

(A free translation of the original in Portuguese)

Financial Statements **2025**



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1 - ABOUT THE REPORT

We are pleased to present our Management Report, prepared in accordance with applicable legal requirements and the Brazilian corporate law, for Localiza and its subsidiaries ("Localiza&Co", the "Company", or "Localiza") for the year ended December 31, 2025. This document is part of the Company's Financial Statements and provides a comprehensive overview of its operational, financial, and strategic performance during the year.

The Financial Statements have been prepared in accordance with IFRS[®] Accounting Standards as issued by the International Accounting Standards Board (IASB), as well as with accounting practices adopted in Brazil, issued by the Brazilian Accounting Pronouncements Committee (*Comitê de Pronunciamentos Contábeis*, CPC) and approved by the Brazilian Securities Commission (*Comissão de Valores Mobiliários*, CVM). The Company also complies with the requirements of the Brazilian stock exchange B3 Novo Mercado regulations, being committed to the highest standards of corporate governance, transparency, and accountability.

The operating and financial highlights presented in this report are summarized by nature and should be read in conjunction with the Earnings Release and the complete Financial Statements to provide a comprehensive and appropriate understanding of the Company's economic, financial, and equity position.

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2 - MESSAGE FROM THE CEO

To our investors,

The year 2025 was marked by the **consistent execution of our strategic priorities**, with significant progress on all fronts. The decisions made throughout the period reinforce our ability to adapt and generate value, demonstrating the Company's execution discipline and the strength of our business model. Among the key achievements, we highlight:

i) *Scaling **Seminovos** to support fleet renewal*

In 2025, over **296,000 cars were sold in Brazil** (+5.9% YoY), contributing to net revenue of **BRL 22.2 billion** (+15.6% YoY). Throughout the year, we expanded our **Seminovos** network — opening 21 new stores — and focused on increasing productivity across retail and wholesale teams, which resulted in an increase in sales volumes in the last quarter of the year. We ended 4Q25 with over **77,000 cars sold** (+7.8% YoY), establishing a **quarterly record** which, when annualized, is equivalent to approximately 310,000 cars. This performance demonstrates the consistent progress of our **Seminovos** operation, despite a tighter retail sales market for new-vehicle, which fell 2.4% in 2025. In 2026, so far, the Company has maintained a sales pace (run rate) of approximately **59,000 cars sold in the first two months of the year**.

ii) *Price recomposition in **Car Rental** and **Fleet Rental**, prioritizing revenue growth and ROIC spread*

We continue the process of restoring the average daily rate in 2025, with **an increase of 8.4% in Car Rental** and **9.6% in Fleet Rental**, on a year-over-year basis. As a result, consolidated rental revenue was **BRL 19.6 billion for the year**, an increase of BRL 1.5 billion compared to 2024.

iii) *Cost efficiency and productivity*

Both business divisions recorded higher fleet utilization rates and reductions in costs, especially for maintenance and theft losses, driven by greater scale from parts purchasing and advances in fraud-prevention and asset-recovery capabilities. We ended the year with **an EBITDA margin of 67.0% in Car Rental** (vs. 62.0% in 2024) and **72.6% in Fleet Rental** (vs. 66.8% in 2024). In **4Q25, margins were 68.6% in Car Rental and 76.2% in Fleet Rental**.

iv) ***Fleet Rental** portfolio optimization process*

In 2025, we continued to optimize capital allocation in **Fleet Rental**, significantly reducing our exposure to heavy-use vehicles, **from 31,000 to 18,000**, and improving the profitability of the remaining contracts. We will maintain this trend throughout 2026, expecting to **end the year with fewer than 10,000 and a ROIC spread within the Company's target range**. A significant portion of the capital released was allocated to the light vehicles and car subscription segments, which recorded **a 17% increase in revenue** in 2025.

v) *Elevating our passionate customer experience to enhance our differentiation*

We continue to consistently lead innovation in our customer experience through convenience, digitalization, and operational excellence, further strengthening our differentiation in delivering a delightful customer experience.

In **Car Rental**, we expanded both the fleet and the number of branches offering digital pick-up, surpassing the milestone of **1.1 million FAST contracts** in the year. In addition, we intensified the use of **artificial intelligence** across the entire platform, with emphasis on **Liza**, our virtual assistant who

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guides customers through the reservation journey via chat, driving gains in productivity, agility, and issue resolution, with an NPS above 85.

In **Fleet Rental** and **Localiza Meoo**, we continued accelerating the evolution of both physical and digital customer journeys to deliver a superior experience, **offering greater convenience and enhancing operational efficiency**. We expanded the **PitStop** network and broadened its service portfolio, increasing fluidity, predictability, and convenience in preventative and corrective maintenance processes. In the digital environment, **we incorporated artificial intelligence across the entire product development layer**. At **Localiza Meoo**, the use of AI tools enhanced the quality and performance of the commercial and post-sales teams, positively impacting NPS and strengthening the customer experience. In addition, we further improved the **Localiza Meoo** app with the inclusion of tools for scheduling maintenance appointments, monitoring mileage consumption, and managing payments.

In **Operations**, we advanced the processes and scale of our decommissioning centers, ensuring greater **speed, control, and quality**, while **reducing preparation costs** for vehicles held for sale.

In Technology, **Localiza Labs** has established itself as a strategic pillar of the Company's innovation agenda, with significant progress in data and artificial intelligence, the evolution of technological architecture in building a platform-based model, and an increasing focus on customer centricity. These initiatives support structural gains in productivity, operational efficiency, and quality. Over the past two years, the area has consistently strengthened its innovation capabilities, with AI applications aimed at large-scale personalization, automation of critical processes, and support for data-driven business decision-making. Additionally, relevant processes for unifying systems and customer journeys have been completed, reducing operational complexity and enhancing the consistency and fluidity of the customer experience.

vi) *Completion of the systemic integration process and corporate simplification*

In 2025, **we completed the integration of the Fleet Rental systems**, consolidating operations, standardizing processes, and enabling the capture of additional synergies. This evolution strengthens our operational efficiency, expands the scalability of the business, and simplifies the Company's management structure, in addition to enabling the **merger of Locamerica**, an important milestone in the Company's corporate simplification process. Following the merger, **we began amortizing the goodwill** generated in the business combination, reducing taxable income and cash taxes for the quarter and the coming years.

Finally, in November 2025, the Company announced **the sale of its equity interest in Voll** Soluções em Mobilidade Corporativa S.A. – a corporate travel and expense management platform in which the Company had invested in May 2022 – to an entity controlled by Warburg Pincus. The transaction, completed in January 2026, valued Voll at BRL 606 million (enterprise value), and the Company will receive BRL 382 million for the divestment, **representing a return of approximately 5x on the original investment**. Localiza maintains a strong relationship with Voll, being one of the platform's most important clients and preserving the strategic distribution partnership.

The strong growth witnessed across the six priorities defined for the year contributed to the delivery of solid results. We ended 2025 with **consolidated net revenue of BRL 41.8 billion**, an annual growth of 12.1%. **EBITDA** was **BRL 13.8 billion**, higher by 15.4% when compared to 2024, reflecting the recovery in rental rates, as well as productivity gains and efficient cost management.

Adjusted net income totaled BRL 3.4 billion for the year, while the **annualized ROIC for 4Q25 reached 15.5%**, with a **spread of 5.5 p.p. above the cost of debt**. This performance marked the Company's return to its historic value-creation spread range and paves the way for further progress throughout 2026.

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These results triggered a **significant increase in cash generation from rental activities** which, combined with the reduction in renewal capex – stemming from improvements in the sales mix and average mileage – totaled BRL 6.3 billion before interest payments in 2025, nearly double 2024 generation. This enabled us to report a **balanced capital structure**, with a net debt-to-fleet value ratio of 0.57x, reinforcing the **strength of our balance sheet** and expanding **the Company's financial flexibility**.

The consistency of our strategy, the strength of our brand, and the excellent performance in innovation, customer experience, and governance were recognized throughout the year, with highlights including:

- Ranked 7th most valuable brand in Brazil according to the Brand Finance 100
- Recognized by Reclame Aqui as a benchmark in customer service, winning the award for the 11th time in the Car Rental category and for the 9th time in the Seminovos category
- Ranked among the “100+ Most Innovative Companies in the Use of IT” by IT Forum; recognized in the Valor Inovação ranking by Valor Econômico; listed among the top 10 companies with the best performance in artificial intelligence in Brazil, according to Fundação Dom Cabral (FDC); and winner of the Estadão Empresas Mais Award in the Technology and Innovation for Mobility category, also standing out in Governance, Ethics, and Citizenship
- ANEFAC Award for transparency, clarity, integrity, and quality in our earnings disclosures
- International recognition in the Time|Statista ranking among the 500 most sustainable companies in the world, as well as being highlighted in Exame's “Best in ESG” awards in the Transportation and Logistics category; and achieving 9th place in GPTW Brazil – Great Place to Work
- Recognition of Eugênio Mattar and Bruno Lasansky rated among the leading executives in Brazil by Merco Líderes, and Bruno Lasansky named Executivo de Valor (Valued Executive) by Valor Econômico.

All these awards and recognitions increase the weight of our responsibility and motivate us to continue moving forward as leading players in the mobility ecosystem for individuals and businesses.

In this context, we begin 2026 with a **solid competitive position and well-prepared to capture the opportunities of this new cycle**. Our priority remains to **complete the process of restoring returns to their historical levels**. To this end, we will maintain a strong focus on **Seminovos**, aiming to reach, within 2026, the quarterly sales pace required for us to return to the 15-month cycle in **Car Rental**. As we make advances in reducing the average age and mileage of vehicles sold, we expect to capture additional efficiency gains in the rental operation, with a positive impact on the division's ROIC and potential favorable effects on rental pricing.

Additionally, with the return levels of **Fleet Rental** and **Car Subscription** already within target, **we will invest in developing increasingly customized solutions for our clients**, expanding the addressable market.

Finally, in 2026 we will increase **investments in brand, branch, store network expansion, and technology, focusing on strengthening our leadership and competitive advantages, applying our long-term value-creation mindset**.

We wish to thank our employees, customers, partners, and shareholders for the trust they have placed in us and their continuing commitment throughout the year. With great determination and dedication, we look forward to building **the Localiza&Co of the future**.

Bruno Lasansky
CEO – Localiza&Co

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2.1 - Macroeconomic Scenario

The external environment is clearly challenging and uncertain, influenced by the US economic and trade policies and geopolitical tensions affecting global financial markets. In Brazil, economic activity has slowed, though the labor market remains resilient. Inflation has moderated recently, but expectations for the coming years are still above the target.

