assets	1,275.7	267.5	610.8	610.8	1,380.2	4,565.4	4,984.5
Trade accounts receivable	585.1	1,016.5	1,274.7	1,274.7	1,107.5	1,310.4	1,321.4
Derivative financial instruments - swap	-	-	-	-	154.3	89.6	56.0
Other current assets	128.6	182.7	246.8	246.8	300.7	351.3	486.0
Decommissioning cars to fleet renewal	103.4	51.8	141.7	141.7	40.5	182.0	269.3
Total current assets	3,431.0	3,693.8	4,494.1	4,494.1	5,569.6	6,942.8	7,876.2
NON CURRENT ASSETS:							
Long-term assets:							
Financial assets	-	-	-	-	-	3.0	3.0
Derivative financial instruments - swap	16.7	2.8	18.2	18.2	353.0	448.1	219.4
Trade accounts receivable	4.7	3.8	1.8	1.8	2.0	2.7	2.4
Escrow deposit	83.1	96.3	114.6	114.6	113.7	121.8	123.2
Deferred income tax and social contribution	42.0	42.2	32.4	32.4	24.4	24.3	23.9
Investments in restricted accounts	40.6	43.0	22.3	22.3	44.9	46.1	47.2
Other non current assets	0.7	0.1	0.1	0.1	0.1	286.3	290.3
Total long-term assets	187.8	188.2	189.4	189.4	538.1	932.3	709.4
Property and equipment							
Cars	6,934.7	9,481.6	13,374.1	13,374.1	12,923.3	15,842.9	16,541.8
Right of use	-	-	-	625.0	624.5	736.0	730.6
Other	549.3	550.3	570.5	570.5	633.5	715.0	722.8
Intangible:							
Software and others	52.8	47.8	49.9	49.9	46.7	37.6	47.6
Goodwill on acquisition of investments	30.6	30.7	90.0	90.0	105.4	105.4	105.4
Total non current assets	7,755.2	10,298.6	14,273.9	14,898.9	14,871.5	18,369.2	18,857.6
TOTAL ASSETS	11,186.2	13,992.4	18,768.0	19,393.0	20,441.1	25,312.0	26,733.8

LIABILITIES AND SHAREHOLDERS' EQUITY	2017	2018	2019 without IFRS 16	2019	2020	2021	1Q22
CURRENT LIABILITIES:							
Trade accounts payable	1,331.7	2,202.6	2,565.4	2,565.4	1,661.0	2,059.3	1,402.4
Social and labor obligations	109.2	135.0	161.8	161.8	218.5	276.1	312.5
Loans, financing and debentures	537.2	616.6	144.3	144.3	1,615.0	1,884.8	1,739.1
Lease liability	-	-	-	116.0	130.2	157.0	147.2
Derivative financial instruments - swap	6.8	18.7	26.8	26.8	66.4	9.1	44.2
Income tax and social contribution	31.3	41.1	58.7	54.6	117.6	9.0	30.0
Dividends and interest on own capital	36.4	42.6	63.4	63.4	72.4	288.8	300.1
Other current liabilities	181.5	282.8	390.0	390.0	415.3	300.4	226.7
Total current liabilities	2,234.1	3,339.4	3,410.4	3,522.3	4,296.4	4,984.5	4,202.2
NON CURRENT LIABILITIES:							
Loans, financing and debentures	5,940.5	7,029.4	9,235.1	9,235.1	8,882.7	10,548.3	12,154.6
Lease liability	-	-	-	526.8	532.5	635.2	642.8
Derivative financial instruments - swap	10.8	21.9	62.3	62.3	37.2	134.7	152.8
Provisions	126.5	148.8	207.2	207.2	158.6	163.6	139.2
Deferred income tax and social contribution	219.7	297.3	352.7	352.7	412.1	1,147.9	1,324.7
Restricted Obligations	40.6	43.1	22.5	22.5	45.4	47.0	48.0
Other non current liabilities	13.3	18.0	16.6	16.6	23.6	33.7	32.9
Total non current liabilities	6,351.4	7,558.5	9,896.4	10,423.2	10,092.1	12,710.4	14,495.0
Total liabilities	8,585.5	10,897.9	13,306.8	13,945.5	14,388.5	17,694.9	18,697.2
SHAREHOLDERS' EQUITY:							
Capital	1,500.0	1,500.0	4,000.0	4,000.0	4,000.0	4,000.0	4,000.0
Expenses with share issues	-	-	(43.1)	(43.1)	(43.1)	(43.1)	(43.1)
Treasury Shares	-	-	-	-	(175.5)	(162.1)	(162.0)
Capital Reserves	94.9	125.0	163.2	163.2	174.9	203.0	215.3
Earnings Reserves	1,005.8	1,469.5	1,341.1	1,327.4	2,096.3	3,618.4	4,025.5
Equity Valuation Adjustment	-	-	-	-	-	0.9	0.9
Total shareholders' equity	2,600.7	3,094.5	5,461.2	5,447.5	6,052.6	7,617.1	8,036.6
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	11,186.2	13,992.4	18,768.0	19,393.0	20,441.1	25,312.0	26,733.8

20 – Consolidated financial statements – Income statements - R\$ million

STATEMENT OF INCOME	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	2019	2020	2021	1Q22
Total net revenues	6,058.3	6,058.3	7,895.7	10,553.5	10,195.6	10,307.6	10,901.3	2,711.6
COSTS AND EXPENSES:								
Direct costs	(4,151.0)	(4,095.0)	(5,502.0)	(7,479.3)	(7,020.4)	(6,807.5)	(5,798.0)	(1,266.8)
Selling, general, administrative and other expenses	(667.1)	(649.1)	(803.6)	(1,018.4)	(962.4)	(1,032.0)	(1,405.8)	(305.9)
Cars depreciation	(232.0)	(232.0)	(291.6)	(551.5)	(551.5)	(473.0)	(255.1)	(126.8)
Other assets depreciation and amortization	(39.1)	(39.1)	(43.9)	(46.3)	(171.7)	(193.4)	(218.4)	(60.1)
Total costs and expenses	(5,089.2)	(5,015.2)	(6,641.1)	(9,095.5)	(8,706.0)	(8,505.9)	(7,677.3)	(1,759.6)
Income before financial results and taxes (EBIT)	969.1	1,043.1	1,254.6	1,458.0	1,489.6	1,801.7	3,224.0	952.0
FINANCIAL EXPENSES, NET	(315.0)	(315.0)	(368.9)	(360.6)	(409.8)	(374.4)	(320.9)	(227.0)
Income before taxes	654.1	728.1	885.7	1,097.4	1,079.8	1,427.3	2,903.1	725.0
INCOME TAX AND SOCIAL CONTRIBUTION								
Current	(119.4)	(135.7)	(139.8)	(183.7)	(180.7)	(311.7)	(124.0)	(30.5)
Deferred	(29.0)	(29.0)	(86.7)	(66.2)	(65.2)	(67.4)	(735.4)	(177.1)
	(148.4)	(164.7)	(226.5)	(249.9)	(245.9)	(379.1)	(859.4)	(207.6)
Net income	505.7	563.4	659.2	847.5	833.9	1,048.2	2,043.7	517.4

21 – Statements of Cash Flows – R\$ million

CONSOLIDATED CASH FLOW	2017	2017 adjusted	2018	2019 without IFRS 16	2019	2020	2021	1Q22
CASH FLOWS FROM OPERATING ACTIVITIES:								
Net income	505.7	563.4	659.2	847.5	833.9	1,048.2	2,043.7	517.4
Adjustments to reconcile net income and cash and cash equivalents provided by operating activities:								
Depreciation and amortization	271.1	271.1	335.5	597.9	723.1	666.4	473.5	186.9
Net book value of vehicles written off	(344.6)	(344.6)	(311.9)	(343.1)	(343.1)	(509.3)	(962.0)	(275.2)
Deferred income tax and social contribution	29.1	29.1	86.7	65.2	65.2	67.4	735.4	177.1
Interest on loans, financing, debentures and swaps of fixed rates	476.2	476.2	529.8	552.9	552.9	423.7	502.3	338.2
Lease interest	-	-	-	-	49.4	59.6	61.8	17.1
Other	81.7	81.7	87.8	103.6	103.6	9.3	73.8	(16.2)
(Increase) decrease in assets:								
Trade receivable	(151.8)	(151.8)	(489.0)	(275.9)	(275.9)	118.8	(248.1)	(0.5)
Purchases of cars (see supplemental disclosure below)	(5,052.4)	(5,052.4)	(6,113.7)	(9,941.4)	(9,941.4)	(6,513.3)	(7,366.9)	(2,296.3)
Escrow deposits	(17.5)	(17.5)	(13.1)	(17.9)	(17.9)	0.9	(8.1)	(1.4)
Taxes recoverable	2.6	2.6	3.4	(1.6)	(1.6)	11.5	(266.9)	10.4
Prepaid expenses	2.7	2.7	1.3	(4.9)	(4.9)	(7.9)	(11.6)	(137.5)
Other assets	(8.8)	(8.8)	(71.9)	(44.7)	(44.7)	(44.7)	85.1	(16.3)
Increase (decrease) in liabilities:								
Accounts payable (except car manufacturers)	(4.8)	(4.8)	3.1	21.0	21.0	84.2	109.3	(39.1)
Social and labor obligations	7.5	7.5	25.8	26.8	26.8	56.5	57.7	36.4
Income tax and social contribution	119.4	135.7	139.8	184.7	180.7	311.7	124.0	30.5
Insurance premium	19.3	19.3	37.0	23.2	23.2	20.8	(93.2)	5.1
Other liabilities	40.1	40.1	60.1	52.0	52.0	13.4	(71.3)	(80.4)
Cash provided by (used in) operating activities	(4,024.5)	(3,950.5)	(5,030.1)	(8,154.7)	(7,997.7)	(4,182.8)	(4,761.5)	(1,543.8)
Revenue from the sale of decommissioned cars, net of taxes	3,451.2	3,451.2	4,510.4	6,206.7	6,206.7	6,109.2	5,308.0	1,039.0
Income tax and social contribution paid	(108.3)	(108.3)	(131.2)	(146.1)	(146.1)	(250.1)	(307.1)	(9.5)
Interest on loans, financing and debentures paid	(485.7)	(485.7)	(424.7)	(562.2)	(562.2)	(366.9)	(372.9)	(314.4)
Lease interest paid	-	-	-	-	(53.5)	(56.8)	(49.7)	(11.7)
Financial assets	(1,275.8)	(1,275.8)	1,008.2	(343.4)	(343.4)	(769.4)	(3,188.2)	(419.1)
Net cash provided by (used in) operating activities	(2,443.1)	(2,369.1)	(67.4)	(2,999.7)	(2,896.2)	483.2	(3,371.4)	(1,259.5)
CASH FLOWS FROM INVESTING ACTIVITIES:								
Acquisition of investment, goodwill and fair value surplus	(333.2)	(333.2)	-	(123.7)	(123.7)	(7.9)	(3.6)	(3.8)
Purchases of other property and equipment and addition of intangible assets	(175.0)	(175.0)	(42.8)	(70.0)	(70.0)	(108.0)	(143.4)	(36.9)
Net cash provided by (used in) investing activities	(508.2)	(508.2)	(42.8)	(193.7)	(193.7)	(115.9)	(147.0)	(40.7)
CASH FLOWS FROM FINANCING ACTIVITIES:								
Loans and financings:								
Proceeds	950.1	950.1	742.8	1,351.5	1,351.5	1,250.2	3,098.0	-
Repayment	(510.1)	(510.1)	(518.5)	(930.2)	(930.2)	(15.0)	(1,395.8)	(303.0)
Debentures								
Proceeds	2,626.9	2,626.9	1,690.7	2,283.7	2,283.7	988.6	498.1	2,770.8
Repayment	(355.0)	(355.0)	(815.0)	(975.0)	(975.0)	(1,660.8)	(383.1)	(715.4)
Lease liability:								
Repayment	-	-	-	-	(103.5)	(119.2)	(144.0)	(40.2)
Capital increase	-	-	-	1,821.6	1,821.6	-	-	-
Treasury shares (acquired)/ sold	2.1	2.1	3.20	2.6	2.6	(180.5)	4.4	-
Expenses with issuance of shares.	-	-	-	(65.3)	(65.3)	-	-	-
Exercise of stock options with treasury shares, net	50.1	50.1	16.4	25.1	25.1	4.80	(1.3)	0.1
Dividends paid	-	-	-	(7.2)	(7.2)	-	(18.1)	-
Interest on own capital	(166.9)	(166.9)	(172.3)	(268.6)	(268.6)	(269.1)	(282.1)	(97.2)
Net cash provided by (used in) financing activities	2,597.2	2,597.2	947.3	3,238.2	3,134.7	(1.0)	1,376.1	1,615.1
NET CASH FLOW PROVIDED (USED) IN THE YEAR	(354.1)	(280.1)	837.1	44.8	44.8	366.3	(2,142.3)	314.9
Cash flow without incurred one-time costs Hertz and franchisees	-	(74.0)	-	-	-	-	-	0.0
NET CASH FLOW PROVIDED (USED) IN THE YEAR AFTER ONE TIME COSTS	(354.1)	(280.1)	837.1	44.8	44.8	366.3	(2,142.3)	314.9
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,692.3	1,692.3	1,338.2	2,175.3	2,175.3	2,220.1	2,586.4	444.1
CASH AND CASH EQUIVALENTS AT END OF YEAR	1,338.2	1,338.2	2,175.3	2,220.1	2,220.1	2,586.4	444.1	759.0
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(354.1)	(354.1)	837.1	44.8	44.8	366.3	(2,142.3)	314.9
Supplemental disclosure of cash flow information:								
Cash paid during the period for cars acquisition								
Cars acquisition in the year/period - renewal	(3,660.9)	(3,660.9)	(4,696.7)	(6,804.6)	(6,804.6)	(5,524.1)	(6,366.9)	(1,307.9)
Cars acquisition in the year/period - growth	(1,807.0)	(1,807.0)	(2,285.1)	(3,478.7)	(3,478.7)	-	(1,289.0)	(370.6)
Suppliers - automakers:								
Balance at the end of the year	1,197.5	1,197.5	2,065.6	2,407.5	2,407.5	1,418.3	1,707.4	1,089.6
Balance at the beginning of the year	(782.0)	(782.0)	(1,197.5)	(2,065.6)	(2,065.6)	(2,407.5)	(1,418.4)	(1,707.4)
Cash paid for cars purchased	(5,052.4)	(5,052.4)	(6,113.7)	(9,941.4)	(9,941.4)	(6,513.3)	(7,366.9)	(2,296.3)

22 – Glossary and other information

- **Adjusted:** Financials have been recalculated to exclude the impact of incurred one-time costs related with the acquisition of Hertz Brazil and the integration of 20 franchised branches in 2017.
- **Average Rented Fleet:** In the car rental division it is the number of daily rentals in the period divided by the number of days in the period. In the Fleet Rental is the actual number of cars rented.
- **CAGR:** Compounded annual growth rate.
- **CAPEX:** Capital expenditure.
- **Carrying Cost of Cash:** Consists of the cost to maintain minimum cash position. This is the difference between the average rate of fundraising and the average rate of investment.
- **Car depreciation:** Depreciation is calculated based on the expectation of the future sale price net of the selling expenses. The amount to be depreciated is the positive difference between the acquisition price of the vehicle and its estimated residual value. Depreciation is calculated as long as the assets' estimated residual value does not exceed its accounting value. Depreciation is recognized during the estimated life cycle of each asset. In the Car Rental and Fleet Rental divisions, depreciation method used is linear. The residual value is the estimated sale price net of the estimated selling expense.
- **Depreciated cost of used cars sales (book value):** Consists of the acquisition value of vehicles, depreciated up to the date of sale.
- **EBITDA:** is the net income of the period, added by the income tax, net financial expenses, depreciation, amortization, and exhaustions, as defined by CVM instruction 527/12.
- **EBITDA Margin:** EBITDA divided by the net revenues.
- **EBIT:** is the net income of the period added by the income tax and net financial expenses.
- **EBIT Margin:** EBIT divided by the rental net revenues.
- **IFRS 16:** As of January 1, 2019, all companies had to adapt to the new rules of IFRS 16. Lessees now have to recognize the assets of the rights over leased assets and the liabilities of future payments for medium or long-term leases, including operating leases. The major impact we had was on the real estate lease agreements of our locations and stores.
- **Operating Fleet:** Includes the cars in the fleet from the licensing until they become available for sale.
- **Net debt:** Short and long-term debts +/- the results from the swap operations, net of the cash, cash equivalents and short-term financial investments. The "net debt" term is a Company's measure and cannot be compared with similar terms used by other companies.
- **Net Investment in cars:** Capital investment in cars acquisition, net of the revenues from selling decommissioned cars.
- **One-time costs (OTC):** Non-recurring costs and expenses related to the acquisition of Hertz Brazil's operations and the integration of 20 franchised branches.
- **Reclassification of PIS and COFINS credits:** To better reflect the nature of its operating costs, Localiza performed the reclassification of PIS and COFINS credits for the years ended December 31, 2019. The credits were reclassified in the income statement by division and consolidated, from the income tax heading to the cost heading.
- **ROIC:** Return on invested capital.
- **Royalties and integration fee:** Amount calculated on the amounts charged in the rental contracts, for the use of the brand and transfer of know-how, in addition to the fees related to the marketing campaigns conducted by Localiza Franchising; and amount paid by the franchisee shortly after signing the adhesion contract, corresponding to the concession to use the brand.
- **Swap:** Financial transactions carried out to hedge exchange rate and interest rate risks.
- **Utilization Rate:** It is the number of rental days of the period divided by the fleet available for rental multiplied by the number of days of the period and therefore, it does not include cars being prepared or being decommissioned.

LOCALIZA RENT A CAR S.A.

NOTES TO THE INTERIM FINANCIAL INFORMATION

FOR THE PERIOD ENDED MARCH 31, 2022

(In thousands of Brazilian reais – R\$, unless otherwise stated)

1. GENERAL INFORMATION

Localiza Rent a Car S.A. (“Localiza” or “Company”), headquartered at Avenida Bernardo de Vasconcelos, 377, Bairro Cachoeirinha, in Belo Horizonte, Minas Gerais State, has been since May 2005 a Brazilian publicly-held company, listed on B3 S.A. - Brasil, Bolsa, Balcão (“B3”) Novo Mercado segment, which characterizes the highest corporate governance level in the Brazilian capital market, Localiza's shares are traded under the ticker symbol RENT3.

Localiza and its subsidiaries are mainly engaged in: car rental, fleet rental and franchising. In order to renew the fleet, Localiza, its direct and indirect subsidiaries, Localiza Fleet S.A. (“Localiza Fleet”) and Car Rental Systems S.A. (“Car Rental Systems”), respectively, sell their decommissioned cars, generating cash for the purchase of new cars from manufacturers.

As at March 31, 2022, the Localiza Platform, including its franchisees in Brazil and abroad, was comprised of 622 car rental locations (not reviewed by the independent auditors), of which: (i) 544 locations in 364 cities in Brazil, 454 of which were operated by Localiza and 90 by franchisees; and (ii) 78 locations in 37 cities in 4 other South American countries, all operated by franchisees. In addition to its network of locations, the Company owned 127 points of sale of the decommissioned cars after its use, located in 85 cities throughout Brazil, Approximately half of the decommissioned cars are sold to final consumers.

This individual and consolidated interim financial information was approved and authorized for issue by the Board of Directors on April 29, 2022 and by the Executive Board on May 02, 2022.

1.1. Covid-19 Pandemic

As an effect of the pandemic and geopolitical factors, among other things, the shortage of some supplies, notably semiconductors (chips) has been affecting the automotive industry since then, resulting in a reduction in the supply of cars and an increase in prices. The Company has been affected mainly by the lower volume of new car purchases, due to automakers have not resumed their normal production level, resulting in an increase in the estimated useful life of cars and in car maintenance costs, as a consequence of the aging of the fleet and the increased cost of spare parts. As a result of the emergence of new variants and the recurrence of cases, in March and April 2021, we felt the impacts of the pandemic reemerged (to a lesser extent than in the first wave), after a consistent resumption in the volumes of rentals and sale of cars deactivated for fleet renewal.

The Company's Management performed various analyses of the impacts of Covid-19, which involved mainly the assessment of indicators of impairment of non-current assets, expected credit losses on trade receivables, measurement of financial instruments, including derivative financial instruments, among others. This interim financial information considers the impacts arising from these analyses.

1.2. Combination of Localiza and Unidas businesses

According to the Material Fact dated September 22, 2020, Localiza and Companhia de Locação das Américas (“Unidas” and, in conjunction with Localiza, “Companies”) entered into a “Merger of Shares Agreement” through which the terms and conditions for the implementation of the business combination of the Companies, through the merger of shares of Unidas into Localiza (“Merger of Shares” or “Transaction”).

The transaction will result in the union of shareholders that are a reference and have long experience in the industry, in the combination of talents to provide innovative solutions in mobility, in the creation of a player on a global scale committed with the highest levels of governance and with ambition to provide the best customer experience, increasing the access of the population and companies to car rental. From the economic and financial point of view, the business integration should promote synergies and increases in efficiency in the combined company resulting from the Merger of Shares.

This transaction was approved by the shareholders of the Companies at their respective general shareholders' meetings held on November 12, 2020. The completion of the Merger of Shares depended on the approval by the Brazilian Antitrust Agency ("CADE"), as well as the verification of other certain usual conditions precedent for operations of this nature.

On February 17, 2021, the notice for Concentration Act 08700,000149/2021-46, referring to the proposed Merger of Shares, was published on CADE's website.

On September 6, 2021, were issued the opinion nº 13/2021/CGAA1/SGA1 and order nº 1309/21, which the General Superintendence of CADE submits the Act of Concentration to Administrative Court, recommending the approval of operation with remedies in accordance with the Concentration Control Agreement. On December 15, 2021, the CADE Court issued a decision on the aforementioned Concentration Act, which was approved with some structural and behavioral restrictions, as a provisioned in the terms of the CCA negotiated with CADE.

The closing of the deal is still subjected to certain conditions, including the final approval by CADE of the buyer of the assets that will be divested, in the terms of the CCA. Both companies inform that they are in negotiation with parties interested in the remedies and that they will continue operating independently until the closing.

1.3. Cyber attack

As communicated to the market, on January 11, 2022, the Company and its subsidiaries suffered a partial interruption in the operation of some systems, due to a criminal cyber attack in its information technology environment. Localiza immediately activated its security control protocols to block the attack and mitigate potential impacts.

The Company has technological tools and rigorous security standards in place and constantly seeks to improve them by implementing new security tools and procedures to protect its systems and databases.

As at the date of this interim financial information, the Company has not identified any evidence of access to databases, extraction or leakage of personal data.

2. BASIS OF PREPARATION, PRESENTATION OF INTERIM FINANCIAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company's interim financial information comprises individual and consolidated interim financial information, identified as "Individual" and "Consolidated", and is prepared and presented in accordance with technical pronouncement CPC 21 (R1) – Interim Financial Information, issued by the Accounting Pronouncements Committee ("CPC") and approved by the Brazilian Securities and Exchange Commission ("CVM"), and in accordance with international standard IAS 34 – Interim Financial Information, issued by the International Accounting Standards Board ("IASB"), and discloses all relevant information that should be reported in the interim financial information, and only such information, which is consistent with the information used by Management in the performance of its duties.

The individual interim financial information presents investments in subsidiaries accounted for under the equity method of accounting, in accordance with the accounting practices adopted in Brazil and the IFRS.

The information on the basis of preparation and presentation of the interim financial information and summary of significant accounting policies has not changed significantly when compared with the information disclosed in Note 2 and in other notes to the annual financial statements for the year ended December 31, 2021 (hereinafter referred to as "financial statements for the year ended December 31, 2021"), published on February 22, 2022 through the websites www.gov.br/cvm, www.b3.com.br and www.localiza.com/ri and published on March 4, 2022 in the "Diário do Comércio de Minas Gerais" and in its digital edition, on the same date.

3. RECENTLY ISSUED ACCOUNTING STANDARDS AND INTERPRETATIONS

3.1. Recently issued accounting pronouncements and interpretations adopted by the Company in the current period

- **Amendment to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets"**: in May 2020, IASB issued a change to clarify that, for the purpose of evaluating if a contract is onerous, the cost of complying with this contract includes the incremental costs of complying and the allocation of other costs that relate directly to this one. The effective date is January 1, 2022.
- **Amendment to IFRS 3 "Business Combinations"**: issued in May 2020, with the objective to replace the references under the old structure conceptual version to the most recent. The change in IFRS 3 is effective from January 1, 2022.
- **Annual improvements - 2018-2020 cycle**: in May 2020, IASB issued the following changes as part of annual improvement process, to be Applied from 1 January 2022:
 - (i) IFRS 9 - "Financial Instruments" – clarify which duties should be included in the tests of 10% for write downs of financial liabilities.
 - (ii) IFRS 16 - "Leases" – change on example 13 in order to exclude the example of lessor payments related to improvements to the property.
 - (iii) IFRS 1 - "First-time Adoption of International Financial Reporting Standards" - simplifies the application of this standard by a subsidiary that adopts IFRS for the first time after its parent company, in relation to the measurement of the accumulated amount of exchange rate variations.

The Company analyzed these alterations and did not identify any relevant impacts in relation to the accounting practices currently adopted.

3.2. Recently issued accounting pronouncements and interpretations and not yet adopted by the Company

The following IFRSs were issued by the IASB but are not effective for the period ended March 31, 2022. The early adoption of standards, although encouraged by the IASB, is not permitted in Brazil by the CPC.

- **Amendment to IAS 1 "Presentation of Financial Statements"**: issued in May 2020, with the aim of clarifying that liabilities are classified as current or non-current, depending on the conditions that exist at the end of the period. The classification is not affected by the entity's expectations or events after the reporting date (e.g., receipt of a waiver or breach of covenant). The amendments also clarify what is meant by "settlement" of a liability under IAS 1. The amendments to IAS 1 are effective from January 1, 2023.

- **Amendment to IAS 1 and IFRS Practice Statement 2 - Disclosure of accounting policies**: in February 2021 the IASB issued a further amendment to IAS 1 on disclosure of "material" rather than "significant" accounting policies. The amendments define what "material accounting policy information" is and explain how to identify it. It also clarifies that immaterial accounting policy information need not be disclosed, but if it is, that it should not obscure material accounting information. To support this change, the IASB has also amended "IFRS Practice Statement 2 Making Materiality Judgements" to provide guidance on how to apply the concept of materiality to accounting policy disclosures. This amendment is effective from January 1, 2023.

- **Amendment to IAS 12 - Income Taxes**: the amendment issued in May 2021 requires entities to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This typically applies to lease transactions (right-of-use assets and lease liabilities) and decommissioning and restoration obligations, as an example, and will require the recognition of additional deferred tax assets and liabilities. This amendment is effective January 1, 2023.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are broken down as follows:

	Individual		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Cash and banks	20,750	17,132	28,098	18,809
Bank Certificates of Deposit ("CDB")	413,126	226,752	489,044	350,550
Fixed-income investment fund units	143,266	45,219	241,902	74,780
Total	577,142	289,103	759,044	444,139

As at March 31, 2022, financial investments in CDBs and fixed-income investment fund units had an annual weighted average yield of 106.4% of the Interbank Deposit Certificates ("CDI") rate variation (110.2% as at December 31, 2021).