In this context, monetary policy remains restrictive. At its most recent meeting, COPOM indicated that it may begin cutting interest rates in March, contingent on further evidence of a systematic fall in inflation.

For 2025, we prioritized restoring return levels, with price adjustments in Car Rental and Fleet Rental, productivity gains, and an acceleration of fleet renewal through Seminovos.

We advanced our portfolio optimization process by reducing exposure to heavy-use contracts and discontinuing less profitable segments, while intensifying efficiency and digitalization initiatives. We ended the year having sold approximately 296,000 cars in Brazil, to meet network expansion targets and improved efficiency in our retail and wholesale operations, supporting the ongoing renewal of our fleet.

For 2026, we will seek to maintain discipline in capital allocation, rigor in cost management, and a conservative approach to cash and debt management, with the goal of improving leverage metrics and sustaining ROIC at healthy levels. We will continue to closely monitor the fiscal outlook and the impact of fiscal policy on risk perception and interest rate spreads, as well as credit availability — all of which are key drivers of vehicle demand and pricing dynamics in Brazil.

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3 - ABOUT US AND OUR HISTORY



1973

The Company was founded in Belo Horizonte, marking the beginning of its car rental operations.



1979

The Company began its expansion with the opening of its first branches in Vitória, Rio de Janeiro, Salvador, São Luís, and Fortaleza.



1981

The Company became the market leader in Brazil's car rental industry in terms of number of agencies.



1983

The Company started its franchising operations in Brazil.



1991

The Company began selling vehicles to renew its fleet with the creation of Localiza Seminovos.



1997

Access to the international capital market through the issuance of Senior Notes, and the creation of Total Fleet, responsible for long-term contracts.



2005

Registration as a publicly held company and completion of its initial public offering.



2012

Inclusion in Ibovespa and approval of a Level I ADR Program, expanding the Company's investor base.



2017

The year was marked by operational and financial records, as well as the relocation to a new headquarters.



2019

Leadership in the Brazilian market and fundraising to support fleet expansion and investments in technology.



2020

In a year marked by the challenges of the pandemic, the Company launched Localiza Meoo, acquired Mobi7, and announced its business combination with Locamerica.



2021

The year was marked by consistent results, executive leadership succession, the launch of the Zarp Localiza brand, and further progress in sustainable mobility.



2022

Closing of the merger with Locamerica, entry into the heavy vehicle segment, and launch of the Localiza&Co brand, strengthening scale, profitability, and strategic positioning.



2023

The Company's 50th anniversary year, marked by significant progress in integration, efficiency gains, the start of operations in Mexico, and recognition in excellence rankings.



2025

The year in which the Company celebrates the 20th anniversary of its Initial Public Offering (IPO) and completes the integration of its Fleet Rental systems and the merger of Locamerica.

3.1 - Purpose, Core Values, and Identity

The Company’s growth has always been grounded in a set of principles that guide how it operates and engages with its stakeholders. Localiza&Co’s purpose connects its history with its ambition to transform mobility and generate sustainable long-term value, guiding strategic decisions and reinforcing its culture of excellence.

The Company’s core values are structured around three fundamental pillars: “People that inspire”, The client is our passion”, and “Extraordinary results”.



The Localiza “way of acting” translates these values into practices rooted in trust, ethics, and responsibility — pillars that have shaped the Company’s reputation and underpin its pursuit of being an admired company.

3.2 - Localiza&Co Today

Localiza&Co maintains its position as the largest integrated mobility platform in Brazil and one of the leading players in Latin America. The Company closed the year with a total fleet of 658,496 vehicles, reflecting a flexible business model capable of adjusting fleet size, mix, and utilization with agility and discipline.

The breadth of its network remains one of Localiza&Co’s key strengths. The Company operates 691 car rental agencies, including 592 locations in Brazil and 99 across other South American countries, including 29 agencies in Mexico — a market where the Company continues to expand and capture growth opportunities. This network includes both company-owned and franchised agencies operating under unified standards, ensuring scale, process standardization, and a consistent customer experience.

Complementing this ecosystem, Localiza&Co operates 263 company-owned Seminovos stores across 138 cities in Brazil.

Today, Localiza&Co combines more than five decades of experience with a modern, digital, and efficient operating model, positioned to capture mobility opportunities, expand its solutions portfolio, and continue generating sustainable value for its stakeholders.

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4 - INTEGRATED MOBILITY PLATFORM

The Company operates through an integrated platform comprised of two operating segments, internally referred to as “Divisions”: the Rent a Car Division (“RAC”), which includes Franchising, responsible for franchising the Localiza car rental brand in Brazil and South America; and the Fleet Rental Division (“GF”), which includes the car subscription business.

In addition to its business divisions, the Company has an efficiency-focused unit, Localiza Seminovos, responsible for selling vehicles decommissioned for fleet renewal from the Car Rental and Fleet Rental divisions after their use in operations. These decommissioned vehicles are sold to end consumers, dealerships, or through a distribution channel via a network of company-owned stores.

The business divisions and the supporting Seminovos unit share centralized support functions — People, Finance, Legal, Operations, Procurement, and Technology & Data — contributing to fixed-cost dilution, scale gains, and synergy capture.

The combination of these elements underpins a model in which vehicles are acquired, deployed across the different divisions, decommissioned, and sold in increasingly shorter cycles, keeping the fleet young and aligned with customer needs.

4.1 - Integrated Value Creation Cycle

Localiza&Co’s business model is built on an integrated cycle that connects every step of the operation — from capital raising to innovation — generating scale, efficiency, and continuous fleet renewal capability. This cycle sustains the Company’s competitiveness and reinforces its leadership position in the Brazilian and Latin American mobility markets.

The cycle is structured around four pillars:

Funding

Better credit rating and financing terms

Car Purchase

Leading buyer in the sector with strong relationships with automakers

Car Sales

Sales through wholesale and retail channels, with extensive reach

Car Rental

Leader in rental technology and network, with high levels of customer satisfaction



Raising of funds

The Company holds credit ratings from the leading international agencies (Moody's, S&P, and Fitch) — among the highest in the sector, enabling it to raise funding on competitive terms and at attractive costs. This efficient access to the financial markets enables investments in fleet expansion, technology, and platform growth.

Centralized vehicle procurement

Localiza&Co is one of the largest vehicle purchasers among the leading automakers in Brazil. Its scale strengthens bargaining power and enables the Company to adjust the mix of models and brands to meet the needs of the Car Rental and Fleet Rental divisions.

Centralized procurement enhances pricing accuracy, operational predictability, and efficiency in fleet sizing.

Car rental and Fleet Rental

A strong and recognized brand, extensive know-how in the rental market, an integrated platform, and broad geographic coverage — with an agency network larger than that of its main competitors combined — represent key competitive advantages.

In addition to direct customer operations, the Car Rental Division oversees franchising activities in Brazil and across South America, transferring operational expertise and ensuring a standardized customer experience.

A matrix management structure and shared support functions reinforce efficiency, enable cross-selling between divisions, and support the scalability of the business model.

Sale of Decommissioned Vehicles for Fleet Renewal

As a result of the ongoing need to renew its fleet, Localiza&Co has built a vehicle resale structure that reduces intermediation costs in vehicle sales. In addition, this structure generates market intelligence that supports optimization of the purchasing mix, greater accuracy in estimating residual values, and, consequently, more precise pricing in Car Rental and Fleet Rental.

Beyond direct sales to end consumers, the Company also sells part of its decommissioned assets to dealerships or through a distribution channel (resellers in smaller cities), which absorb part of the fleet and resell vehicles directly through their used-car stores. This expands the Company's reach without requiring additional capital investment, personnel, or marketing expenses.

Brand recognition and trust drive customer loyalty and referrals to Seminovos. In addition, the Company believes it holds competitive advantages in trade-in offerings, financing solutions through partner banks, and extended warranty options.

4.2 - Our Businesses

Car Rental (RAC): Capillarity, Standardization, and Experience

Car Rental is the historical core of the Company's business model. This division is structured into the following segments:

- Daily rental: short-term rental for individuals or companies, for business or leisure;

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- Replacement: temporary replacement vehicles provided by insurance companies and/or automakers to their customers when repairs or corrective maintenance are required;
- Monthly rental: rentals for individuals or legal entities under monthly contracts;
- Rental for ride-hailing drivers (Localiza Zarp): car rentals for ride-hailing drivers, such as those operating through Uber and 99, including a dedicated, low-cost agency structure, with intensive use of technology to optimize booking, billing and payment processed, fraud and theft prevention, asset monitoring, and driver assessment; and
- Franchising: Corporate area responsible for the acquisition, maintenance, and standardization of all franchisees in South America.



Localiza Rent a Car agency

The operation combines:

- a network of owned and franchised agencies, operating under uniform standards of service, maintenance, and fleet rental;
- a dynamic pricing policy, based on demand, seasonality, customer profile, rental period, pick-up/return location, and vehicle-related costs, including purchase price and depreciation;
- complex logistics and operational processes, encompassing vehicle preparation, licensing, transportation, maintenance, traffic fine processing, fraud prevention, and preparation for resale.

This operating architecture enables the Company to maintain competitive utilization rates and deliver a consistent rental experience across all channels and regions.

Fleet Rental: long-term solutions



Localiza Meoo

The Fleet Rental Division offers long-term contracts, generally ranging from 24 to 60 months to companies of all sizes and selected individual segments through its car subscription model. The service includes:

- fleet sizing and vehicle mix optimization;
- vehicle acquisition, customization, and leasing;
- corrective and preventive maintenance;
- replacement cars;
- management of documentation, fines, and insurance;
- online management reports for fleet performance monitoring.

In 2020, the Company launched Localiza Meoo, its long-term car subscription service aimed at individuals and small and medium-sized businesses. Meoo allows customers to enjoy cars without the “burdens of ownership,” such as purchase costs, paperwork, taxes, insurance, maintenance, and depreciation.

Subscription contracting and management are fully digital, providing a simple, seamless, and omnichannel customer journey. The growth of Meoo’s customer base since its launch reinforces the Company’s ability to innovate in mobility and expand its

addressable market with recurring and flexible car access solutions.

Additionally, for every car subscribed through Meoo, a contribution is made to Gerando Falcões, an NGO dedicated to transforming the lives of people living in underserved communities in Brazil, focusing on education, economic development, and citizenship.