5. INVESTMENTS

Investments are broken down as follows:

	Individual		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Bank Certificates of Deposit ("CDB")	1,103,311	2,131,514	1,211,225	2,287,494
Fixed-income investment fund units	2,834,033	1,360,935	3,691,924	2,106,796
Investments in financial bills	67,380	153,006	84,357	174,103
Total	4,004,724	3,645,455	4,987,506	4,568,393
Current	4,001,724	3,642,455	4,984,506	4,565,393
Non-current	3,000	3,000	3,000	3,000

As at March 31, 2022, short-term investments had an annual weighted average yield of 110.6% of the Interbank Deposit Certificates ("CDI") rate variation (117.9% as at December 31, 2021).

6. TRADE RECEIVABLES

Trade receivables are broken down as follows:

	Individual		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Car rental	850,359	904,794	854,721	910,398
Fleet rental	-	-	140,348	129,413
Unbilled revenue	241,774	263,223	244,554	265,862
Sale of decommissioned cars	191,984	140,263	249,684	183,828
	1,284,117	1,308,280	1,489,307	1,489,501
Allowance for doubtful debts/ expected losses	(132,293)	(144,176)	(165,481)	(176,476)
Total	1,151,824	1,164,104	1,323,826	1,313,025
Current	1,151,824	1,164,104	1,321,449	1,310,359
Noncurrent	-	-	2,377	2,666

The aging list of trade receivables is as follows:

	Individual		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Current	1,090,857	1,098,517	1,237,585	1,222,214
Up to 30 days past due	36,968	44,026	55,605	64,252
31 to 60 days past due	15,605	17,268	21,742	20,743
61 to 90 days past due	16,957	18,714	18,191	21,304
91 to 180 days past due	32,667	41,296	35,578	44,177
Over 181 days past due	91,063	88,459	120,606	116,811
Total	1,284,117	1,308,280	1,489,307	1,489,501

The aging list of the allowance for doubtful debts and expected losses is as follows:

	Individual		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Current	(8,919)	(9,948)	(10,428)	(11,654)
Up to 30 days past due	(2,979)	(3,857)	(3,472)	(4,441)
31 to 60 days past due	(2,520)	(3,370)	(3,026)	(3,664)
61 to 90 days past due	(3,002)	(4,499)	(3,110)	(4,833)
91 to 180 days past due	(29,778)	(39,246)	(31,342)	(40,801)
Over 181 days past due	(85,095)	(83,256)	(114,103)	(111,083)
Total	(132,293)	(144,176)	(165,481)	(176,476)

The variation in the allowance for doubtful debts and expected losses is as follows:

	Individual		Consolidated	
	1Q22	1Q21	1Q22	1Q21
Balance at the beginning of the period	(144,176)	(130,261)	(176,476)	(155,645)
Recognition	(47,036)	(86,250)	(55,277)	(93,328)
Reversal	58,919	58,667	66,272	63,788
Balance at the end of the period	(132,293)	(157,844)	(165,481)	(185,185)

Other information related to trade receivables (Individual and Consolidated) did not undergo significant changes compared to the information disclosed in note 6 to the financial statements for the year ended December 31, 2021.

7. OTHER CURRENT AND NONCURRENT ASSETS

The breakdown of the balance of other current and noncurrent assets is as follows:

	Individual		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Balances stated separately in current assets:				
Recoverable taxes	126,437	136,666	134,728	146,010
Prepaid expenses (*)	131,130	27,556	167,635	29,725
	257,567	164,222	302,363	175,735
Other current assets:				
Receivables from insurance company (**)	88,042	100,022	89,118	100,539
Other receivables – subsidiaries (note 8(b)(i))	481	19,234	-	-
Other current assets	43,235	36,898	94,386	75,076
	131,758	156,154	183,504	175,615
Total other current assets	389,325	320,376	485,867	351,350
Balances stated separately in noncurrent assets:				
Recoverable taxes (a)	289,087	284,765	289,087	284,765
Investments in restricted accounts (note 16)	-	-	47,181	46,130
Other noncurrent assets	1,195	1,566	1,195	1,566
Total other noncurrent assets	290,282	286,331	337,463	332,461
Total other current and noncurrent assets	679,607	606,707	823,330	683,811

(*) Mainly refers to prepaid expenses on Vehicle Ownership Tax ("IPVA") paid at the beginning of the year for fleet cars in use and monthly paid according to car purchases during the year, amortized within the year between the months of payment and December 2022, or when the sale is made.

(**) Expenses incurred on claims, cost of stolen cars and receivables from insurance company for stipulation services when contracting an insurance by the customers when they rent cars from the Company. As at May 2021, the Company began offering auto protection coverage directly to its customers, with expenses incurred with claims and theft being recorded in the income statement and classified as costs, (note 2.7.4 to the financial statements for the year ended December 31, 2021).

(a) Recoverable taxes - PIS/COFINS

In the second half of 2021, Localiza completed a technical study that supported the useful life of certain cars in the Car Rental division, in accordance with art. 320 of the Income Tax Regulation (Decree 9,580/18). As a result of this review, a technical report was issued by an entity duly qualified by law, changing the average useful life for tax purposes of certain cars to 24 months. As a result of the increase in depreciation, income tax and social contribution tax loss, there was a retroactive recognition on January 1, 2021 of the corresponding (i) PIS/COFINS credits were recognized, in the amount of R\$371,284 (before income tax and social contribution), and (ii) deferred income tax and social contribution, assets and liabilities, in the amounts of R\$1,163,725 and R\$1,247,576 respectively in the Individual and Consolidated. The scope of this same situation for the other cars in the fleet depends on obtaining new technical reports.

8. INVESTMENTS IN SUBSIDIARIES AND RELATED-PARTY TRANSACTIONS

The car rental business, which includes franchises in Brazil and abroad, and fleet rental are conducted by Localiza or its direct and indirect subsidiaries, whose main operations are summarized below:

- **Localiza Fleet S.A. (“Localiza Fleet”)**: Publicly-held company engaged in fleet rental business.
- **Rental Brasil Administração e Participação S.A. (“Rental Brasil”)**: Privately-held company mainly engaged in acquiring, selling and renting own properties for Localiza and its subsidiaries.
- **Localiza Serviços Prime S.A. (“Localiza Prime”)**: Privately-held company mainly engaged in the intermediation of sales of decommissioned cars previously used by Localiza, Localiza Fleet and Car Rental Systems.
- **Car Assistance Serviços de Administração de Sinistros S.A. (“Car Assistance”)**: Privately-held company engaged in managing car-related claims for insurance companies, accrediting and negotiating with garages and other suppliers, regulating claims, approving budgets and services performed, managing information and supporting documentation on claims and managing indemnities.
- **Localiza Franchising Brasil S.A. (“Franchising Brasil”)**: Privately-held company engaged in conducting the franchise business of "Localiza" brand in Brazil.
- **Localiza Franchising International S.R.L. (“LFI S.R.L.”)**: Limited liability company, headquartered in Argentina, It is currently dormant and in the process of shut-down.
- **Car Rental Systems S.A. (“Car Rental Systems”)**: Subsidiary of Localiza Fleet, mainly engaged in car rental and fleet rental.
- **MOBI7 Tecnologia em Mobilidade S.A. (“MOBI7”)**: Subsidiary of Localiza Fleet whose main activities are monitoring and tracking of electronic security systems, installation, maintenance and repair of automotive vehicle monitoring and tracking, and IT consulting.
- **MOBI7 Sociedad de Responsabilidad Limitada de Capital Variable (“MOBI7 Mexico”)**: Subsidiary of MOBI7, headquartered in Mexico, whose main activities are monitoring and tracking of electronic security systems, installation, maintenance and repair of automotive vehicle monitoring and tracking, and IT consulting.
- **CarSale Tecnologia e Comercio de Veículos Ltda. (“CarSale”)**: Subsidiary of Localiza Fleet incorporated to carry out retail trade of used cars, vans and SUVs and various automotive services.
- **Car as a Service Ltda. (“Car as a Service”)**: Subsidiary of Localiza Fleet, in a pre-operational phase, set up to provide various automotive services.

(a) Information on subsidiaries

The variation in the investments balance was as follows:

	Individual				Balance as at 3/31/2022
	Balance as at 12/31/2021	Equity in the earnings of subsidiaries	Capital increase	Other comprehensive income	
Localiza Fleet Consolidated	1,382,908	138,028	100,000	115	1,621,051
Rental Brasil	269,171	4,449	-	-	273,620
Localiza Prime	146,223	10,261	-	-	156,484
Car Assistance	17,806	2,379	-	-	20,185
Franchising Brasil	2,649	1,285	-	-	3,934
LFI S,R,L,	136	-	-	-	136
Effect of the elimination of IFRS 16 in subsidiary	34,542	2,905	-	-	37,447
Total investments in subsidiaries	1,853,435	159,307	100,000	115	2,112,857
Goodwill on acquisition of investments	22,077	-	-	-	22,077
Total investments	1,875,512	159,307	100,000	115	2,134,934

In an Extraordinary General Meeting of the subsidiary Localiza Fleet, held on February 24, 2022, it was approved the increase of its capital stock in the amount of R\$100,000, with the issuance of 17,213,392 common shares at an issue price of R\$5,81, in the terms of Article 170 of Law 6,404/76, increasing its capital stock from R\$600,000 to R\$700,000.

	Individual		
	Balance as at 12/31/2020	Equity in the earnings of subsidiaries	Balance as at 3/31/2021
Localiza Fleet Consolidated	981,225	123,916	1,105,141
Rental Brasil	268,516	5,160	273,676
Localiza Prime	139,259	10,038	149,297
Car Assistance	26,385	9,304	35,689
Franchising Brasil	1,979	921	2,900
LFI S.R.L.	136	1	137
Effect of the elimination of IFRS 16 in subsidiary	22,689	2,829	25,518
Total investments in subsidiaries	1,440,189	152,169	1,592,358
Goodwill on acquisition of investments	22,077	-	22,077
Total investments	1,462,266	152,169	1,614,435

The interests in capital of direct and indirect subsidiaries are as follows:

Subsidiary	Parent company/Associate	Number of shares		Capital (%)	
		3/31/2022	12/31/2021	3/31/2022	12/31/2021
Localiza Fleet	Localiza	120,493,746	103,280,354	100.0	100.0
Rental Brasil	Localiza	15,000,000	15,000,000	100.0	100.0
Localiza Prime	Localiza	15,000	15,000	100.0	100.0
Car Assistance	Localiza	200,000	200,000	100.0	100.0
Franchising Brasil	Localiza	399,069	399,069	100.0	100.0
LFI S.R.L.	Localiza	131,078	131,078	98.0	98.0
LFI S.R.L.	Localiza Fleet	2,160	2,160	2.0	2.0
Car Rental Systems	Localiza Fleet	603,876,785	603,876,785	100.0	100.0
MOBI7	Localiza Fleet	75,731,069	75,731,069	100.0	100.0
CarSale (*)	Localiza Fleet	4,000,000	4,000,000	100.0	100.0
Car As a Service	Localiza Fleet	1,000,000	1,000,000	100.0	100.0
MOBI7 Mexico	MOBI7	9,800	9,800	98.0	98.0
MOBI7 Mexico	Car Rental Systems	200	200	2.0	2.0

Summary of the main financial information of Localiza's subsidiaries is as follows:

(i) Balance sheets

3/31/2022	Localiza Fleet Consolidated	Rental Brasil	Localiza Prime	Car Assistance	Franchising Brasil	LFI S.R.L.
Assets						
Current	1,098,377	223,340	173,019	26,912	11,823	225
Noncurrent	4,639,400	420,957	11,350	-	8,963	-
Total	5,737,777	644,297	184,369	26,912	20,786	225
Liabilities						
Current	1,179,422	27,378	21,838	6,727	7,969	75
Noncurrent	2,937,304	343,299	6,047	-	8,883	11
Equity	1,621,051	273,620	156,484	20,185	3,934	139
Total	5,737,777	644,297	184,369	26,912	20,786	225
12/31/2021	Localiza Fleet Consolidated	Rental Brasil	Localiza Prime	Car Assistance	Franchising Brasil	LFI S.R.L.
Assets						
Current	933,764	212,932	161,584	25,204	10,146	225
Noncurrent	4,497,855	418,713	10,689	-	9,221	-
Total	5,431,619	631,645	172,273	25,204	19,367	225
Liabilities						
Current	948,230	20,171	19,850	7,397	7,705	75
Noncurrent	3,100,481	342,303	6,200	1	9,013	11
Equity	1,382,908	269,171	146,223	17,806	2,649	139
Total	5,431,619	631,645	172,273	25,204	19,367	225

(ii) Statement of profit or loss

1Q22	Localiza Fleet Consolidated	Rental Brasil	Localiza Prime	Car Assistance	Franchising Brasil	LFI S.R.L.
Net revenue	584,342	11,017	11,737	2,561	2,865	-
Gross profit	315,589	10,422	11,737	2,375	1,483	-
Profit (loss) before income tax and social contribution	206,886	6,734	13,108	2,733	1,689	-
Profit for the period	138,028	4,449	10,261	2,379	1,285	-
1Q21	Localiza Fleet Consolidated	Rental Brasil	Localiza Prime	Car Assistance	Franchising Brasil Consolidated	LFI S.R.L.
Net revenue	488,859	9,986	14,887	10,914	2,493	-
Gross profit	229,883	9,381	14,887	10,724	1,223	-
Profit (loss) before income tax and social contribution	185,566	7,808	12,033	10,627	1,223	1
Profit for the period	123,916	5,160	10,038	9,304	921	1

(b) Balances and transactions with related parties

(i) Balances and transactions with subsidiaries and other related parties

The amounts of balances and transactions, effected on negotiated terms between the Company and its subsidiaries, are presented below:

	Localiza Fleet		Other subsidiaries		Total	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Balances:						
Trade receivables	21,732	25,292	-	-	21,732	25,292
Dividends receivable	125,114	125,114	20,441	20,441	145,555	145,555
Other receivables (note 7)	-	18,458	481	776	481	19,234
Trade payables	(2,020)	(2,244)	(13,464)	(5,328)	(15,484)	(7,572)
Other payables (note 16)	(367)	-	(2,539)	(233)	(2,906)	(233)

	Localiza Fleet		Other subsidiaries		Total	
	1Q22	1Q21	1Q22	1Q21	1Q22	1Q21
Transactions:						
Revenues	15,768	12,885	-	-	15,768	12,885
Costs and expenses	(7,434)	(11,657)	(16,113)	(11,017)	(23,547)	(22,674)
Recoverable costs and expenses	44,945	28,305	1,928	1,998	46,873	30,303

Additionally, Localiza and Localiza Fleet provide guarantees for fundraising operations and/or obligations undertaken by Localiza and its subsidiaries. At March 31, 2022 and December 31, 2021, there were guarantees for loans, financing and debt securities in the amounts of:

Guarantor	Warrantee	3/31/2022	12/31/2021
Localiza Fleet	Localiza	8,217,667	6,362,210
Localiza	Localiza Fleet	2,995,202	2,701,274
Localiza	Rental Brasil	350,943	342,779

On March 31, 2022 were also granted sureties in the contracting of bank guarantees and insurance for lawsuits in the amount of R\$400,903 (R\$351,718 on December 31, 2021).