Seminovos: efficiency hub supporting fleet renewal

Localiza Seminovos is responsible for the sale of cars decommissioned from the Car Rental and Fleet Rental divisions. As of December 31, 2025, the Group operated 263 owned points of sale across 138 cities, covering all regions of Brazil.

Scaling Seminovos is a strategic priority to support fleet rejuvenation and restore profitability. Seminovos plays a dynamic role in the business model by:

- enabling accelerated fleet renewal and reducing the average car age;
- maximizing resale value, lowering depreciation and net investment per car;

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- quickly adjusting fleet size to demand conditions;
- offering inspected vehicles with known history directly to end consumers, strengthening brand perception.



Localiza Seminovos

Due to its scale and relevance, Localiza&Co plays an important role in renewing Brazil's automotive fleet, helping shorten vehicle replacement cycles for professional drivers and companies, while also facilitating access to newer and safer vehicles for consumers.

4.3 - Innovation and artificial intelligence

At Localiza&Co, innovation is not a standalone initiative, but a cross-cutting element that connects and enhances the Company's entire integrated value creation cycle — from fundraising and vehicle procurement to rental and fleet rental operations, and the sale of used vehicles.

By integrating technology, data, automation, and artificial intelligence into our operations, we strengthen our structural efficiency, enhance the quality of the customer experience, and support increasingly data-driven decision-making. This approach allows us to combine scale, productivity, and capital discipline with competitive differentiation within the mobility ecosystem.

In 2025, we made consistent progress in digitizing customer journeys, expanding the use of artificial intelligence, and consolidating a more integrated, streamlined, and scalable technology architecture.



Localiza Labs acts as a catalyst for the Company's digital transformation and systems modernization. In 2025, Labs expanded its focus on data, artificial intelligence, systems platformization, and customer centricity, contributing to structural gains in productivity, efficiency, and quality across the organization.

Over the past two years, the technology team reported a significant increase in innovation capacity using Artificial Intelligence, driving:

- personalization at scale;
- automation of critical processes;
- increasingly data-driven business decisions.

We also completed relevant system and customer journey unification initiatives, reducing operational complexity, standardizing processes, and improving fluidity and consistency in customer experience.

The Labs operating model — which allows 100% remote work for individual contributors — expands access to technology talent across Brazil, strengthening our capacity for continuous innovation.

Digital rental experience

Across the Group, the Company has expanded the use of digital journeys, notably Digital Pick-up (Localiza Fast) within the Car Rental division — a solution that allows customers to complete reservation and vehicle pick-up autonomously, quickly, and 100% digitally at selected agencies. In 2025, we surpassed 1.1 million FAST contracts during the year, reinforcing digital adoption and increasing convenience and operational efficiency.

In addition, we highlight Liza, our virtual assistant that guides customers through the reservation journey via chat, increasing productivity, agility, and resolution rates, with an NPS above 85.

In Fleet Rental, we embedded artificial intelligence across the entire product development layer. The use of AI enhanced the performance and quality of both the commercial and after-sales teams, positively influencing NPS and strengthening customer experience. In addition, we further improved the Localiza Meo app with the inclusion of tools for scheduling maintenance appointments, monitoring mileage consumption, and managing payments.

Governance, security, and integrity

In terms of privacy and data protection, we advanced our compliance with Brazil's General Data Protection Law (LGPD), implementing:

- Internal and external Privacy Notices;
- A Privacy Portal;
- A Record of Data Processing Activities;

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- mandatory annual training for 100% of employees.

This framework ensures that technological progress occurs responsibly, securely, and in alignment with best governance practices.

4.4 - Geographic distribution

Localiza is the largest car rental company in Latin America, with a consolidated and expanding presence across the region. Throughout its trajectory, the Company has consistently expanded its international footprint, strengthening its brand, operational scale, and ability to serve diverse customer profiles in strategic regional markets.

Localiza currently operates 99 agencies across Latin America, of which 29 are directly managed by the Company and 70 operate under the franchise model, reinforcing its strategy of sustainable growth, regional capillarity, and operational efficiency.



5 - STRATEGY AND PRIORITIES

The year 2025 marks the strengthening of the strategic cycle initiated in prior years, combining sustainable revenue expansion, capital discipline, and rigorous execution of the priorities defined by Management. In an environment of tighter credit conditions, a moderating vehicle market, and continued demand for efficient mobility solutions, Localiza maintained its focus on enhancing the fundamentals that underpin its long-term competitiveness.

The Company's strategic decisions reinforced the pursuit of greater productivity, portfolio optimization, and fleet rejuvenation, while further integrating innovation, operational efficiency, and capital allocation decisions. This set of initiatives consolidated a solid foundation for the evolution of returns and the capture of new mobility opportunities.

5.1 - Strategic pillars of the Company

Localiza&Co's strategy is structured around pillars that guide value creation across the Platform:

2025 Strategic Pillars - Localiza&Co



COST EFFICIENCY AND PRODUCTIVITY

Focus on productivity and optimization of the operational structure

- Younger fleet
- Efficiency gains
- Cost discipline



RENT PRICE ADJUSTMENT

Prioritizing revenue growth and ROIC spread

- Efficient allocation of resources
- Consistent long-term returns
- Capital discipline



OPTIMIZED FLEET RENTAL PORTFOLIOS

Greater focus on profitability in long-term contracts

- Reduced exposure to severe-use vehicles
- Careful mix selection
- Reallocation of capital to more efficient and higher-return segments



SEMINOVOS SCALING FOR FLEET RENEWAL

Business integrated with fleet renewal, promoting:

- Efficient asset turnover
- Commercial productivity
- Value capture throughout the cycle



CORPORATE SIMPLIFICATION

Integration of processes and structures to reduce complexity and enhance operational efficiency

- Systemic integrations resulting from corporate simplification
- Operational productivity gains



CUSTOMER EXPERIENCE AND DELIGHT

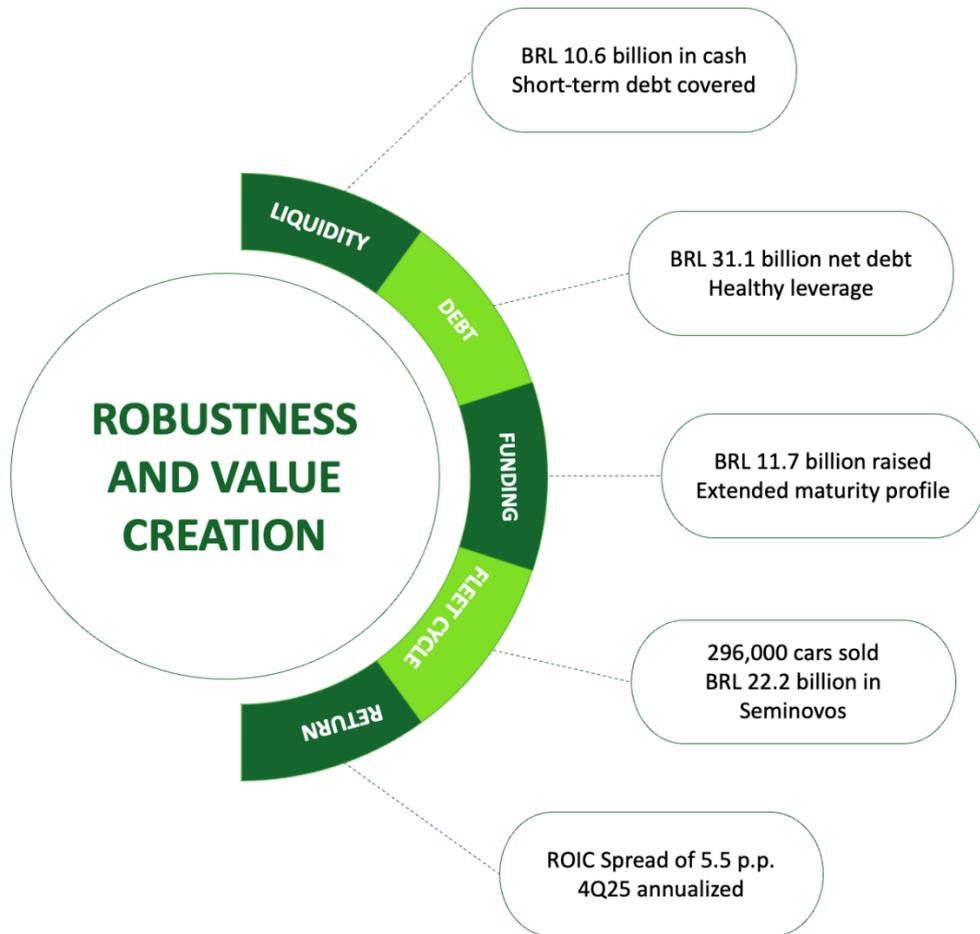
We aim to create value through simple, digital, and memorable customer journeys

- Digital solutions
- Data platform and AI infrastructure
- A culture of customer delight and value creation

Operational efficiency remains a central element in ensuring the strength of results and competitiveness. In 2025, the Company continued to enhance operational productivity, optimize logistics, improve vehicle preparation quality, and maintain discipline in purchase and decommissioning cycles. Fleet rejuvenation, supported by increased decommissioning capacity and improved performance in the used-car segment, contributed to reducing maintenance-related costs.

The Company maintained its focus on efficient capital allocation, combining rigorous investment management with initiatives aimed at preserving return levels. In this context, price recomposition was part of the set of actions that helped strengthen profitability and consolidate the trajectory of improvement in financial indicators.

This discipline is reflected in the continuous use of data and predictive analytics to support fleet purchasing decisions, define optimal economic useful life cycles, and monitor key return indicators. The capital structure was managed rigorously, considering liquidity, debt amortizations, new funding, and financial strengthening initiatives.



In Fleet Rental, the year was marked by relevant progress in portfolio optimization. Notably, there was a gradual reduction in exposure to vehicles classified as heavy use, alongside the prioritization of more profitable contracts. The revision of the vehicle mix contributed to a more balanced, return-oriented portfolio, reflecting decisions grounded in operational efficiency, asset performance, and strategic alignment.

Also in 2025, the integration process of the Fleet Rental division's systems was completed. This milestone enabled greater process standardization, productivity gains, and improvements in fleet utilization, while also supporting more consistent maintenance and monitoring practices.

Enhancing the customer experience remained an important component of the year's strategy. The advancement of digital and convenience solutions refined customer journeys, improved the quality of interactions, and reinforced the Company's positioning. These initiatives, combined with the increasing use of technology and automation, contributed to enhancing operational efficiency and strengthening the platform's competitive advantages.