(ii) Balances and transactions with other related parties

At March 31, 2022 and December 31, 2021, the Company had warranty insurance with several insurance companies, among them Pottencial Seguradora, whose founding partners of Localiza, Salim Mattar and Eugênio Mattar, jointly owned 32.50% of its capital. The transactions carried out with Pottencial Seguradora were, under normal market conditions, in the amount of R\$565 (R\$120 in 1Q21), recorded as warranty insurance expense in 1Q22, and the corresponding current insured amount of R\$371,934 (R\$324,135 as at December 31, 2021).

(iii) Key management compensation

	Individual		Consolidated	
	1Q22	1Q21	1Q22	1Q21
Short-term benefits	10,879	11,506	11,182	12,084
Post-employment benefits	165	353	184	365
Share-based compensation	12,700	5,879	12,700	5,879
Total	23,744	17,738	24,066	18,328

Other information related to investments in subsidiaries and related-party transactions did not undergo significant changes compared to the information disclosed in note 8 to the financial statements for the year ended December 31, 2021.

9. PROPERTY AND EQUIPMENT AND DECOMMISSIONED CARS FOR FLEET RENEWAL

(a) Property and equipment

Variations in cost, accumulated depreciation and net carrying amount of property and equipment are as follows:

	Individual							Total
	Cars	Right-of-use	Property	Leasehold improvements	Furniture and fixtures	IT equipment	Others	
Cost								
As at December 31, 2021	12,081,626	1,366,424	1,913	211,109	120,395	71,326	121,072	13,973,865
Additions	1,338,203	51,110	-	-	2,290	8,370	9,521	1,409,494
Write-offs/transfers (*)	(728,241)	(15,970)	-	2,264	17	(2,132)	(3,675)	(747,737)
As at March 31, 2022	12,691,588	1,401,564	1,913	213,373	122,702	77,564	126,918	14,635,622
Accumulated depreciation:								
As at December 31, 2021	(340,823)	(380,758)	(1,378)	(113,533)	(57,303)	(7,074)	(67,553)	(968,422)
Additions	(104,929)	(44,130)	(20)	(5,609)	(2,471)	(3,501)	(2,773)	(163,433)
Write-offs/transfers (*)	28,295	15,970	-	-	-	98	1,243	45,606
As at March 31, 2022	(417,457)	(408,918)	(1,398)	(119,142)	(59,774)	(10,477)	(69,083)	(1,086,249)
Net carrying amount								
As at December 31, 2021	11,740,803	985,666	535	97,576	63,092	64,252	53,519	13,005,443
As at March 31, 2022	12,274,131	992,646	515	94,231	62,928	67,087	57,835	13,549,373

	Individual							Total
	Cars	Right-of-use	Property	Leasehold improvements	Furniture and fixtures	IT equipment	Others	
Cost								
As at December 31, 2020	10,443,020	1,118,007	1,913	166,230	109,323	12,899	124,652	11,976,044
Additions	1,055,130	67,801	-	-	2,419	-	26,025	1,151,375
Write-offs/transfers (*)	(1,147,610)	(1,347)	-	4,323	-	8,950	(14,315)	(1,149,999)
As at March 31, 2021	10,350,540	1,184,461	1,913	170,553	111,742	21,849	136,362	11,977,420
Accumulated depreciation:								
As at December 31, 2020	(325,149)	(253,896)	(1,296)	(95,800)	(47,937)	(210)	(59,160)	(783,448)
Additions	(25,980)	(39,423)	(20)	(4,513)	(2,291)	(421)	(2,333)	(74,981)
Write-offs/transfers (*)	50,061	1,535	-	679	-	3	54	52,332
As at March 31, 2021	(301,068)	(291,784)	(1,316)	(99,634)	(50,228)	(628)	(61,439)	(806,097)
Net carrying amount								
As at December 31, 2020	10,117,871	864,111	617	70,430	61,386	12,689	65,492	11,192,596
As at March 31, 2021	10,049,472	892,677	597	70,919	61,514	21,221	74,923	11,171,323

(*) Include write-offs due to car sale, robbery, damage and transfer of decommissioned cars for fleet renewal to assets for sale, transfers to definitive property and equipment accounts and write-offs of the right-of-use due to contract termination.

	Consolidated							
	Cars	Right-of-use	Property	Leasehold improvements	Furniture and fixtures	IT equipment	Others	Total
Cost								
As at December 31, 2021	16,495,930	1,075,951	378,695	214,767	120,465	91,451	172,011	18,549,270
Additions	1,678,508	34,969	-	-	2,344	8,370	13,156	1,737,347
Write-offs/transfers (*)	(900,157)	(16,519)	-	2,980	17	(2,267)	(4,393)	(920,339)
As at March 31, 2022	17,274,281	1,094,401	378,695	217,747	122,826	97,554	180,774	19,366,278
Accumulated depreciation:								
As at December 31, 2021	(653,077)	(339,925)	(11,864)	(114,082)	(57,206)	(10,859)	(68,403)	(1,255,416)
Additions	(126,794)	(40,359)	(1,284)	(5,660)	(2,478)	(4,498)	(2,829)	(183,902)
Write-offs/transfers (*)	50,307	16,519	-	-	-	116	1,243	68,185
As at March 31, 2022	(729,564)	(363,765)	(13,148)	(119,742)	(59,684)	(15,241)	(69,989)	(1,371,133)
Net carrying amount								
As at December 31, 2021	15,842,853	736,026	366,831	100,685	63,259	80,592	103,608	17,293,854
As at March 31, 2022	16,544,717	730,636	365,547	98,005	63,142	82,313	110,785	17,995,145

	Consolidated							
	Cars	Right-of-use	Property	Leasehold improvements	Furniture and fixtures	IT equipment	Others	Total
Cost								
As at December 31, 2020	13,607,962	853,213	378,695	169,888	109,245	20,704	167,257	15,306,964
Additions	1,532,056	55,143	-	-	2,419	42	32,317	1,621,977
Write-offs/transfers (*)	(1,332,223)	(1,347)	-	4,323	-	10,445	(15,809)	(1,334,611)
As at March 31, 2021	13,807,795	907,009	378,695	174,211	111,664	31,191	183,765	15,594,330
Accumulated depreciation:								
As at December 31, 2020	(684,723)	(228,700)	(6,656)	(96,166)	(47,825)	(1,848)	(59,751)	(1,125,669)
Additions	(46,575)	(36,078)	(1,284)	(4,558)	(2,293)	(834)	(2,367)	(93,989)
Write-offs/transfers (*)	78,230	1,535	-	678	-	3	54	80,500
As at March 31, 2021	(653,068)	(263,243)	(7,940)	(100,046)	(50,118)	(2,679)	(62,064)	(1,139,158)
Net carrying amount								
As at December 31, 2020	12,923,239	624,513	372,039	73,722	61,420	18,856	107,506	14,181,295
As at March 31, 2021	13,154,727	643,766	370,755	74,165	61,546	28,512	121,701	14,455,172

(*) Include write-offs due to car sale, robbery, damage and transfer of decommissioned cars for fleet renewal to assets for sale, transfers to definitive property and equipment accounts and write-offs of the right-of-use due to contract termination.

(b) Decommissioned cars for fleet renewal

The cost, accumulated depreciation and net carrying amount of decommissioned cars for fleet renewal are as follows:

	Individual		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Cost	245,325	154,507	284,145	193,367
Accumulated depreciation	(9,385)	(6,319)	(14,809)	(11,368)
Net carrying amount	235,940	148,188	269,336	181,999

Other information on property and equipment (Individual and Consolidated) has not changed significantly when compared to the information disclosed in note 9 to the financial statements for the year ended December 31, 2021.

10. INTANGIBLE ASSETS

The variations in cost, accumulated amortization and net carrying amount of intangible assets in each period are as follows:

	Individual		Consolidated	
	Software	Software	Goodwill on acquisition of investments	Total
Cost:				
As at December 31, 2021	131,944	152,393	105,437	257,830
Additions	11,646	13,036	-	13,036
As at March 31, 2022	<u>143,590</u>	<u>165,429</u>	<u>105,437</u>	<u>270,866</u>
Accumulated amortization				
As at December 31, 2021	(99,837)	(114,801)	-	(114,801)
Additions	(2,524)	(3,063)	-	(3,063)
As at March 31, 2022	<u>(102,361)</u>	<u>(117,864)</u>	<u>-</u>	<u>(117,864)</u>
Residual value:				
As at December 31, 2021	32,107	37,592	105,437	143,029
As at March 31, 2022	41,229	47,565	105,437	153,002
	Individual		Consolidated	
	Software	Software	Goodwill on acquisition of investments	Total
Cost:				
As at December 31, 2020	127,779	148,064	105,437	253,501
Additions	1,669	1,676	-	1,676
As at March 31, 2021	<u>129,448</u>	<u>149,740</u>	<u>105,437</u>	<u>255,177</u>
Accumulated amortization				
As at December 31, 2020	(88,914)	(101,413)	-	(101,413)
Additions	(2,819)	(3,465)	-	(3,465)
As at March 31, 2021	<u>(91,733)</u>	<u>(104,878)</u>	<u>-</u>	<u>(104,878)</u>
Residual value:				
As at December 31, 2020	38,865	46,651	105,437	152,088
As at March 31, 2021	37,715	44,862	105,437	150,299

Other information on intangible assets (Individual and Consolidated) has not changed significantly when compared to the information disclosed in note 10 to the financial statements for the year ended December 31, 2021.

11. TRADE PAYABLES

Trade payables are broken down as follows:

	Individual		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Car manufacturers (*)	813,490	1,181,945	1,089,628	1,707,362
Maintenance services and parts	96,458	67,927	132,517	98,195
IT Services	17,275	44,027	17,868	46,647
Rentals	26,920	25,699	27,271	26,115
Others	139,014	170,682	135,128	180,977
Total	1,093,157	1,490,280	1,402,412	2,059,296

(*) The balance payable to car manufacturers refers to cars acquired with average payment term of approximately 58 days (61 days as at December 31, 2021).

12. PAYROLL AND RELATED TAXES

Payroll and related taxes are broken down as follows:

	Individual		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Accrued vacation pay	72,506	71,848	79,248	79,211
Accrued profit sharing (*)	170,055	147,750	187,742	163,100
Accrued 13 th salary	13,938	-	15,299	-
Social security contribution (INSS)	14,081	14,074	14,921	14,869
Government Severance Indemnity Fund for Employees (FGTS)	4,786	4,679	5,708	5,606
Others	8,613	12,182	9,615	13,342
Total	283,979	250,533	312,533	276,128

(*) The Company has a profit sharing program for employees as prescribed in Law 10,101/00 based on profit recognized on an annual basis. The annual amount payable is defined through the combination of the Company's profit and performance indicators, in addition to the individual performance of each employee, which is mainly measured based on objective and measurable indicators and goals and the annual budget approved by the Board of Directors. The consideration of the provision for profit sharing is classified as "costs", "selling expenses" and "general and administrative expenses" in the statement of profit or loss, based on function exercised by the respective employees.

13. BORROWINGS AND DEBT SECURITIES

Borrowings and debt securities are broken down as follows:

	Individual		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
In local currency				
Debt securities	8,859,603	7,027,652	11,219,240	9,384,404
Working capital	398,350	733,680	601,105	935,965
Certificates of Real Estate Receivables ("CRI")	-	-	342,995	334,645
Prepurchase financing pool	3,453	3,667	8,179	11,069
In foreign currency				
Foreign currency borrowings	1,340,117	1,593,222	1,722,297	1,767,012
Total	10,601,523	9,358,221	13,893,816	12,433,095
Current	1,100,857	1,725,157	1,739,179	1,884,758
Noncurrent	9,500,666	7,633,064	12,154,637	10,548,337

Variations in borrowings and debt securities are as follows:

	Individual		Consolidated	
	1Q22	1Q21	1Q22	1Q21
Balance at the beginning of the period	9,358,221	7,636,551	12,433,095	10,497,723
Funding	2,486,301	456,255	2,770,802	456,255
Repurchase of debentures	-	(83,830)	-	(83,830)
Interest and finance charges	(26,933)	204,684	(23,835)	269,723
Repayment of principal	(1,015,573)	(710,626)	(1,018,438)	(714,213)
Interest amortization	(200,493)	(30,078)	(267,808)	(53,584)
Balance at the end of the period	10,601,523	7,472,956	13,893,816	10,372,074

On January 10, 2022, Localiza Fleet contracted a loan in the amount of USD50,000 thousand (R\$284,500) with maturity of the principal on January 10, 2024. Simultaneously, a swap operation was contracted with the purpose of eliminating the risk of foreign currency exposure, swapping exchange variation plus the fixed rate for CDI + 1.18% p.a.. There were no expenses incurred with the contracting. The debt and the corresponding swap were measured at fair value.

On February 8, 2022, the Board of Directors of Localiza approved the 19th issue of simple debentures, not convertible into shares, unsecured, with additional fiduciary guarantee, in up to two series, in the amount of up to R\$2,500,000, which was issued on February 25, 2022 and financially settled on March 11, 2022. The debentures of the first series mature on February 25, 2027 and pays CDI + 1.60% and the debentures of the second series mature on February 25, 2029 and pays CDI + 2.00%. The expenses incurred with the issues, including fees, commissions and other costs totaled R\$14,630.

The financial covenants for borrowings and debt securities were met as shown below:

Ratio	Limits	12-month period ended	
		3/31/2022	12/31/2021
Net debt / Adjusted EBITDA (*)	Below 4,00	1.98	1.88
Net debt deducted from credit card balance (**) / Adjusted EBITDA	Below 4,00	1.84	1.72
Adjusted EBITDA / Finance costs, net	Above 1,50	7.76	11.64

(*) EBITDA corresponds to profit or loss, on a consolidated basis, relating to the 12 last months, plus: (i) finance income (costs); (ii) income tax and social contribution; and (iii) depreciation and amortization expenses. For all issues, EBITDA is also adjusted by the costs on stock options, nonrecurring expenses and impairment.

(**) From the 14th Localiza debenture issue and the Localiza Fleet debenture issues include in the definition of net debt the discount of the balance of credit card receivables.

Other information on borrowings and debt securities (Individual and Consolidated) has not changed significantly when compared to the information disclosed in note 13 to the financial statements for the year ended December 31, 2021.

14. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments are broken down as follows:

	Individual		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Foreign currency x Real (a)	49,924	328,033	14,844	376,972
CDI vs Fixed Rate (b)	34,414	28,061	83,748	61,555
IPCA x CDI (c)	(20,101)	(44,618)	(20,101)	(44,618)
Total, net	64,237	311,476	78,491	393,909
Current assets	33,508	89,625	56,023	89,625
Noncurrent assets	170,436	365,088	219,439	448,085
Current liabilities	(38,213)	(8,560)	(44,156)	(9,124)
Noncurrent assets	(101,494)	(134,677)	(152,815)	(134,677)

Change in derivative instruments are as follows:

	Individual			Consolidated		
	Assets	Liabilities	Net total	Assets	Liabilities	Net total
Balance as at December 31, 2021	454,713	(143,237)	311,476	537,710	(143,801)	393,909
Fair value adjustment – income	(158,638)	(130,928)	(289,566)	(170,765)	(191,243)	(362,008)
Fair value adjustment – other comprehensive income	-	(160)	(160)	-	15	15
Amortization – principal	-	-	-	-	-	-
Interest amortization	-	42,487	42,487	4,088	42,487	46,575
Asset vs. liability transfer	(92,131)	92,131	-	(95,571)	95,571	-
Balance as at March 31, 2022	203,944	(139,707)	64,237	275,462	(196,971)	78,491

	Individual			Consolidated		
	Assets	Liabilities	Net total	Assets	Liabilities	Net total
Balance as at December 31, 2020	410,606	(9,872)	400,734	507,327	(103,549)	403,778
Fair value adjustment	155,397	21,743	177,140	195,210	41,362	236,572
Interest amortization	(148,470)	604	(147,866)	(148,470)	18,568	(129,902)
Asset vs. liability transfer	14,646	(14,646)	-	15,399	(15,399)	-
Balance as at March 31, 2021	432,179	(2,171)	430,008	569,466	(59,018)	510,448

(a) Foreign currency x Reais

As at March 31, 2022, the Company had current hedge transactions with an exclusive foreign exchange hedge for the respective foreign currency borrowings contracted with large financial institutions. The specific characteristics of these hedge transactions are as follows:

Swap transactions

Financial institution	Range of maturity dates	Index		Amount of reference <i>Notional</i>	Value of curve			Market value (carrying amount)			Variation – Gain (loss)
		Long position	Short position		Long position	Short position	Gain (loss)	Long position	Short position	Gain (loss)	Curve x MTM
Localiza	1/03/23	0.93%	CDI + 1.00%	EUR 55,394 thousand	294,975	259,831	35,144	293,483	259,975	33,508	(1,636)
Localiza	5/22/23	LIBOR + 0.47%	108.0% of CDI	USD 80,000 thousand	380,412	303,412	77,000	380,517	303,896	76,621	(379)
Localiza	1/03/25	1.33%	CDI + 1.20%	EUR 55,394 thousand	295,502	260,027	35,475	289,663	260,223	29,440	(6,035)
Localiza	2/26/24	USD + 1.9371%	CDI + 1.35%	USD 80,000 thousand	380,671	459,489	(78,818)	369,231	458,876	(89,645)	(10,827)
Localiza Fleet	8/22/22 e 1/25/23	LIBOR + 1.66%	6.51%	USD 31,081 thousand	147,951	130,845	17,106	148,279	126,096	22,183	5,077
Localiza Fleet	1/10/24	USD + 2.1882%	1.18%	USD 50,000 thousand	238,640	291,550	(52,910)	234,229	291,492	(57,263)	(4,353)
					1,738,151	1,705,154	32,997	1,715,402	1,700,558	14,844	(18,153)

(b) CDI vs Fixed rate

Fleet Rental Contracts

Mostly fleet rental contracts of Fleet Rental Division vary from 24 to 36 months and include an annual adjustment clause based on the inflation index. As the rental contracts cannot be adjusted based on the benchmark interest rates, Localiza Fleet enters into swap transactions by swapping the CDI fluctuation for a fixed rate in order to hedge against the risk of loss of profit on rental contracts.

The specific characteristics of these transactions as at March 31, 2022 are as follows:

Range of maturity dates	Weighted average rates		Amount of reference	Value of curve			Market value (carrying amount)			Variation - Gain
	Long position	Short position	Notional	Long position	Short position	(Loss)	Long position	Short position	Gain (loss)	Curve x MTM
	% CDI / CDI +									
April 2022 to January 2025	102.01% / 2.5%	8.72%	640,000	677,161	680,481	(3,320)	677,572	669,621	7,951	11,271
April 2022	100.00%	3.35%	25,000	26,748	26,094	654	26,747	26,085	662	8
April 2022 to January 2024	104.57% / 2.5%	1.54%	335,000	363,671	366,290	(2,619)	365,852	353,308	12,544	15,163
July 2022 to January 2023	103.33%	4.57%	75,000	81,169	81,032	137	81,420	78,759	2,661	2,524
April 2022 to January 2024	110.00%	7.60%	70,000	75,559	76,934	(1,375)	75,559	73,703	1,856	3,231
July 2022 to January 2025	100.56%	10.17%	445,000	459,646	461,073	(1,427)	459,718	452,295	7,423	8,850
April 2023 to January 2024	100.00%	10.13%	235,000	240,419	240,858	(439)	240,414	238,173	2,241	2,680
April 2022 to July 2023	2.5% / 100%	9.89%	245,000	254,490	254,200	290	254,490	249,983	4,507	4,217
April 2023 to January 2024	100.00%	10.05%	280,000	289,060	289,467	(407)	289,055	283,034	6,021	6,428
April 2023	100.00%	7.43%	50,000	52,700	52,646	54	52,699	50,236	2,463	2,409
October 2023 to October 2024	100.00%	11.33%	230,000	234,494	234,900	(406)	234,489	233,484	1,005	1,411
				2,755,117	2,763,975	(8,858)	2,758,015	2,708,681	49,334	58,192

Agreement between Localiza and Unidas

As part of the Merger of Shares Agreement signed between Localiza and Unidas (note 1.2), still subject to CADE's approval and, consequently, the completion of the Merger of Shares, Localiza will make available to all holders of Unidas shares that have an interest and are registered as shareholders of Unidas at the time of the completion of the Merger of Shares, a credit facility for financing with one or more Brazilian financial institutions chosen by it. The amount of the credit facility will be up to 20% of the total amount of Localiza's shares attributed to Unidas' shareholders.

With the objective of pre-fixing the cost of the resources that will be used to grant the referred financing, the Board of Directors of Localiza approved in a meeting held on November 23, 2020, and ratified on December 10, 2020, the contracting, by the Company of up to R\$800,000 in swaps, maturing up to January 2027.

At March 31, 2022, the specific characteristics of the contracted operations are as follows:

Range of maturity dates	Weighted average rates		Amount of reference	Value of curve			Market value (carrying amount)		
	Long position	Short position	Notional	Long position	Short position	Gain	Long position	Short position	Gain
	% CDI								
January 2027	100.0%	8.07%	200,000	204,636	203,667	969	204,652	177,702	26,950
January 2027	100.0%	7.71%	50,000	51,159	50,878	281	51,163	43,699	7,464
				255,795	254,545	1,250	255,815	221,401	34,414

(c) IPCA vs CDI

On March 24, 2021, the Company contracted derivatives in order to swap the indexation of the 17th issue of debentures from IPCA to its equivalence in CDI, which is the reference index used by the Company.

The specific characteristics of these transactions as at March 31, 2022 are as follows:

Weighted average rates		Amount of reference	Market value (carrying amount)		
Long position	Short position		Long position	Short position	Gain
IPCA +	CDI +				
5.5%	2.00%	400,000	395,956	402,656	(6,700)
5.5%	2.00%	300,000	296,967	301,992	(5,025)
5.5%	2.00%	300,000	296,967	301,992	(5,025)
5.5%	2.00%	200,000	197,978	201,329	(3,351)
			<u>1,187,868</u>	<u>1,207,969</u>	<u>(20,101)</u>

Other information on derivative instruments (Individual and Consolidated) has not significantly changed when compared to the information disclosed in note 14 to the financial statements for the year ended December 31, 2021.

15. RIGHT OF USE LEASE LIABILITY

Variations in right of use lease liability are as follows:

	Individual		Consolidated	
	1Q22	1Q21	1Q22	1Q21
Balance at the beginning of the period	1,065,234	917,784	792,128	662,776
Addition/remeasurement of new agreements	51,110	67,801	34,969	55,143
Write-off	(2,276)	(129)	(2,277)	(129)
Consideration paid	(51,664)	(46,333)	(51,965)	(46,657)
Consideration payable	(8,173)	(7,402)	-	-
Interest (note 24)	23,169	20,220	17,090	14,564
Balance at the end of the period	1,077,400	951,941	789,945	685,697
Current	165,228	148,704	147,151	133,413
Noncurrent	912,172	803,237	642,794	552,284

Variations in the right-of-use asset balance are shown in note 9(a).

The Company and its subsidiaries have property rental contracts for their car rental locations in airports and off-airports (downtown locations), stores, headquarters and parking lots. The minimum amounts payable, considering undiscounted considerations, for the remaining lease term contracted up to March 31, 2022 and classified as leases are as follows:

	Individual			Consolidated		
	Concessions in airports	Properties	Total	Concessions in airports	Properties	Total
2022	27,418	138,304	165,722	27,946	113,772	141,718
2023	36,106	178,269	214,375	36,234	144,317	180,551
2024	34,053	163,050	197,103	34,069	128,012	162,081
2025	29,151	150,039	179,190	29,151	114,288	143,439
2026	19,074	135,518	154,592	19,074	98,695	117,769
2027	15,381	116,476	131,857	15,381	78,548	93,929
2028 and after	53,880	737,231	791,111	53,879	293,633	347,512
Total	215,063	1,618,887	1,833,950	215,734	971,265	1,186,999
Embedded interest			(756,550)			(397,054)
Balance of lease liability (current and noncurrent)			1,077,400			789,945

The estimated amount of PIS and COFINS credit embedded in the undiscounted lease consideration totals R\$147,948 in the Individual and R\$88,105 in the Consolidated (R\$83,191 in the Individual and R\$56,599 in the Consolidated, discounted to present value).

Other information on right of use lease liability (Individual and Consolidated) has not changed significantly when compared to the information disclosed in note 15 to the financial statements for the year ended December 31, 2021.

16. OTHER CURRENT AND NONCURRENT LIABILITIES

Breakdown of the balance of other current and noncurrent liabilities is as follows:

	Individual		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Balances stated separately in current liabilities:				
Revenue to be appropriated	1,454	1,454	4,503	4,718
Payables to related parties (note 8 (b)(i))	2,906	233	-	-
Federal taxes payable	5,144	3,187	7,925	4,968
Municipal taxes payable	3,548	3,229	4,777	4,572
	<u>13,052</u>	<u>8,103</u>	<u>17,205</u>	<u>14,258</u>
Other current liabilities:				
Advances from car rental and decommissioned sale customers	107,269	192,309	121,912	207,674
Insurance premiums for transfer (*)	57,749	53,111	58,622	53,521
Amounts payable for the acquisition of MOB17	-	-	3,810	3,720
Others	19,092	16,464	25,174	21,255
	<u>184,110</u>	<u>261,884</u>	<u>209,518</u>	<u>286,170</u>
Total other current liabilities	<u>197,162</u>	<u>269,987</u>	<u>226,723</u>	<u>300,428</u>
Balances stated separately in noncurrent liabilities:				
Revenue to be appropriated	1,936	2,277	5,810	6,220
Restricted obligations (**)	-	-	48,005	47,003
	<u>1,936</u>	<u>2,277</u>	<u>53,815</u>	<u>53,223</u>
Other noncurrent liabilities:				
Amounts payable for the acquisition of MOB17	-	-	-	3,720
Others	27,082	23,775	27,090	23,783
	<u>27,082</u>	<u>23,775</u>	<u>27,090</u>	<u>27,503</u>
Total other noncurrent liabilities	<u>29,018</u>	<u>26,052</u>	<u>80,905</u>	<u>80,726</u>
Total other current and noncurrent liabilities	<u>226,180</u>	<u>296,039</u>	<u>307,628</u>	<u>381,154</u>

(*) Premiums received from customers that took out insurance for rented cars, and extended warranty for the decommissioned cars sold which will be transferred by Localiza to the insurance company. As at May 2021, Localiza began offering auto protection coverage directly to its customers, with expenses incurred with claims and theft being recorded in the income statement and classified as "costs". (note 2.7.4 to the financial statements for the year ended December 31, 2021).