Solutions such as digital pick-up, payment methods, process automation, telematics, and fleet rental tools continue to create competitive advantage through greater differentiation, efficiency, lower operating costs, and improved predictability of vehicle usage. Ongoing investment in technology also reinforces the Company's analytical capabilities, enabling more agile and accurate decision-making in pricing, fleet acquisition, preventive maintenance, and risk management.

5.2 - Strategy execution and culture

The disciplined execution of strategy depends directly on the strength of the organizational culture, team capabilities, and leadership alignment. In 2025, the Company reinforced the evolution of its internal processes, governance practices, and people development initiatives, ensuring that its owner's mindset, operational excellence, and customer focus continue to sustain long-term results.

Training, development, and leadership enhancement initiatives contributed to building critical capabilities in innovation, data analytics, agility, and customer experience, reinforcing the organization's resilience and its ability to capture future opportunities.

6 - HIGHLIGHTS OF THE YEAR

The year 2025 was marked by the consistent execution of the Company’s strategic priorities, with notable progress in efficiency, productivity, and return recomposition. Throughout the year, Localiza demonstrated adaptability in a dynamic operating environment, increasing average rates in its rental divisions, strengthening portfolio mix, and accelerating the fleet renewal cycle. This set of initiatives consolidated healthier business fundamentals, reinforced competitiveness, and sustained value creation despite external challenges.

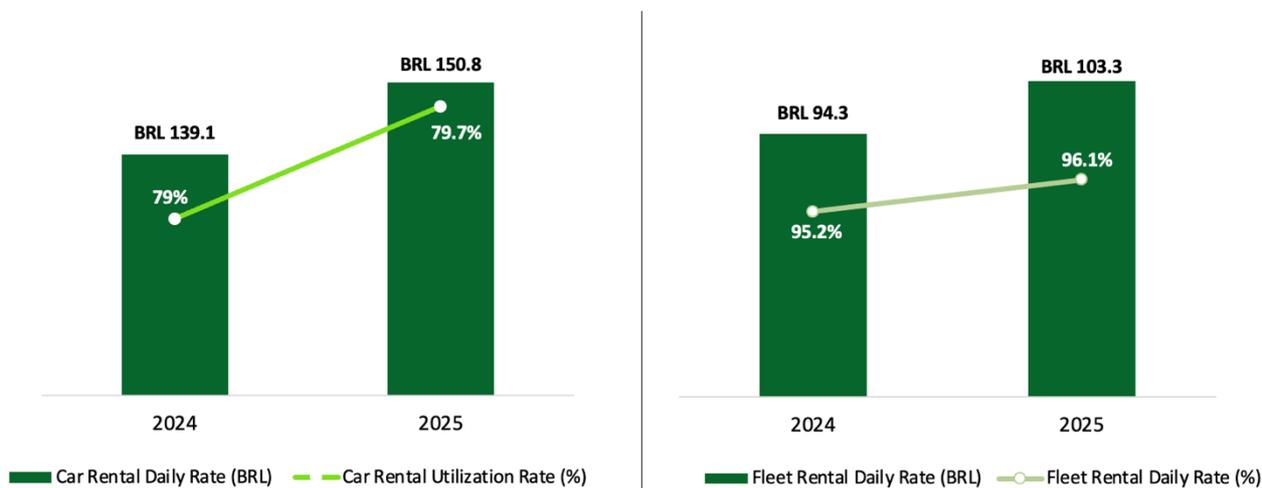
Operational performance reflected adherence to strategy: stronger pricing discipline, improved portfolio quality, cost efficiency, and an increasing use of technology to support decision-making. Together, these factors contributed to revenue growth, better operating margins, and a gradual increase in return indicators.

6.1 - Evolution of rental businesses

Throughout 2025, the Car Rental division consistently advanced its rate recomposition, achieving healthy utilization levels and operational efficiency. The continuous increase in average daily rates, observed since the beginning of the year, is a reflection of commercial discipline, appropriate capacity adjustments, and prioritizing segments with stronger return profiles. The operation delivered resilience even during periods of lower seasonal activity, sustaining robust performance across quarters.

In Fleet Rental, the Company continued its portfolio optimization process, reducing exposure to heavy-use contracts and increasing the share of light fleets and subscription vehicles. The ongoing mix adjustment contributed to improved profitability, supported by expanding average rates and high asset utilization levels.

Average Daily Rate and Utilization Rate – Car Rental and Fleet Rental (2024 vs. 2025)



Average Daily Rate and Utilization Rate – Car Rental and Fleet Rental (2024 vs. 2025)

6.2 - Fleet renewal and Seminovos scale

The fleet renewal cycle gained momentum throughout 2025, with significant advances in vehicle preparation, decommissioning, and selling. Greater process integration, expansion of the sales store network, and commercial productivity gains enabled the Company to achieve historic pre-owned used-car sales volumes during the year, with acceleration in the second half.

The performance of the Seminovos business supported progress in fleet rejuvenation and reinforced the competitiveness of the integrated model. The year witnessed sales milestones marked across multiple quarters, driving reductions in the average age and mileage of vehicles sold. This, in turn, contributed to lower maintenance costs and greater efficiency across the operating cycle.

Fleet turnover capacity remained strong, despite a tighter credit environment. The Company acted prudently to achieve speed of execution to preserve cycle efficiency and financial health.

6.3 - Financial discipline and regulatory environment

Throughout 2025, the Company maintained rigorous capital allocation, prioritizing higher-return investments and strengthening the resilience of its financial structure. The rental operation generated robust cash flow, even after significant disbursements related to vehicle acquisitions and the reduction of payables to automakers.

The capital structure remained solid, with comfortable leverage indicators and a balanced debt profile. Active management of financial instruments — such as hedging swaps — helped mitigate the effects of the interest rate environment.

The year was also marked by adjustments resulting from the reduction of the tax on new vehicles (IPI), a measure that affected used-car prices in the third quarter. Despite the temporary impact on depreciation and fleet book value, the Company offset these effects through operational efficiency and disciplined execution, preserving upward trends for return indicators.

6.4 - Consolidation of value drivers

By the end of 2025, Localiza consolidated its competitive position in mobility and fleet rental through the continuous strengthening of key strategic value drivers:

- **Return recomposition**, supported by higher rates and a healthier portfolio mix.
- **Superior productivity**, driven by more efficient processes and management-support technologies.
- **Accelerated fleet renewal cycle**, reflected in record Seminovos sales and asset rejuvenation.
- **Improved Fleet Rental portfolio quality**, with lower exposure to heavy use and greater weight of models offering a better risk-return balance.
- **Return on invested capital on an upward trajectory**, closing the year at levels consistent with the Company's historical value creation range.

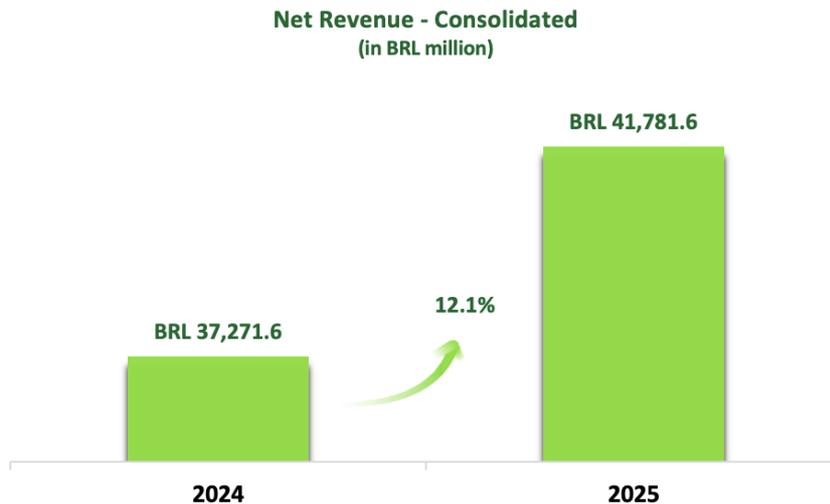
These elements demonstrate consistency in execution, operational resilience, and a clear focus on sustainable value generation.

7 - OPERATIONAL PERFORMANCE

In 2025, the Company made consistent advances in executing the strategic priorities defined at the end of 2024. The year was marked by operational discipline, price recomposition, strengthening of the customer portfolio, fleet rejuvenation, and greater efficiency in asset management. These initiatives resulted in meaningful improvements in productivity, operating margins, and return on invested capital, positioning the Company for continued growth in 2026.

Throughout the year, progress was observed across the three main operating fronts — Car Rental (RAC), Fleet Rental (GF), and Seminovos (SN) — alongside the maturation of technology initiatives, systems integration, and the evolution of service and sales networks.

Based on the Company's consolidated data, total net revenue was BRL 41.8 billion in 2025, a 12.1% increase compared to 2024 (BRL 37.3 billion), driven by rental operations and the broader scale of the Seminovos business.

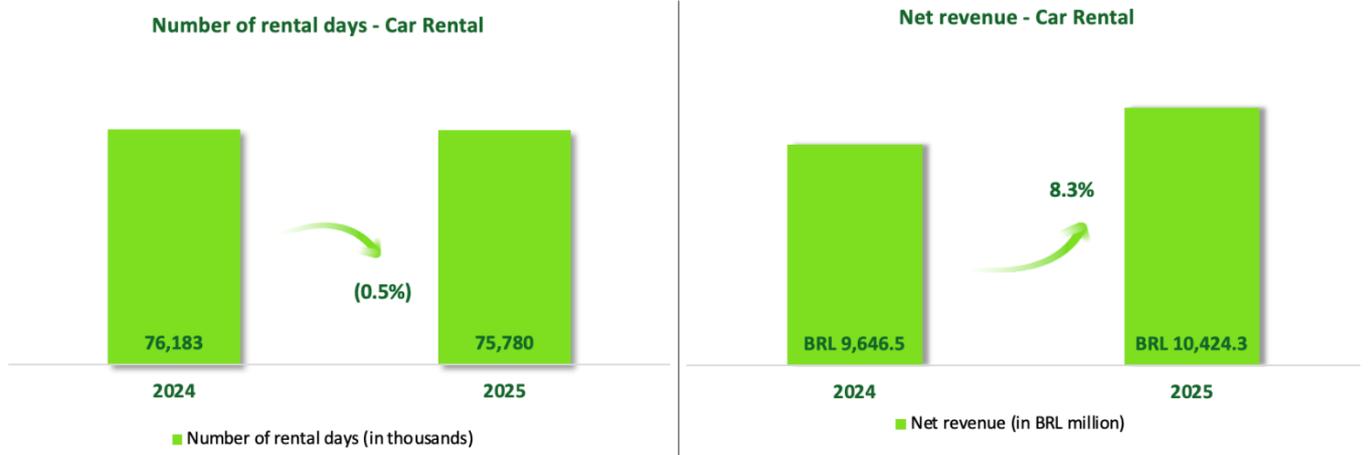


Net revenues - Consolidated 2025 vs. 2024

Car rental (RAC)

Car Rental operations delivered robust performance in 2025, supported by gradual rate recomposition, stronger portfolio discipline, and structural productivity gains. Throughout the year:

- Net revenue from Car Rental was BRL 10.5 billion, compared to BRL 9.7 billion in 2024, reflecting rate recomposition and the prioritization of higher-return customers and channels.
- The RAC average daily rate increased from around BRL 139.1 in 2024 to BRL 150.8 in 2025, based on consolidated operating data. This progress was supported by the pricing recomposition agenda and productivity gains achieved throughout the year.
- The number of rental days remained at a high level, with a slight volume adjustment compared to 2024, as the Company prioritized price recomposition, productivity gains, and portfolio quality.



Number of Rental Days and Net Revenue – Car Rental

The improvement in the average daily rate was accompanied by healthy utilization levels, of approximately 79–80% throughout the year.

Beyond quantitative indicators, the operation benefited from digitalization initiatives such as FAST Digital Pick-up, which increased customer autonomy in contract initiation and reduced in-branch service time. This contributed to higher productivity per sales point and an enhanced customer experience.

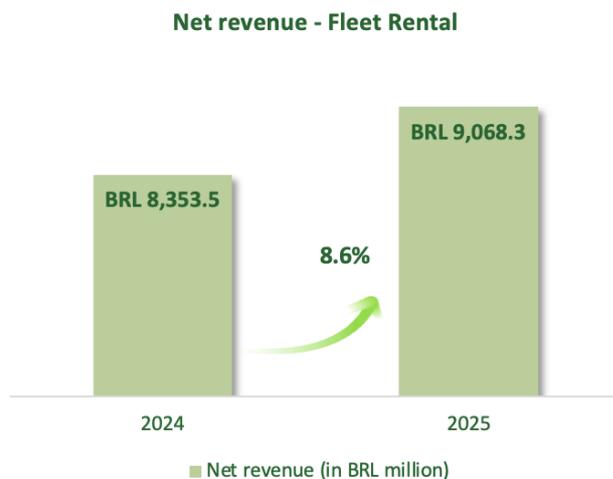
In summary, the operation closed 2025 with improved profitability per car, greater operational conversion capacity, and stronger fundamentals to support the growth cycle projected for 2026.

The information above does not include Car Rental revenue from Mexico, which amounted to BRL 105.5 million in 2025 (BRL 82.0 million in 2024).

Fleet rental (GF)

The Fleet Rental division recorded revenue growth in 2025, reflecting the priorities for the year of contract portfolio optimization and return recomposition. The main drivers were:

- The division’s average daily rate increased from BRL 94.3 to BRL 103.3, reflecting price adjustments in contracts and a greater share of higher value-added products, such as car subscription.
- The utilization rate increased, reflecting improved segment mix management and reduced exposure to heavy-use vehicles.



Number of Rental Days and Net Revenue – Fleet Rental

During the year, the reduction in the number of rental days reflects the optimization of the Fleet Rental portfolio, with lower exposure to heavy-use contracts — from 31,000 vehicles in December 2024 to 18,000 in December 2025.

Although this movement impacted volumes during the year, it structurally improves the risk profile, reduces maintenance costs, and contributes to the expansion of the division's ROIC spread, in line with the strategy of prioritizing higher value-generating businesses.

Seminovos

The **Seminovos** operation is one of the pillars of the Company's capital management strategy, as it enables fleet turnover with lower intermediation costs, reduces the age and mileage of vehicles in rental operations, and decreases the level of investment required for fleet renewal — thereby freeing up capacity for future growth.

In 2025, the main highlights were:

- 296.5 thousand cars sold during the year, generating total net revenue of BRL 22.1 billion, a 15.1% increase compared to 2024, driven by a better year/model mix, lower mileage, and expanded commercial capillarity.
- 77.4 thousand cars sold in 4Q25, a historical quarterly record and a key driver in accelerating fleet rejuvenation.

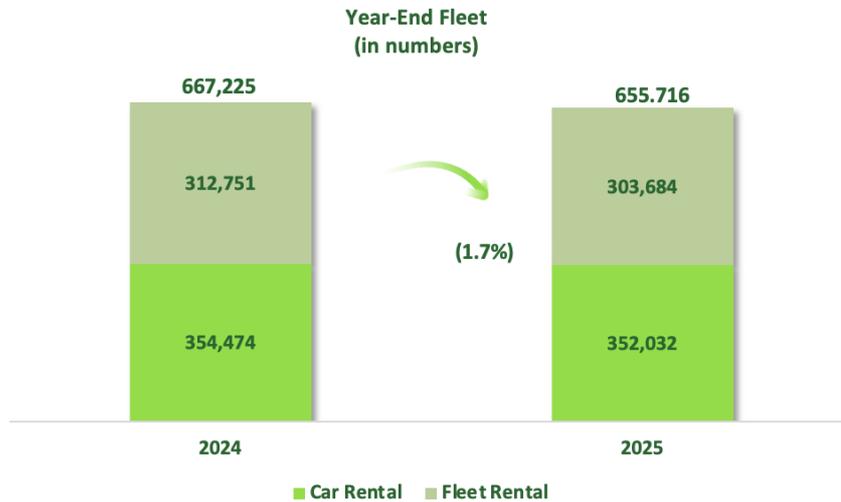
In the third quarter of 2025, the reduction of the IPI tax on automobiles — introduced under the Mover Program — altered the sector's pricing dynamics, reducing new vehicle prices and, consequently, influencing the used-car market. This change put pressure on fleet residual values, resulting in higher depreciation during the quarter.

Despite this non-recurring impact, the fourth quarter showed stabilization in Seminovos pricing behavior.

Fleet

The year was marked by disciplined capital allocation, asset rejuvenation, and continued gains in operational and fleet efficiency.

- The Company ended 2025 with 655,716 cars, reflecting reduced exposure to heavy-use vehicles and the prioritization of the fleet rejuvenation process.



Fleet at the end of the year

The information above does not include the Mexican fleet. The fleet in Mexico as of December 31, 2025, comprised of 2,780 cars (2,137 as of December 31, 2024).

Throughout the year, 286,347 cars were acquired and 296,452 were sold, contributing to the gradual fleet rejuvenation and a reduction in the average age at point of sale, thereby enhancing operational efficiency.

During the year, both the average age and the average mileage of vehicles sold continued to decline, reflecting the strategy for maintaining younger, more efficient assets aligned with the operating cycle.



8 - FINANCIAL PERFORMANCE

In 2025, Localiza consolidated its sustainable revenue growth cycle, efficient cost management and productivity gains, alongside capital discipline, strengthening the Company's resilience and adaptability.

Net revenue increased by 12.1% year-over-year, totaling BRL 41.8 billion. Efficient cost and expense management contributed to a 34.6% increase in operating profit before interest and taxes, despite the impact on depreciation resulting from the IPI reduction on new cars.

Net financial expenses rose by 17.1%, reflecting a higher average debt balance and an increase in the average CDI rate during the period. Net income for 2025 totaled BRL 1.87 billion, a 3.1% increase year-over-year, after recognition of a write-off of BRL 936.8 million of Locamerica's income tax carryforwards losses following the merger.

8.1 - Statement of Income

STATEMENT INCOME FOR THE YEAR			
	2025	2024	Variation %
Net revenues:			
Car rental	24,526.2	22,035.3	11.3%
Fleet rental	17,255.4	15,236.3	13.3%
Total net revenues	41,781.6	37,271.6	12.1%
Total costs	(30,651.6)	(28,518.7)	7.5%
Gross profit	11,130.0	8,752.9	27.2%
Operating expenses:			
Selling	(2,437.9)	(2,155.7)	13.1%
General, administrative, and other expenses	(880.5)	(792.1)	11.2%
Total operating expenses:	(3,318.4)	(2,947.8)	12.6%
Profit before interest and taxes	7,811.6	5,805.1	34.6%
Finance costs, net	(4,613.8)	(3,938.6)	17.1%
Profit before income tax and social contribution	3,197.8	1,866.5	71.3%
Income tax and social contribution expense	(1,327.4)	(53.2)	2,395.1%
Net income for the year	1,870.4	1,813.3	3.1%

EBITDA and Profitability

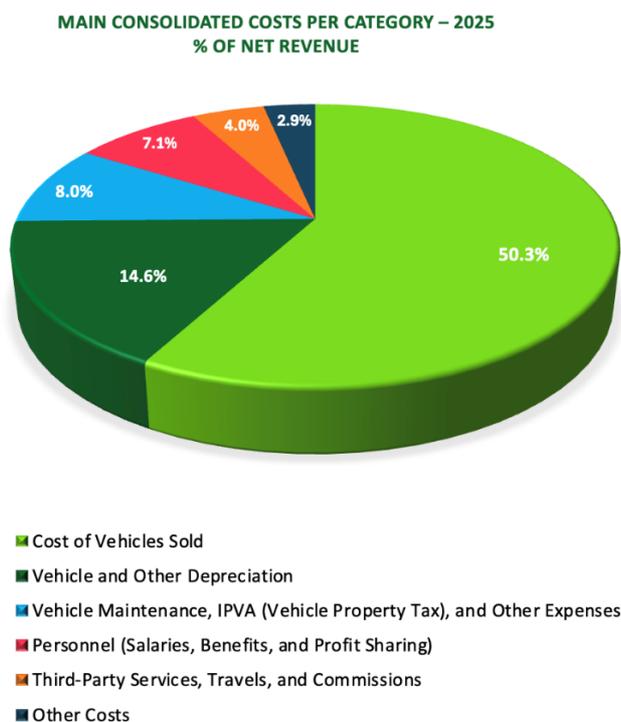
EBITDA and Profitability			
	2025	2024	Variation %
Net income	1,870.5	1,813.3	3.2%
Finance costs, net	4,613.8	3,938.6	17.1%
Income tax and social contribution	1,327.4	53.2	2,395.1%
EBIT	7,811.7	5,805.1	34.6%
Depreciation of cars and others	5,941.7	6,109.5	-2.7%
EBITDA	13,753.4	11,914.6	15.4%

Consolidated EBITDA totaled BRL 13.8 billion in 2025, compared to BRL 11.9 billion in 2024, an increase of 15.4%. The improvement primarily reflects:

- tariff adjustments in Car Rental and Fleet Rental;
- productivity gains and enhanced fleet efficiency;
- dilution of fixed costs in Seminovos driven by higher sales scale.