(**) The restricted obligations refer to the amounts retained from the purchase price owed to Car Rental Systems' sellers (escrow), which shall be made available to them after compliance with specific provisions under the share purchase agreement. Restricted obligations are guaranteed by short-term investments made by the Company, with restricted use, and shall be made available for withdrawal in 2023, less the indemnifiable amounts (note 7).

17. PROVISION FOR RISKS AND ESCROW DEPOSITS

(a) Legal provisions recognized

The balance of legal provisions is broken down as follows:

	Individual		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Tax	40,647	53,064	49,405	61,854
Social security	14,930	14,698	16,702	16,436
Labor	29,474	41,309	37,201	49,229
Civil	26,254	26,551	35,883	36,128
Total	<u>111,305</u>	<u>135,622</u>	<u>139,191</u>	<u>163,647</u>

(b) Escrow deposits

The balance of escrow deposits is broken down as follows:

	Individual		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Tax	40,582	41,702	69,163	69,914
Social security	8,388	8,306	8,388	8,306
Labor	18,334	17,198	24,542	22,642
Civil	19,458	19,311	21,149	20,943
Total	86,762	86,517	123,242	121,805

Other information on provisions and escrow deposits (Individual and Consolidated) has not changed significantly when compared to the information disclosed in note 17 to the financial statements for the year ended December 31, 2021.

18. TAXES ON INCOME – INCOME TAX AND SOCIAL CONTRIBUTION

(a) Deferred income tax and social contribution - assets and liabilities

The breakdown of deferred income tax and social contribution is as follows:

	Individual		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Temporary differences in the deductibility of provisions:				
Provision for risks and other provisions	37,021	45,295	45,112	53,387
Allowance for doubtful debts and expected losses and other allowances	46,300	51,016	50,895	55,426
Provision for payment of services in progress and others, profit sharing, loyalty program and others	128,108	118,629	143,600	132,747
Swap transaction with payment on a cash basis	9,246	2,916	13,467	6,279
Income tax and social contribution tax loss carryforwards	1,186,516	1,122,457	1,203,626	1,140,112
Total deferred income tax and social contribution assets	1,407,191	1,340,313	1,456,700	1,387,951
Car depreciation (*)	2,294,567	2,111,786	2,655,891	2,429,519
Lease in the purchase of property and equipment	213	213	7,695	9,807
Swap operation with cash basis	53,502	36,613	74,041	53,230
Others	-	-	19,815	19,006
Total deferred income tax and social contribution liabilities	2,348,282	2,148,612	2,757,442	2,511,562
Total deferred income tax and social contribution, net	941,091	808,299	1,300,742	1,123,611
Noncurrent assets	-	-	(23,927)	(24,291)
Noncurrent liabilities	941,091	808,299	1,324,669	1,147,902

(*) Refers to the temporary difference arising from the calculation of accounting depreciation in relation to the tax base, Localiza and Localiza Fleet calculate, for tax purposes, car depreciation expenses based on the depreciation criteria used through December 31, 2007, as prescribed by Law 12,973/14, under the general rule of 1/60 months or in accordance with technical opinion, as mentioned in note 7(a).

The Company and its subsidiaries have a balance, as at March 31, 2022, as tax credit on tax loss carryforwards of R\$1,186,516 in Individual and R\$1,203,62 in Consolidated (R\$1,122,457 and R\$1,140,112, respectively, as at December 31, 2021), based on expected future taxable profit generation, this tax credit can be carried forward indefinitely and its offset is limited to 30% of annual taxable profit, as determined by the current legislation.

Based on past taxable profits that originated deferred income tax and social contribution asset balances, as well as projections of profit or loss for coming years, the Company estimates the following schedule for the recovery of tax credits:

	Individual		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
2022	211,225	256,521	229,739	283,133
2023	127,442	130,461	140,678	134,294
2024	133,979	162,305	143,348	172,828
2025	155,676	159,000	159,942	161,837
2026	180,004	208,286	181,351	209,617
2027	203,537	234,051	203,808	234,301
2028	250,583	182,402	250,854	182,652
2029	139,487	1,060	139,758	1,310
2030 onwards	5,258	6,227	7,222	7,979
Total deferred income tax and social contribution assets	1,407,191	1,340,313	1,456,700	1,387,951

(b) Income tax and social contribution – reconciliation of statutory and effective rates

The reconciliation between the statutory and effective rates for the periods ended March 31, 2022 and 2021 is as follows:

	Individual		Consolidated	
	1Q22	1Q21	1Q22	1Q21
Profit before taxes	650,269	618,182	725,017	686,100
Statutory rate	34%	34%	34%	34%
Expense at statutory rate	(221,091)	(210,182)	(246,506)	(233,274)
Adjustments to expense at statutory rate:				
Equity in the earnings of subsidiaries	54,164	51,737	-	-
Effect of deduction of interest on capital	37,517	21,671	37,517	21,671
Income tax and social contribution due by subsidiaries (deemed profit)	-	-	2,334	4,500
Others, net	(3,436)	848	(939)	3,259
Effective expense	(132,846)	(135,926)	(207,594)	(203,844)
Effective rate	20%	22%	29%	30%
Current income tax and social contribution	-	(73,469)	(30,469)	(113,955)
Deferred income tax and social contribution	(132,846)	(62,457)	(177,125)	(89,889)

Other information on taxes on incomes (Individual and Consolidated) has not changed significantly when compared to the information disclosed in note 18 to the financial statements for the year ended December 31, 2021.

19. EQUITY

(a) Capital

As at March 31, 2022, and December 31, 2021, the Company's capital was R\$4,000,000, comprised of 758,466,670 common shares. The ownership of capital and the related reconciliation of the number of outstanding shares are as follows:

	Management				
	Founding partners	Board of Directors and Statutory Board	Treasury shares	Outstanding shares	Number of shares – ON
Number as at December 31, 2021	157,293,817	291,070	6,275,345	594,606,438	758,466,670
Rent (return of rent) of shares	560,503	-	-	(560,503)	-
Exercise of long-term incentive programs with treasury shares	-	-	(3,781)	3,781	-
Number as at March 31, 2022	157,854,320	291,070	6,271,564	594,049,716	758,466,670

	Management				
	Founding partners	Board of Directors and Statutory Board	Treasury shares	Outstanding shares	Number of shares – ON
Number as at December 31, 2020	158,499,942	224,346	6,796,159	592,946,223	758,466,670
Acquisition (sale) of shares, net	-	-	(5,311)	5,311	-
Exercise of long-term incentive programs with treasury shares	157,610,042	224,346	6,790,848	593,841,434	758,466,670
Number as at March 31, 2021	158,499,942	224,346	6,796,159	592,946,223	758,466,670

Pursuant to article 6 of the Bylaws, the Company is authorized to increase its capital up to the limit of 1,000,000,000 registered common shares, regardless of any amendment to the bylaws, so that additional 241,533,330 registered common shares can be issued.

The Company participates in the Level I of the American Depositary Receipts (“ADR”) Program since its approval by CVM on May 22, 2012 and the beginning of its trading on June 5, 2012. The Company’s position, considering the effects of share bonus, comprised 7,022,510 ADRs issued in the United States as at March 31, 2022 (6,213,975 in December 31, 2021). Each ADR corresponds to one Company’s share.

(b) Capital reserves, stock options granted and treasury shares

As at March 31, 2022 and 2021, the breakdown of capital reserves, options granted and treasury shares is as follows:

	Stock options granted recognized	Goodwill on share subscription	Treasury shares	Total
Balance as at December 31, 2021	89,464	113,500	(162,074)	40,890
Stock options granted recognized	12,350	-	-	12,350
Exercise of long-term incentive programs with treasury shares	-	6	98	104
Balance as at March 31, 2022	101,814	113,506	(161,976)	53,344
	Stock options granted recognized	Goodwill on share subscription	Treasury shares	Total
Balance as at December 31, 2020	67,830	107,118	(175,526)	(578)
Stock options granted recognized	4,392	-	-	4,392
Exercise of long-term incentive programs with treasury shares	-	(50)	138	88
Balance as at March 31, 2021	72,222	107,068	(175,388)	3,902

(i) Exercise of long-term incentive programs in 1Q22

In 1Q22, 3,781 stock options and shares of the long-term incentive programs were exercised, in the amount calculated at a fair value of R\$39, accounted for over the life of the programs. All options were exercised using treasury shares and, therefore, it was not necessary to issue new shares.

(ii) Treasury shares

The number of treasury shares as at March 31, 2022 was 6,271,564 shares (6,790,848 as at March 31, 2021), with a fair value of R\$383,193 (quotation of R\$61.10 per share as at March 31, 2022).

(c) Statutory reserves

At the Annual General Meeting held on April 26, 2022, the shareholders approved the allocation of 100% of the remaining profit for 2021, in the amount of R\$1,419,899, to the creation of a statutory reserve called “investment reserve”, which is intended to finance investments for renewal and expansion of the Company and its subsidiaries operations.

(d) Interest on capital and dividends

The Board of Directors' meetings approved the payment of interest on capital as follows:

1Q22				
Approval date	Total amount approved	Amount per share (R\$)	Shareholding position date	Payment date
3/24/2022	110,343	0.14669	03/29/22	05/20/22
Total	110,343			

1Q21				
Approval date	Total amount approved	Amount per share (R\$)	Shareholding position date	Payment date
3/24/21	63,739	0.08479	03/29/21	05/21/21
Total	63,739			

The dividends and interest on capital payable are broken down as follows:

	Consolidated	
	3/31/2022	12/31/2021
Dividends in addition to the mandatory minimum dividend (*)	206,200	206,200
Proposed interest on capital on profit for the period	110,343	97,157
Provision for withholding income tax on interest on capital	(16,484)	(14,508)
Total dividends and interest on capital payable	300,059	288,849

(*) The Annual General Meeting held on April 26, 2022 approved the supplementary distribution of dividends of R\$206,200 for fiscal year 2021, which payment will take place until May 20, 2022.

Other information on equity has not changed significantly when compared to the information disclosed in note 19 of the financial statements for the year ended December 31, 2021.

20. EARNINGS PER SHARE

The methods used to calculate basic and diluted earnings per share are the same as those disclosed in note 20 of the financial statements for the year ended December 31, 2021.

The table below shows profit information and the number of shares used to calculate basic and diluted earnings per share for each of the reporting years of the statement of profit or loss:

	Individual and Consolidated	
	1Q22	1Q21
Profit for the period	517,423	482,256
Basic earnings per share:		
Weighted average number of outstanding common shares (units)	752,194,086	751,675,404
Basic earnings per share (R\$)	0.68788	0.64157
Diluted earnings per share:		
Weighted average number of outstanding common shares (units)	752,194,086	751,675,404
Dilutive effect of stock options (units)	4,753,212	1,044,660
Total shares subject to dilution (units)	756,947,298	752,720,064
Diluted earnings per share (R\$)	0.68357	0.64068

21. SEGMENT INFORMATION

An operating division is a component of an entity that engages in business activities: (i) which can earn revenues and incur expenses; (ii) the operating profit or loss of which are regularly reviewed by the chief operating decision maker regarding funds to be allocated on the division and for performance evaluation; and (iii) for which individual financial information is available.

The Company has defined two operating divisions that are separately managed based on the reports used by the Board

of Directors to make strategic decisions, The accounting policies of these operating divisions are the same as those described in note 2 or in the notes of the respective line items.

- **Car rental:** This division is responsible for car rental in locations inside and outside airports and for insurance stipulation and management of car claims for insurance companies, Cars are rented by legal entities and individuals, in some cases through distribution channels. Given the need to renew the fleet, Localiza sells its decommissioned cars after 12 months of use. In order to reduce intermediation costs on the sale of decommissioned cars, roughly half of the cars are directly sold to the final consumers. Consequently, the Company maximizes the recoverable amount of these assets, by reducing the depreciation of cars and the net amount invested in fleet renewal, as the selling expense of the Company's own stores is smaller than the discount required by resellers, as well as avoids full dependence on third parties for the sales.

This Car Rental Division is responsible for the management and establishment of franchises in geographically defined markets, including the transfer of the necessary know-how to operate the car rental business and licensing of the right to use the Localiza brand. The franchising business is managed by the subsidiary Franchising Brasil in Brazil and by Localiza itself in other countries.

- **Fleet rental:** The division responsible for fleet rental and long-term rentals, usually from 24 to 36 months, to individuals and legal entities, through Localiza Fleet and Car Rental Systems. In September 2020, Localiza Meoo was launched, a long-term subscription car solution, aimed at individuals and small and medium-sized entities. The cars of this division are acquired after the signing of agreements according to the customers' needs. Therefore, the fleet is more diversified in terms of models and brands. Decommissioned cars are sold at the end of the agreements, on average within 30 months of use, directly to the end consumer or to dealers through the Company's own car dealer network.