Cost and expense structure

The Company's consolidated costs and expenses increased by 7.9% in 2025 compared to 2024, rising from BRL 31.5 billion in 2024 to BRL 33.9 billion in 2025, while revenue grew 12.1%, indicating operational efficiency gains. The chart below illustrates the main cost components and their respective percentages of net revenue.



Vehicle sales costs were the main component, accounting for approximately 50% of net revenue in 2025, compared to 47.6% in 2024.

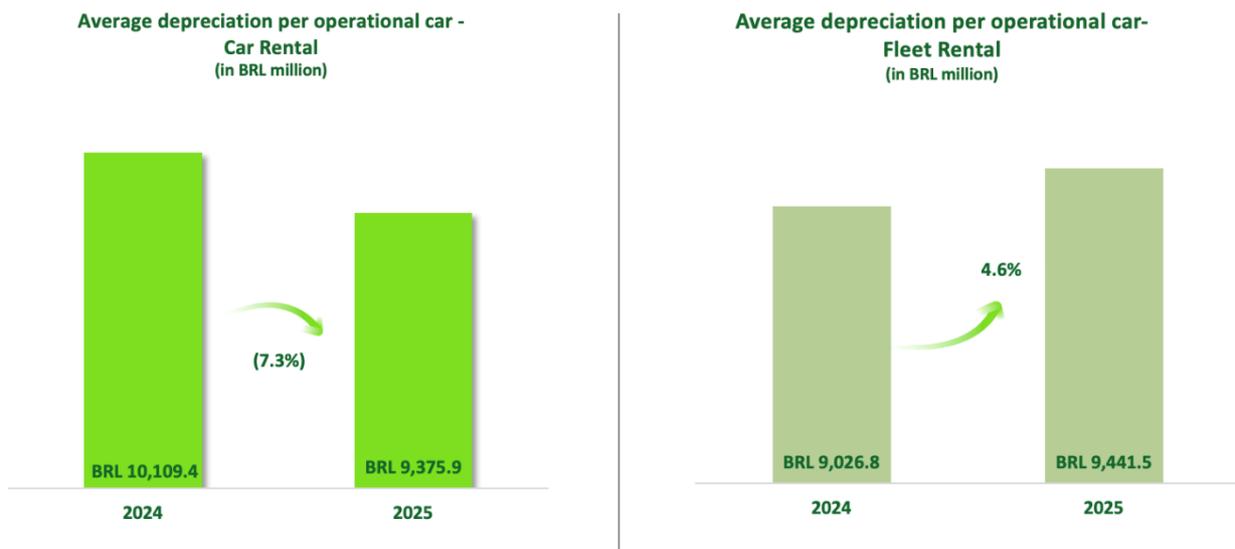
Salaries and related charges, including profit sharing, represented 7.2% of net revenue in 2024 and 7.0% in 2025. This is consistent with the expansion of the workforce structure in line with the growth of Decommissioning Centers and the increase in the number of Seminovos stores, while maintaining the relative weight of this category over revenue.

The share of vehicle maintenance, vehicle property tax (IPVA) and others fell from 9.4% of net revenue in 2024 to 7.9% in 2025, benefitted by the fleet rejuvenation, lower average mileage per vehicle, and greater efficiency in maintenance management. This reinforces the positive effects of the fleet renewal strategy and active lifecycle management of operating costs.

On an aggregated basis, these results indicate that the Company has been able to restore margins and preserve structural efficiency, even in an environment of higher Seminovos activity and specific tax adjustments (such as the Green IPI).

This evolution in the cost structure, together with tariff adjustment and productivity gains, contributed to the expansion of gross profit and EBITDA in 2025, as addressed above.

Depreciation of cars and others accounted for 14.6% of net revenue in 2025, compared to 16.4% in 2024, indicating a normalization trend following the more intense residual value adjustment cycle.



The analysis of average depreciation by vehicle reinforces this trend. In the Car Rental segment, average depreciation decreased by 7.3%, from BRL 10,109 in 2024 to BRL 9,376 in 2025, supported by the continued fleet rejuvenation process and a more predictable pricing environment in the used car market. In Fleet Rental, average depreciation by vehicle increased by 4.6%, from BRL 9,027 to BRL 9,442.

Impact of the Green IPI on the Statement of income

The financial impact of the Green IPI is recognized in income for the year as a non-recurring adjustment related to the revision of the fleet's residual value in 3Q25. The effect totaled BRL 929.2 million before taxes, resulting in a net impact of BRL 613.3 million on net income for the year.

Income tax and social contribution

In 2025, consolidated Income Tax and Social Contribution (IR/CS) expense totaled BRL 1,327.4 million, compared to BRL 53.2 million in 2024, representing a significant increase in income taxes.

The primarily events affecting taxes on income was the non-recurring and non-cash effects related to the merger of Locamerica and the corresponding write-off of tax loss carryforwards assets recorded in prior years. The main highlight was the write-off of Locamerica's tax carryforwards losses, recognized after its merger, in the amount of BRL 936.8 million. This non-cash effect directly impacted the accounting result for the year.

8.2 - Balance Sheet

BALANCE SHEET					
Assets					
	2025		2024		Variation
	In BRL Million	% Total Assets	In BRL Million	% Total Assets	%
ASSETS					
Current assets					
Cash and cash equivalents	1,705.5	2.0%	3,568.6	4.1%	-52.2%
Financial assets	8,887.4	10.5%	7,856.9	9.0%	13.1%
Trade receivables	3,995.1	4.7%	4,033.7	4.6%	-1.0%
Cars decommissioned for fleet renewal	3,444.9	4.0%	3,463.6	4.0%	-0.5%
Other current assets	1,687.5	2.0%	1,859.2	2.1%	-9.2%
Non-current assets held for sale	134.9		-	0.0%	
Total current assets	19,855.1	23.2%	20,782.0	23.8%	-4.5%
Non-current assets					
Financial assets	1,093.0	1.3%	975.1	1.1%	12.1%
Escrow deposits	211.7	0.2%	241.2	0.3%	-12.2%
Other non-current assets	1,800.7	2.1%	2,525.0	2.9%	-28.7%
Investments	-	0.0%	-	0.0%	0.0%
Property and equipment	53,731.8	62.8%	53,842.4	61.7%	-0.2%
Intangible assets	8,874.3	10.4%	8,877.9	10.2%	0.0%
Total non-current assets	65,711.5	76.8%	66,461.6	76.2%	-1.1%
Total assets	85,566.6	100.0%	87,243.6	100.0%	-1.9%
Liabilities					
	2025		2024		Variation
	In BRL Million	% Total Liabilities	In BRL Million	% Total Liabilities	%
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Suppliers	9,342.6	10.9%	10,026.4	11.5%	-6.8%
Payroll and related taxes	508.5	0.6%	478.7	0.5%	6.2%
Loans, financing, and debt securities	4,585.2	5.4%	5,295.9	6.1%	-13.4%
Dividends and interest on equity	480.5	0.6%	380.1	0.4%	26.4%
Other current liabilities	1,544.1	1.9%	1,532.7	1.9%	0.7%
Liabilities directly associated with non-current assets classified as held for sale	104.2		-	0.0%	
Total current liabilities	16,565.1	19.4%	17,713.8	20.4%	6.9%
Non-current liabilities					
Loans, financing, and debt securities	39,010.2	45.6%	39,470.6	45.2%	1.2%
Deferred income tax and social contribution	2,493.0	2.9%	1,947.9	2.2%	-21.9%
Other non-current liabilities	1,959.3	2.3%	1,768.6	2.0%	-9.7%
Total non-current liabilities	43,462.5	50.8%	43,187.1	49.4%	-0.6%
Shareholders' equity	25,539.0	29.8%	26,342.7	30.2%	3.1%
Total liabilities and shareholders' equity	85,566.6	100.0%	87,243.6	100.0%	2.0%

Property and equipment and depreciation

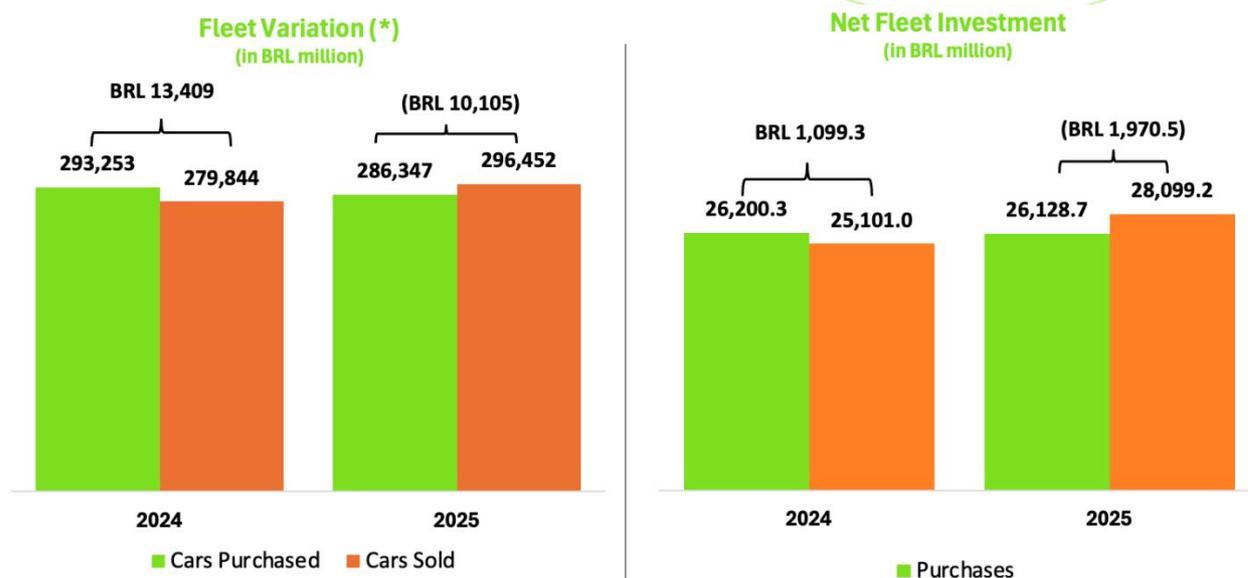
In the consolidated balance sheet as of December 31, 2025, cars in property and equipment totaled BRL 51.3 billion, slightly below the BRL 51.5 billion reported as of December 31, 2024, reflecting the combined impact of fleet renewal, car sales, and the revision of depreciation estimates.