(a) Operating division financial reporting

(i) Consolidated assets and liabilities by operating division

<u>3/31/2022</u>	<u>Car rental</u>	<u>Fleet rental</u>	<u>Unallocated balances</u>	<u>Eliminations/ Reclassifications</u>	<u>Consolidated</u>
Assets					
Cash and cash equivalents	-	-	759,044	-	759,044
Short-term investments	-	-	4,987,506	-	4,987,506
Trade receivables	1,172,518	194,738	-	(43,430)	1,323,826
Decommissioned cars for fleet renewal	235,940	33,396	-	-	269,336
Property and equipment	13,816,934	4,529,707	34,610	(386,106)	17,995,145
Other assets	987,295	236,763	275,462	(100,557)	1,398,963
Total assets	16,212,687	4,994,604	6,056,622	(530,093)	26,733,820
Liabilities					
Trade payables	1,095,404	350,536	-	(43,528)	1,402,412
Borrowings and debt securities	-	-	13,893,816	-	13,893,816
Other liabilities	3,003,520	773,113	196,969	(572,643)	3,400,959
Total liabilities	4,098,924	1,123,649	14,090,785	(616,171)	18,697,187
Equity	-	-	8,036,633	-	8,036,633
Total liabilities and equity	4,098,924	1,123,649	22,127,418	(616,171)	26,733,820
12/31/2021					
Assets					
Cash and cash equivalents	-	-	444,139	-	444,139
Short-term investments	-	-	4,568,393	-	4,568,393
Trade receivables	1,177,205	170,956	-	(35,136)	1,313,025
Decommissioned cars for fleet renewal	148,188	33,811	-	-	181,999
Property and equipment	13,274,175	4,356,251	31,138	(367,710)	17,293,854
Other assets	903,131	186,519	537,711	(116,715)	1,510,646
Total assets	15,502,699	4,747,537	5,581,381	(519,561)	25,312,056
Liabilities					
Trade payables	1,493,178	601,605	-	(35,487)	2,059,296
Borrowings and debt securities	-	-	12,433,095	-	12,433,095
Other liabilities	2,908,087	718,133	143,803	(567,448)	3,202,575
Total liabilities	4,401,265	1,319,738	12,576,898	(602,935)	17,694,966
Equity	-	-	7,617,090	-	7,617,090
Total liabilities and equity	4,401,265	1,319,738	20,193,988	(602,935)	25,312,056

(ii) Consolidated statements of income per operating division

1Q22	Car rental	Fleet rental	Reclassifications	Consolidated
Net revenue	2,139,632	572,020	-	2,711,652
Cost	(1,169,327)	(266,492)	(815)	(1,436,634)
Gross profit	970,305	305,528	(815)	1,275,018
Operating expenses:				
Selling expenses	(182,490)	(37,717)	657	(219,550)
General, administrative and other expenses	(82,422)	(21,237)	158	(103,501)
Profit (loss) before finance costs, net	705,393	246,574	-	951,967
Finance costs, net				(226,950)
Profit before income tax and social contribution				725,017
Income tax and social contribution				(207,594)
Profit for the period				517,423

1Q21	Car rental	Fleet rental	Reclassifications	Consolidated
Net revenue	2,312,506	484,616	-	2,797,122
Cost	(1,473,753)	(254,251)	(1,854)	(1,729,858)
Gross profit	838,753	230,365	(1,854)	1,067,264
Operating expenses:				
Selling expenses	(250,296)	(29,543)	1,412	(278,427)
General, administrative and other expenses	(67,150)	(13,793)	442	(80,501)
Profit (loss) before finance costs, net	521,307	187,029	-	708,336
Finance costs, net				(22,236)
Profit before income tax and social contribution				686,100
Income tax and social contribution				(203,844)
Profit for the period				482,256

(iii) Consolidated depreciation and amortization expenses per operating division

	Consolidated	
	1Q22	1Q21
Car rental		
Car depreciation	104,935	25,980
Depreciation of other property and equipment and amortization of intangible assets	54,210	46,811
Fleet rental		
Car depreciation	21,859	20,595
Depreciation of other property and equipment and amortization of intangible assets	5,961	4,068
Total	186,965	97,454

22. NET REVENUE

Reconciliation between gross operating revenue and net revenue presented in the statements of profit or loss is as follows:

	Individual		Consolidated	
	1Q22	1Q21	1Q22	1Q21
Gross revenue	2,278,100	2,401,638	2,896,258	2,939,057
Deductions:				
Discounts	(2,567)	(2,930)	(9,763)	(7,563)
Taxes (*)	(134,881)	(101,340)	(174,843)	(134,372)
Net revenue	2,140,652	2,297,368	2,711,652	2,797,122

(*) Refer substantially to: (i) Service Tax ("ISSQN") and (ii) taxes on revenue ("PIS" and "COFINS").

The breakdown of net revenue by geographic market and main product lines is as follows:

	Individual	
	Car rental	
	1Q22	1Q21
Geographic markets		
Revenue in Brazil	2,115,837	2,283,602
Export revenue (*)	18,541	9,636
Royalties abroad	6,274	4,130
Net revenue	2,140,652	2,297,368
Revenue categories		
Car rental	1,338,727	979,646
Car sold for fleet renewal	801,925	1,317,722
Net revenue	2,140,652	2,297,368

	Consolidated					
	Car rental		Fleet rental		Total	
	1Q22	1Q21	1Q22	1Q21	1Q22	1Q21
Geographic markets						
Revenue in Brazil	2,114,817	2,298,740	572,020	484,616	2,686,837	2,783,356
Export revenue (*)	18,541	9,636	-	-	18,541	9,636
Royalties abroad	6,274	4,130	-	-	6,274	4,130
Net revenue	2,139,632	2,312,506	572,020	484,616	2,711,652	2,797,122
Revenue categories						
Car rental	1,327,616	979,364	-	-	1,327,616	979,364
Fleet rental	-	-	344,977	280,892	344,977	280,892
Car sold for fleet renewal	812,016	1,333,142	227,043	203,724	1,039,059	1,536,866
Net revenue	2,139,632	2,312,506	572,020	484,616	2,711,652	2,797,122

(*) Revenue from car rental in Brazil to customers resident and domiciled abroad.

23. NATURE OF OPERATING COSTS AND EXPENSES

The information on the nature of operating costs and expenses recognized in the statement of profit or loss is as follows:

	Individual					
	Costs		Selling, general, administrative and other expenses		Total	
	1Q22	1Q21	1Q22	1Q21	1Q22	1Q21
Cost of cars sold	(586,082)	(1,029,792)	-	-	(586,082)	(1,029,792)
Car maintenance, IPVA and others	(357,719)	(257,867)	-	-	(357,719)	(257,867)
Salaries, payroll taxes and benefits	(119,495)	(115,023)	(109,580)	(98,370)	(229,075)	(213,393)
Profit sharing	(7,490)	(18,930)	(10,262)	(20,903)	(17,752)	(39,833)
ECLs and write-off of uncollectible amounts	-	-	(18,981)	(57,336)	(18,981)	(57,336)
Depreciation and amortization of other property and equipment and intangible assets	(43,309)	(33,531)	(17,719)	(18,289)	(61,028)	(51,820)
Car depreciation	(104,929)	(25,980)	-	-	(104,929)	(25,980)
Commissions	-	-	(25,348)	(27,237)	(25,348)	(27,237)
Property lease (a)	(24,377)	(19,276)	3,599	722	(20,778)	(18,554)
Advertising	-	-	(19,851)	(10,106)	(19,851)	(10,106)
Water, electricity and telephone	(4,371)	(4,011)	(1,719)	(2,036)	(6,090)	(6,047)
Travel	(2,783)	(1,732)	(1,155)	(376)	(3,938)	(2,108)
Third-party services	(57,391)	(45,772)	(51,695)	(44,222)	(109,086)	(89,994)
PIS and COFINS credits, net	143,923	83,862	-	-	143,923	83,862
Others	(33,194)	(22,537)	(12,913)	(32,319)	(46,107)	(54,856)
Total	(1,197,217)	(1,490,589)	(265,624)	(310,472)	(1,462,841)	(1,801,061)

	Consolidated					
	Costs		Selling, general, administrative and other expenses		Total	
	1Q22	1Q21	1Q22	1Q21	1Q22	1Q21
Cost of cars sold	(731,817)	(1,184,490)	-	-	(731,817)	(1,184,490)
Car maintenance, IPVA and others	(449,009)	(326,519)	-	-	(449,009)	(326,519)
Salaries, payroll taxes and benefits	(137,276)	(128,292)	(136,899)	(119,299)	(274,175)	(247,591)
Profit sharing	(8,978)	(21,798)	(13,108)	(25,724)	(22,086)	(47,522)
ECLs and write-off of uncollectible amounts	-	-	(21,120)	(60,095)	(21,120)	(60,095)
Depreciation and amortization of other property and equipment and intangible assets	(42,056)	(32,195)	(18,115)	(18,684)	(60,171)	(50,879)
Car depreciation	(126,794)	(46,575)	-	-	(126,794)	(46,575)
Commissions	-	-	(26,252)	(27,654)	(26,252)	(27,654)
Property lease (a)	(25,209)	(19,835)	(733)	(859)	(25,942)	(20,694)
Advertising	-	-	(22,972)	(12,333)	(22,972)	(12,333)
Water, electricity and telephone	(4,477)	(4,092)	(2,200)	(2,378)	(6,677)	(6,470)
Travel	(2,956)	(1,766)	(1,367)	(425)	(4,323)	(2,191)
Third-party services	(65,898)	(51,964)	(64,510)	(52,798)	(130,408)	(104,762)
PIS and COFINS credits, net	176,731	108,316	-	-	176,731	108,316
Others	(18,895)	(20,648)	(15,775)	(38,679)	(34,670)	(59,327)
Total	(1,436,634)	(1,729,858)	(323,051)	(358,928)	(1,759,685)	(2,088,786)

(a) The Company recognized costs and expenses from property leases as shown in the table below:

	Individual		Consolidated	
	1Q22	1Q21	1Q22	1Q21
Lease contracts measured by IFRS16	(10,243)	(11,288)	(15,192)	(13,299)
Leases not included in measurement of lease liabilities	(10,556)	(7,947)	(10,771)	(8,076)
Discounts obtained related to Covid-19 (*)	21	681	21	681
Total	(20,778)	(18,554)	(25,942)	(20,694)

(*) The Company has applied the practical expedient of CVM Resolution No. 859/20, whereby a lessee may elect not to assess whether a Covid-19 related benefit granted in a lease agreement is a modification of the agreement and thus account for the resulting changes in lease payments in income for the period.

24. FINANCE INCOME (COSTS)

Finance income (costs) recognized in the statement of profit or loss are as follows:

	Individual		Consolidated	
	1Q22	1Q21	1Q22	1Q21
Interest on investments	102,266	15,755	134,349	24,642
Repurchase of debentures	-	2,720	-	2,720
PIS/COFINS on finance income	(4,756)	(859)	(5,923)	(1,207)
Exchange variation – assets accounts	(1,101)	461	(1,140)	461
Other interest income	654	363	1,011	424
Total finance income	97,063	18,440	128,297	27,040
Interest expenses on borrowings, debt securities and derivative financial instruments	(258,263)	(50,619)	(337,116)	(87,121)
Interest expenses on leases (note 15)	(23,169)	(20,220)	(17,090)	(14,564)
Change in fair value of derivative financial instruments, net	(4,370)	23,075	(1,057)	53,417
Exchange variation – liabilities accounts	(365)	344	(351)	895
Other interest expenses	2,255	(1,314)	367	(1,903)
Total finance costs	(283,912)	(48,734)	(355,247)	(49,276)
Total finance income (costs)	(186,849)	(30,294)	(226,950)	(22,236)

25. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The carrying amounts of financial assets and liabilities are as follows:

	Individual		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Financial assets				
<u>Amortized cost</u>				
Cash and cash equivalents (note 4)	433,876	243,884	517,142	369,359
Trade receivables (note 6)	1,151,824	1,164,104	1,323,826	1,313,025
Receivables from insurance company (note 7)	88,042	100,022	89,118	100,539
Other receivables – subsidiaries (note 7)	481	19,234	-	-
Investments in restricted accounts (note 7)	-	-	47,181	46,130
Escrow deposits (note 17)	86,762	86,517	123,242	121,805
<u>Financial assets at fair value through profit or loss</u>				
Cash and cash equivalents (note 4)	143,266	45,219	241,902	74,780
Investments (note 5)	4,004,724	3,645,455	4,987,506	4,568,393
Derivative financial instruments (note 14)	203,944	454,713	275,462	537,710
Financial liabilities				
<u>Amortized cost</u>				
Trade payables (note 11)	(1,093,157)	(1,490,280)	(1,402,412)	(2,059,296)
Borrowings and debt securities (note 13)	(9,094,029)	(7,775,571)	(12,152,094)	(10,850,445)
Payables to related parties (note 16)	(2,906)	(233)	-	-
Insurance premiums for transfer (note 16)	(57,749)	(53,111)	(58,622)	(53,521)
Restricted obligations (note 16)	-	-	(48,005)	(47,003)
Amount payable for the acquisition of MOBI7 (note 16)	-	-	(3,810)	(7,440)
<u>Financial liabilities at fair value through profit or loss</u>				
Borrowings and debt securities (note 13)	(1,507,494)	(1,582,650)	(1,741,722)	(1,582,650)
Derivative financial instruments (note 14)	(139,707)	(143,237)	(196,971)	(143,801)

(a) Risk management

In the normal course of operations, the Company is exposed to the following risks related to its financial instruments: (i) market risk; (ii) credit risk; and (iii) liquidity risk.

(i) Market risk

The Company has performed sensitivity tests for adverse scenarios (deterioration of the CDI rate by 25% or 50% above of the probable scenario), considering the following assumptions:

- On March 31, 2022, the Company's net debt totaled R\$8,068,772. From this total, it excludes the amount of R\$3,149,365, with pre-fixed cost at an average rate of 9.07% per year, referring to operations contracted at a pre-fixed rate and the amounts corresponding to the protection provided by swap operations, exchanging rates indexed to the CDI for pre-fixed rates. Thus, the net debt subject to the CDI variation amounts to R\$4,919,407 on March 31, 2022.
- The probable scenario for the next 12 months was estimated according to the information in the Focus Bulletin issued by the Central Bank of Brazil, based on an average CDI rate of 12.71% against the effective annual rate of 10.23% in the three-month period ended March 31, 2022.

Description	Consolidated		
	Probable scenario (*)	Scenario I – 25% deterioration	Scenario II – 50% deterioration
Net debt as at March 31, 2022	8,068,775	8,068,775	8,068,775
Debts at a fixed-rate and amounts hedged with swap to a fixed-rate	(3,149,365)	(3,149,365)	(3,149,365)
Net debt subject to the CDI fluctuation	4,919,410	4,919,410	4,919,410
Effective average annual CDI rate for the three-month period ended March 31, 2022	10.23%	10.23%	10.23%
Estimated average annual CDI rate, according to stress scenarios	12.71%	15.89%	19.07%
Effect on finance costs subject to the CDI rate fluctuation:			
- according to effective rate from January to March 2022	(503,256)	(503,256)	(503,256)
- according to scenarios	(625,257)	(781,694)	(938,131)
Increase in finance costs for the next 12 months	(122,001)	(278,438)	(434,875)

(ii) **Credit risk**

The maximum exposure to the Company's credit risk, based on the residual value of the underlying financial assets, is as follows:

	Individual		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Cash and cash equivalents:				
At least Aa3 in the Moody's scale or equivalent in another rating agency	556,392	271,971	730,946	425,330
Cash and banks	20,750	17,132	28,098	18,809
Total cash and cash equivalents (note 4)	577,142	289,103	759,044	444,139
Investments:				
At least Aa3 in the Moody's scale or equivalent in another rating agency	4,004,724	3,645,455	4,987,506	4,568,393
Total short-term investments (note 5)	4,004,724	3,645,455	4,987,506	4,568,393
Trade receivables — customers	610,426	602,688	751,787	726,230
Trade receivables – credit cards:				
Aaa in the Moody's scale	61,988	45,503	62,423	46,070
Sundry	479,410	515,913	509,616	540,725
Total trade receivables (note 6)	1,151,824	1,164,104	1,323,826	1,313,025
Derivative financial instruments (assets):				
At least Aa3 on Moody's scale or equivalent on another agency's scale	203,944	454,713	275,462	537,710
Total Derivative financial instruments (assets)	203,944	454,713	275,462	537,710
Total	5,937,634	5,553,375	7,345,838	6,863,267

(iii) **Liquidity risk**

The Company and its subsidiaries manage liquidity and their cash flows periodically to ensure that operating cash generation and previous funding, when necessary, are sufficient to meet their commitment schedules. The analysis of the maturities of undiscounted consolidated contractual cash flows of borrowings, debt securities and derivative financial instruments, based on the interest rate contracted for each transaction and a CDI rate of 11,65% as of March 31, 2022, is as follows:

	Individual					2027 to 2032	Total
	2022	2023	2024	2025	2026		
Trade payables	1,093,157	-	-	-	-	-	1,093,157
Debt Securities	655,463	1,322,489	2,348,483	1,722,778	3,146,906	7,543,999	16,740,118
Working capital	40,462	317,073	112,521	-	-	-	470,056
Foreign currency borrowings	204,742	494,115	386,303	291,797	-	-	1,376,957
Prepurchase financing poll	744	992	907	755	44	11	3,453
Other financial liabilities	60,655	-	-	-	-	-	60,655
Total	2,055,223	2,134,669	2,848,214	2,015,330	3,146,950	7,544,010	19,744,396
	Consolidated					2027 to 2032	Total
	2022	2023	2024	2025	2026		
Trade payables	1,402,412	-	-	-	-	-	1,402,412
Debt Securities	839,943	1,923,290	3,184,691	2,705,630	3,710,138	7,543,999	19,907,691
Working capital	59,840	398,851	254,397	-	-	-	713,088
Foreign currency borrowings	284,936	572,914	626,020	291,797	-	-	1,775,667
Prepurchase financing poll	4,908	1,554	907	755	44	11	8,179
CRI	45,706	50,227	51,977	55,214	57,496	366,169	626,789
Other financial liabilities	62,432	48,005	-	-	-	-	110,437
Total	2,700,177	2,994,841	4,117,992	3,053,396	3,767,678	7,910,179	24,544,263

(b) Capital management

The table below shows the Company's debt ratios:

	Consolidated	
	3/31/2022	12/31/2021
Short and long-term debts (note 13)	13,893,816	12,433,095
Derivative financial instruments (note 14)	(78,491)	(393,909)
Cash and cash equivalents (note 4)	(759,044)	(444,139)
Investments (note 5)	(4,987,506)	(4,568,393)
Net debt	8,068,775	7,026,654
Equity	8,036,633	7,617,090
Debt ratio (net debt / equity)	1.00	0.92
Fleet value (*)	16,814,053	16,024,852
Net debt / fleet value	0.48	0.44

(*) Cars and decommissioned cars for fleet renewal (note 9).

(c) Fair value of financial instruments

The fair value of financial liabilities recognized at amortized cost in the Company's balance sheet are:

	Individual			
	Carrying amount		Fair value	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Financial liabilities – other financial liabilities:				
Borrowings and debt securities	(7,721,337)	(5,889,866)	(7,337,166)	(5,620,314)
Working capital	(398,350)	(733,680)	(398,914)	(736,555)
CRI	-	-	-	-
Prepurchase financing poll	(3,453)	(3,667)	(3,453)	(3,667)
Foreign currency borrowings	(970,889)	(1,148,358)	(970,889)	(1,148,358)
Total	(9,094,029)	(7,775,571)	(8,710,422)	(7,508,894)

	Individual			
	Carrying amount		Fair value	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Financial liabilities – other financial liabilities:				
Borrowings and debt securities	(10,080,975)	(8,246,618)	(9,610,044)	(7,882,141)
Working capital	(601,105)	(935,965)	(600,674)	(937,114)
CRI	(342,995)	(334,645)	(231,366)	(226,388)
Prepurchase financing poll	(8,179)	(11,069)	(8,179)	(11,069)
Foreign currency borrowings	(1,118,840)	(1,322,148)	(1,118,840)	(1,322,148)
Total	(12,152,094)	(10,850,445)	(11,569,103)	(10,378,860)

Other financial instruments recognized in the interim individual and consolidated interim financial information at their amortized costs do not differ significantly from their fair values, as the maturity dates of a substantial portion of the balances are close to the balance sheet date.

Other information on financial instruments and risk management has not changed significantly when compared to the information disclosed in note 25 of the financial statements for the year ended December 31, 2021.

27. SUPPLEMENTARY PENSION PLAN

In 1Q22, contributions made by the Company totaled R\$1,524 in the Individual and R\$1,969 in the Consolidated (R\$138 in the Individual and R\$269 in the Consolidated in 1Q21), which were allocated to line items “cost”, “selling expenses” and “general and administrative expenses” in profit or loss, as applicable.

Other information on pension plan has not changed significantly as compared to the information disclosed in note 26 of the financial statements for the year ended December 31, 2021.

28. CASH FLOW STATEMENT: TRANSACTIONS NOT AFFECTING CASH

	Individual		Consolidated	
	3/31/2022	12/31/2021	3/31/2022	12/31/2021
Addition of usage right (notes 9 and 15)	51,110	286,208	34,969	261,709
Lease liabilities payable (note 15)	(8,173)	(5,633)	-	-
Dividends and interest on own capital payable (note 19(d))	(110,343)	(288,849)	(110,343)	(288,849)
Variation in the balance of Suppliers - Car manufacturers	(368,455)	(65,739)	(617,734)	289,004

29. SUBSEQUENT EVENTS

Issuance of debentures of Localiza Fleet

On March 31, 2022, the Board of Directors approved the 10th issue of simple debentures of Localiza Fleet, not convertible into shares, unsecured, with additional fiduciary guarantee, in up to two series, in the amount of R\$1,450,000, which was issued on April 5, 2022 and financially settled on April 12, 2022. The debentures of the first series mature on April 5, 2027 and pays CDI + 1.60% and the debentures of the second series mature on April 5, 2028 and pays CDI + 1.75%.

The funds obtained by Localiza with the offer will be used for cash recomposition.

Renegotiation of Localiza's debentures issue

On April 22, 2022, the Board of Directors approved the renegotiation of Localiza's 12th simple debenture issue ("Scheduled Renegotiation"), nonconvertible into shares, unsecured, with additional fiduciary guarantee, in a single series, to be held on May 16, 2022.

Acquisition of part of the capital of Voll by Localiza Fleet

At a meeting of the Extraordinary Shareholders' Meeting of Localiza Fleet held on April 7, 2022, the acquisition of a portion of the total and voting capital of Voll Soluções em Mobilidade Corporativa ("Voll") was approved, under the terms established in the Agreement for the Purchase and Sale of Shares and other Covenants. Voll provides digital mobility, travel, and expense management solutions to the corporate sector.

Localiza Fleet believes that the acquisition will add value to the business, increasing its relevance in the mobility ecosystem, expanding the range of solutions offered to its corporate customers and increasing the frequency of relationships.

According to a Material Fact released on the same date, the acquisition is still subject to compliance with suspensive clauses.

Comments on the Performance of Business Projections

The Company did not disclose any projections for 2022.

Other Information Considered Relevant by the Company

SOCIAL STATEMENT

The Company's Consolidated Social Statement (not reviewed by the auditors) for the three-month period ended March 31, 2022 and 2021 is as follows:

(In R\$ thousand)

	1Q22			1Q21		
Calculation basis of consolidated social indicators						
Net revenue ("NR")						
			2,711,652			2,797,122
Earnings before taxes ("EBT")			725,017			686,100
Gross payroll ("GP")			223,719			249,488
Internal social indicators	Amount	% on GP	% on NR	Amount	% on GP	% on NR
Meals	22,805	10%	1%	19,019	8%	1%
Compulsory payroll taxes	52,959	24%	2%	48,753	20%	2%
Health	18,236	8%	1%	16,668	7%	1%
Professional training and development	926	0%	0%	323	0%	0%
Daycare centers or childcare allowance	470	0%	0%	27	0%	0%
Profit sharing	20,086	9%	1%	47,522	19%	2%
Other	5,898	3%	0%	3,953	2%	0%
Total internal social indicators	121,380	54%	5%	136,265	56%	6%
External social indicators	Amount	% on EBT	% on NR	Amount	% on EBT	% on NR
Education	88	0%	0%	425	0%	0%
Culture	350	0%	0%	1,549	0%	0%
Other	3,412	0%	0%	5,415	1%	0%
Total contributions to society	3,850	1%	0%	7,389	1%	0%
Taxes (excluding payroll taxes) (*)	268,574	37%	10%	286,448	42%	10%
Total external social indicators	268,582	37%	10%	293,837	43%	11%
Staff indicators			03/31/2022			03/31/2021
Number of employees at the end of the period			12,468			11,687
Number of new hires during the period			1,034			1,087
Number of third-party workers			492			551
Number of interns			81			63
Number of employees above 50 years old			607			520
Number of female employees			5,824			5,309
Percentage of lead positions held by female employees			50.55%			48.73%
Number of disabled employees			494			356

Opinions and Representations / Report on Review of Interim Financial Information – Unqualified

(A free translation of the original in Portuguese)

REPORT ON REVIEW OF QUATERLY INFORMATION

To the Board of Directors and Stockholders
Localiza Rent a Car S.A.

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of Localiza Rent a Car S.A. ("Company"), included in the Quarterly Information Form (ITR) for the quarter ended March 31, 2022, comprising the balance sheet at that date and the statements of income, comprehensive income, changes in equity and cash flows for the quarter then ended, and explanatory notes.

Management is responsible for the preparation of the parent company and consolidated interim accounting information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC) and International Accounting Standard (IAS) 34, Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently did not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

Opinions and Representations / Report on Review of Interim Financial Information – Unqualified**Other matters****Statements of value added**

The quarterly information referred to above includes the parent company and consolidated statements of value added for the quarter ended March 31, 2022. These statements are the responsibility of the Company's management and are presented as supplementary information under IAS 34. These statements have been subjected to review procedures performed together with the review of the quarterly information for the purpose of concluding whether they are reconciled with the interim accounting information and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these statements of value added have not been properly prepared, in all material respects, in accordance with the criteria established in this accounting standard, and consistent with the parent company and consolidated interim accounting information taken as a whole.

Audit and review of prior-year information

The Quarterly Information Form (ITR) includes comparative accounting information related to the statements of income, changes in equity, cash flow and value added for the quarter ended March 31, 2021, extracted from the Quarterly Information Form (ITR) for that quarter, as also the balance sheet as at December 31, 2021 derived from the annual financial statements as at December 31, 2021. The review of the Quarterly Information (ITR) for the quarter ended March 31, 2021 and the audit of the financial statements for the year ended December 31, 2021 were conducted by other auditors, who issued unmodified review and audit reports thereon dated May 3, 2021 and February 22, 2022, respectively.

Belo Horizonte, May 2, 2022

PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2SP000160/O-5

Guilherme Campos e Silva
Contador CRC 1SP218254/O-1

Opinions and Representations / Management's Statement on the Financial Statements

MANAGEMENT'S STATEMENT ON THE INTERIM FINANCIAL INFORMATION

By this instrument, the CEO and CFO and Investor Relations Officer of Localiza Rent a Car S.A. ("Localiza"), a publicly-held company headquartered at Avenida Bernardo de Vasconcelos, 377, Bairro Cachoeirinha, in Belo Horizonte, Minas Gerais State, Corporate Taxpayer No. 16.670.085/0001-55, in conformity with subsection II, paragraph 1, article 29 of CVM Instruction 480/09, hereby declare that they have:

I. Reviewed, discussed and approved Localiza's and consolidated interim financial information for the nine-month period ended March 31, 2022.

Belo Horizonte, May 2, 2022.

Bruno Sebastian Lasansky
CEO

Rodrigo Tavares Gonçalves de Sousa
CFO and Investor Relations Officer

Opinions and Representations / Management's Statement on the Independent Auditor's Report**MANAGEMENT'S STATEMENT ON THE INDEPENDENT AUDITOR'S REPORT**

By this instrument, the CEO and CFO and Investor Relations Officer of Localiza Rent a Car S.A. ("Localiza"), a publicly-held company headquartered at Avenida Bernardo de Vasconcelos, 377, Bairro Cachoeirinha, in Belo Horizonte, Minas Gerais State, Corporate Taxpayer No. 16.670.085/0001-55, in conformity with subsection II, paragraph 1, article 29 of CVM Instruction 480/09, hereby declare that they have:

I. Reviewed, discussed and agreed with the opinions expressed in the Independent Auditor's Report of Deloitte Touche Tohmatsu Auditores Independentes on Localiza's and consolidated interim financial information for the nine-month period ended March 31, 2022.

Belo Horizonte, May 2, 2022.

Bruno Sebastian Lasansky
CEO

Rodrigo Tavares Gonçalves de Sousa
CFO and Investor Relations Officer