Depreciation of vehicles recognized in 2025 totaled BRL 5.4 billion, down from BRL 5.6 billion in 2024, while depreciation and amortization of other property and equipment and intangible assets amounted to BRL 577 million for the year.

Progress in rental price recomposition and cost efficiency, combined with the adjustment of residual value estimates, contributed to securing a net debt-to-fleet value ratio at a comfortable level throughout 2025.

Fleet variation

The vehicle fleet represents the Company's main operating asset and the core revenue generator for the Car Rental and Fleet Rental divisions. In 2025, the Company maintained its focus on fleet renewal, disciplined management of car purchases and sales volumes, and capital efficiency.



(*) It does not include stolen/damaged cars.

At the end of 2025, the consolidated fleet (Brazil, excluding Mexico) totaled 655,716 vehicles (667,225 vehicles at the end of 2024).

During the year, 288.9 thousand vehicles were acquired and 298.3 thousand were sold (Brazil + Mexico), with a 6.4% increase in sales volume compared to 2024 and a 1.9% decline in purchases.

This performance reflects a year marked by a high level of ongoing fleet renewal and decommission activity, with sales exceeding purchases, in line with the strategy to continue the fleet rejuvenation process and enhance fleet productivity initiated in previous years.

Indebtedness, funding, and debt profile

The Company's capital structure consists of loans, financing, debentures, Real Estate Receivables Certificates (CRIs), Agribusiness Receivables Certificates (CRAs), and foreign currency loans, complemented by hedging instruments (swaps) and a robust cash position. In 2025, Management held to its capital allocation discipline, restoring the ROIC spread, and nominating liquidity management as a key priority.

Leverage and liquidity

As of December 31, 2025, consolidated net debt totaled BRL 31.1 billion, an increase of 3% compared to year-end 2024. This growth is mainly explained by the early settlement of BRL 2.2 billion in payables to automakers.

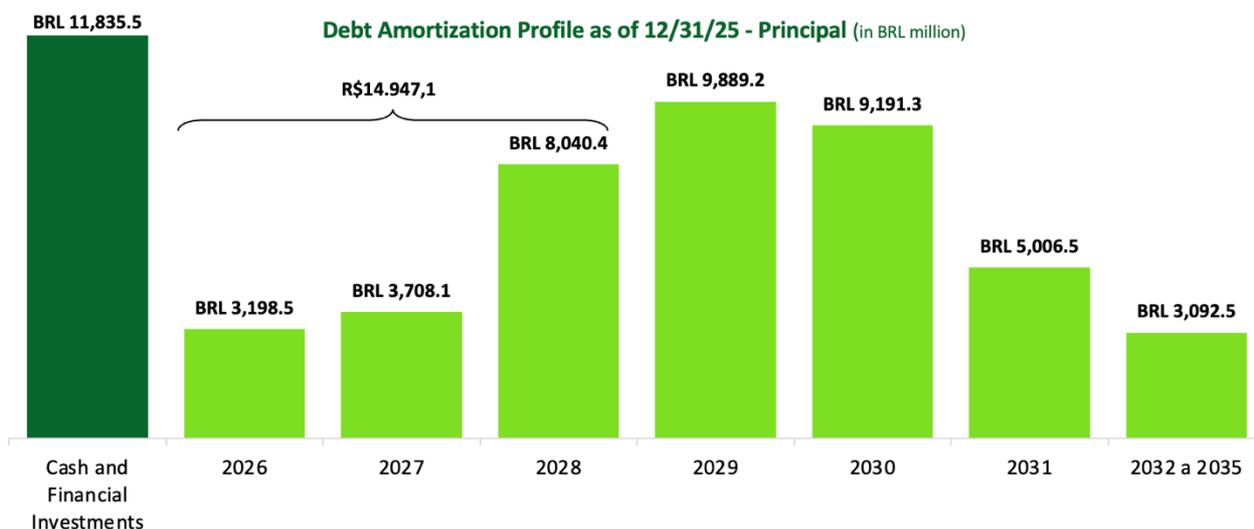
At the same date, the Company held BRL 10.6 billion in cash and cash equivalents, sufficient to cover short-term debt and obligations to automakers.

Consolidated loans, financing and debt securities totaled BRL 43.6 billion, of which BRL 4.6 billion was classified as current liabilities and BRL 39.0 billion as non-current liabilities, reinforcing the policy to extend debt maturity tenures.

Swaps and interest rate management

To mitigate interest rate risk, the Company uses swap transactions, primarily exchanging floating CDI-linked exposure for fixed rates, with a focus on the Fleet Rental division. As of December 31, 2025, the outstanding swap balance totaled BRL 22 billion, with an average rate of 11.9% per year. Approximately one-third of the contracts are renewed annually, in line with the maturity profile of Fleet Rental contracts.

Debt amortization profile



- cash and financial investments are sufficient to cover the combined amortizations for 2026 and 2027;
- amortizations are relatively evenly distributed from 2028 to 2035, with a manageable concentration.

The amortization schedule refers exclusively to the principal amount of financial obligations by maturity. Interest, financial charges and other cost components are not included in this schedule and are accounted for and recognized separately according to their nature and accrual period.

Funding in the year

In 2025, Localiza&Co actively accessed both capital markets and bank credit markets, in Brazil and abroad, to support the fleet renewal cycle, strengthening liquidity, and extending the debt maturity tenures. Total principal raised during the year amounted to BRL 11.7 billion, including debenture issuances, foreign currency loans, local working capital facilities, and specific credit lines in Mexico.

FUNDING RAISED DURING 2025 (in millions)		
Company	Issuance	Amount raised
Localiza Rent a Car	Foreign currency	BRL 750.2
Localiza Rent a Car	Foreign currency	BRL 1,149.5
Localiza Rent a Car	42nd issuance (1st series)	BRL 1,143.9
Localiza Rent a Car	42nd issuance (2nd series)	BRL 371.3
Localiza Rent a Car	43rd issuance	BRL 800.0
Localiza Rent a Car	44th issuance	BRL 1,800.0
Localiza Rent a Car	45th issuance (1st series)	BRL 500.0
Localiza Rent a Car	45th issuance (2nd series)	BRL 100.0
Localiza Rent a Car	Foreign currency	BRL 300.0
Fleet	17th issuance	BRL 500.0
Fleet	Consortia	BRL 8.2
Fleet	9th issuance	BRL 500.0
Fleet	18th issuance	BRL 1,000.0
Fleet	19th issuance	BRL 1,500.0
Fleet	20th issuance (1st series)	BRL 600.0
Fleet	20th issuance (2nd series)	BRL 400.0
LL México	LL México working capital	BRL 272.9
Voll S.A	Bank Credit Note	BRL 20.4
Voll S.A	Revolving credit facility	BRL 22.3
		BRL 11,738.7

a) Funding in foreign currency

The parent company carried out significant foreign currency funding transactions, particularly in euro (EUR) and U.S. dollar (USD) denominated instruments, accruing interest based on the Secured Overnight Financing Rate (SOFR), totaling BRL 2.2 billion of principal during the year.

These transactions, executed with international banks, aim to:

- diversify funding sources;
- extend the average debt maturity;
- and optimize the cost of funding relative to CDI, with hedge instruments in place when applicable.

b) Debentures

In the domestic capital markets, the Company carried out placements of corporate debentures through both Localiza Rent a Car and Localiza Fleet, with rates predominantly linked to the CDI and maturities aligned with the fleet's economic cycle.

On a consolidated basis in 2025, debenture issuances totaled BRL 9.2 billion in principal, including, among others:

- Localiza Rent a Car – tranches of the 42nd, 43rd, 44th and 45th issuances, maturing between 2028 and 2032, with rates ranging from CDI + 1.20% to CDI + 1.40% p.a.;

- Localiza Fleet – 9th (reprofiled), 17th, 18th, 19th and 20th issuances, maturing between 2030 and 2032, with rates ranging from CDI + 0.91% to CDI + 1.40% p.a.

The placements in the year bear interest rates consistent with the Company's credit risk profile, predominantly indexed to the floating CDI plus a spread.

c) Working capital and other credit lines

In addition to debentures and foreign currency loans, consolidated funding also included:

- working capital facilities in Mexico (LL Mexico), denominated in local currency, at a rate of TIIE + 1.65% per year, with maturities concentrated in 2026, structured through multiple individual contracts ranging from BRL 15 million to BRL 63 million;
- consortium transactions at Localiza Fleet, in a limited amount (BRL 8 million), complementing fleet funding for certain specific contracts.

8.3 - Dividends and interest on equity

The Company holds its Annual General Shareholders' Meeting by April 30 of each year, when the annual dividend may be declared. However, interim dividends may be declared by the Board of Directors "ad referendum" of the Shareholders' Meeting.

The third paragraph of Article 26 of Localiza's Bylaws stipulates that at least 25% of adjusted net income must be distributed as mandatory dividends.

The interest on equity and dividends were calculated as follows:

	Individual	
	2025	2024
Net income for the year	1,875.5	1,813.6
Legal reserve (5%)	(93.8)	(90.7)
Net income for the year, basis for dividend proposal	1,781.7	1,722.9
Minimum dividends (25%)	445.4	430.7
Interest on equity proposed/distributed:		
Interest on equity distributed	2,101.7	1,680.0
Withholding income tax on interest on equity	(245.7)	(185.5)
Total distributed interest on equity, net	1,856.0	1,494.5
Percentage of the net income distributed, after appropriation to the legal reserve	104.2%	86.7%
Gross interest on capital per share, net of treasury shares at the end of the year (in BRL)	BRL 1.92	BRL 1.59

As of December 31, 2025, Management proposed to the Annual General Shareholders' Meeting not to distribute additional dividends, as the amount paid as interest on equity during the year satisfied the mandatory minimum dividend in the Company's Bylaws. The amount distributed exceeded the mandatory minimum, with the difference being allocated to retained earnings reserves.

8.4 - Changes in Cash and cash equivalents - 2025

Cash and cash equivalents	
Description	2025
Opening balance of Cash and cash equivalents	BRL 3,568.6
Short-term financial investments	(BRL 1,056.2)
Purchase of cars for expansion and fleet renewal	(BRL 26,951.4)
Other operating activities	BRL 30,154.0
Net cash generated from operating activities	BRL 2,146.4
Payment for corporate acquisitions	(BRL 1.4)
Other property, equipment, and intangible assets	(BRL 435.3)
Net cash used in investing activities	(BRL 436.7)
Loans net of amortizations	(BRL 1,469.3)
Supplier payments	(BRL 37.7)
Lease - consideration paid	(BRL 301.3)
Dividends and interest on equity	(BRL 1,755.6)
Cash used in financing activities	(BRL 3,563.9)
Effects of exchange rate changes on cash and cash equivalents	BRL 1.3
Cash and cash equivalents in Assets held for sale	(BRL 10.2)
Closing balance of Cash and cash equivalents	BRL 1,705.5

Cash generation in 2025 reflects the structural strengthening of Localiza's business model. The Company delivered robust performance from its operating activities, being the main source of cash generation, supported by consistent operating margins, improved fleet utilization efficiency, and productivity gains in critical processes.

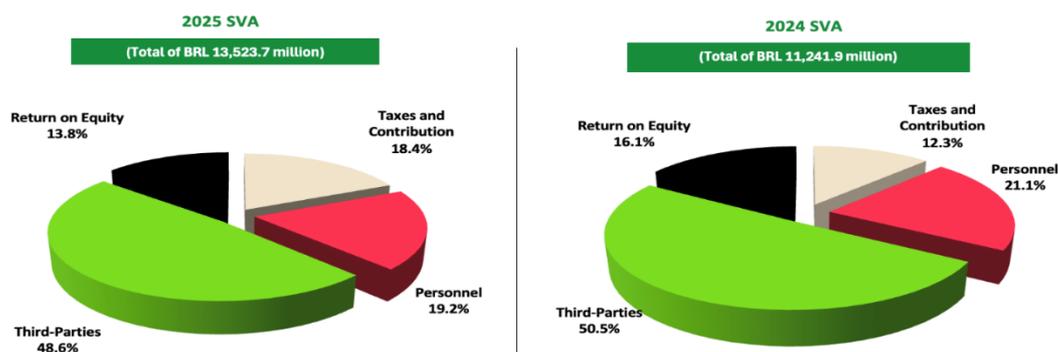
Cash was primarily used for fleet renewal in investing activities.

Financing activities reflected both the management of the capital structure and shareholder remuneration policy. Debt raised and repayments are in line with the financial plan, in addition to the distribution of dividends and interest on equity. This is consistent with the Company's commitment to maintaining a solid and flexible structure while remunerating investors.

Cash and cash equivalents decreased over the year, accompanying demands from the operating cycle and the strategic decisions taken during the period.

8.5 - Statement of Value Added

The Statement of Value Added illustrates the economic value generated from its operations and how this value is distributed among its various stakeholders — employees, government, creditors, shareholders, and society at large. In 2025, the Company reported BRL 13.5 billion in value added, higher than the previous year, driven by the combination of revenue expansion, improved operating efficiency, and disciplined capital allocation.



9 - PEOPLE AND CULTURE

The Company's Human Resources practices are based on meritocracy and guided by competitive compensation and the recognition and appreciation of employee performance. To retain talents, the Company offers its employees career opportunities and professional training.

Benefits and development

Localiza has always been dedicated to sustainable Human Resources practices, through the care and well-being of its employees, diversity and inclusion actions and investment in training. Promotions, prioritizing employees, and professional development are Localiza's values. In 2025, 2,879 employees were promoted, 2,055 were recognized under the Company's merit program, and approximately BRL 10.7 million was invested in training.

Employees promoted throughout the year		Employees recognized under the merit program	
2023	2,628	2023	1,479
2024	2,922	2024	1,702
2025	2,879	2025	2,055

With the objective of contributing to the attraction and retention of talents, salary studies are carried out periodically to assess the competitiveness of remuneration packages in relation to the market and to update HR policies.

Health, dental, life insurance and meal allowance benefits are currently offered. The Company offers its employees a supplementary retirement benefit, through a supplementary defined contribution pension plan, managed by an independent company.

Localiza was one of the first companies in Brazil to have a structured profit-sharing program, launched in 1990. The profit-sharing program is based on the achievement of individual and financial targets. In addition, a group of executives may choose to participate in the current Long-Term Incentive Programs (LTI). These programs align the interests of employees with the interests of shareholders, contribute to the retention of talent and a long-term vision in the decision-making process.

Additionally, the model leverages off seven attributes (five for all employees and two exclusively for leaders), with expected behaviors to sustain the Company's growth and the development of its employees.

In 2025, overall staff turnover was 32.0% (32.5% in 2024). This result reflects the consolidation of personnel management practices, with a focus on meritocracy, talent development, and attracting professionals aligned with the Company's culture and values. Stable turnover is a reflection of the Company's organizational maturity and its ability to sustain continued growth with engaged, skilled teams capable of driving consistent long-term results.

Employees Programs

Diversity and Inclusion Program: Since 2020, Localiza has run a Diversity Program aimed at promoting equity and inclusion throughout the Company, contributing to social progress beyond the limits of the organization. The initiative focuses on six priority areas – gender equity, people with disabilities, migrants and refugees, race, LGBTQI+ individuals, and professionals aged 50 and over.



Gender equity



LGBTQI+



People with disabilities



Racial equity



Migrants and refugees



Over 50s

We have again set targets to increase the number of women and Black professionals in strategic leadership positions as part of the executive management agreement, with a direct effect on this element of variable compensation. To sustain this trend, including over the long term, we launched two additional editions of the eLLas and Pluraliza programs, focused on preparing and developing women and Black professionals, respectively, to drive results and expand inclusion. In recent years, both initiatives have engaged more than 60 women and over 50 Black participants.



Employee engagement also continued to grow, with more than 650 people enrolled in affinity groups throughout 2025 and approximately 50 awareness and training initiatives on Diversity, including seven major campaigns during the year (Women, 50+ Generation, Migrants and Refugees, LGBTQI+ Pride, People with Disabilities, Diversity Week, and Black Awareness Month).

With respect to ethnicity, we hosted three editions of Black Home Office at Labs (our technology hub located in Belo Horizonte), engaging more than 260 participants in our focus on technology, the creative economy, and career development, in addition to over 40 participants in the Black Leadership program, conducted in partnership with McKinsey. We also carried out accessibility-focused initiatives, with more than 120 people enrolled in five Brazilian Sign Language classes (four supported by Sest/Senat and one conducted internally).

The progress achieved has also been recognized externally. The Company received the Ethos Award for Ethnic-Racial Diversity; for the fourth consecutive year, it was named one of the Best Companies for LGBTQI+ People to work for,

according to the HRC Foundation; and included in Exame's 50 leading companies in Brazil for inclusion of People with Disabilities. In addition, we continue to be part of B3's IGPTW portfolio, which includes companies recognized for excellence in people management practices; B3's IDIVERSA portfolio, which highlights companies that are benchmarks in diversity in Brazil; and the ELAS11 ETF, which comprises organizations with a higher presence of females in leadership positions.

The Company reaffirms its institutional commitment to promoting diversity and inclusion, as set forth in its core values: "We contribute to a more sustainable, diverse, and inclusive world." In this context, and in line with Law 15,177, we present below selected strategic indicators focused on gender equity, which enable us to monitor progress and identify challenges, guiding the direction of our initiatives.

- **Hiring of women by hierarchical level:**

Functional Categories	2025 Hires	% Women Hired	2024 Hires	% Women Hired	Variation (%)
Senior Management ¹	3	67%	7	71%	-5%
Management	26	73%	34	68%	5%
Head/Coordination/Supervision	267	67%	326	68%	-1%
Technical/Operational/Administrative	8,097	65%	8,491	65%	0%
Total	8,393	66%	8,858	65%	-1%

¹ Includes members of the Board of Directors, Executive Board, and Functional Board.

- **Women in Management:**

The Company's management is composed of the Board of Directors and the Statutory Executive Board, which included three women as of December 31, 2025, representing 18% (three women, representing 16%, as of December 31, 2024).

- **Compensation by gender:**

The additional information required under Law No. 15,177/2025 regarding compensation will be disclosed in the Annual and Extraordinary General Shareholders' Meeting Manual, to be made available to shareholders on the date of the call notice for the Annual and Extraordinary General Meeting, pursuant to Article 133 of Law No. 6,404/76.

Flexible working hours: Since 2020, the Company has adopted flexible working hours at its headquarters. Employees were given a choice of start and end times for their activities to ensure a better balance between personal and professional life. Approximately 7,500 employees opted to join this new working model, which fosters trust and well-being among employees.

Remote work: Also, since 2020, Localiza has implemented a new work model for employees at the headquarters and service centers – hybrid or remote work. Over 7,800 eligible employees can work up to three times a week from home, optimizing commuting and increasing well-being and life balance. Furthermore, our technology sector, Localiza Labs, allows its individual contributors to fully work from home. Thus, we ensure that people from anywhere in Brazil can be part of our team, positively impacting the generation of sustainable jobs. In total, approximately 1,000 employees work under this model. As a result of this new work structure, monthly allowances are provided to cover utility expenses.

Sempre Bem: The "Sempre Bem" health policy was created to promote healthy habits and ensuring the well-being of our employees, contributing to awareness and consequent improvement in quality of life. Health care goes beyond the corporate environment and, therefore, we encourage broader health programs and actions.

This policy promotes a culture of health within the Company based on caring for people, encouraging habit changes, disease prevention, and health improvements, ultimately enhancing employee job satisfaction. Through the management of the benefits offered and actions taken by the Company, it is possible to continuously improve and update our pillars in the Sempre Bem program, following the development of all our employees.

Sempre Bem is supported by five pillars:

- Sempre Bem Saudável: focused on individual medical care and orientation;
- Sempre Bem Cuidando de Você: focused on prevention and awareness campaigns;

(A free translation of the original in Portuguese)

Localiza&co

- Sempre Bem Com Você: promotes mental health, reinforcing its importance for overall well-being;
- Sempre Bem Todo Dia: actions that aim to improve healthy practices and habits during the day to day;
- Sempre Bem Com a Família: addresses family issues such as family well-being and quality of life.

Social Statement

(in BRL thousand)

Localiza&Co		2025		2024		
Calculation basis of consolidated social indicators						
Net revenues		41,781,588		37,271,558		
Profit before income tax and social contribution		3,197,869		1,866,538		
Gross payroll		2,794,872		2,542,257		
Internal Social Indicators	Amount	% Gross Payroll	% Net Revenues	Amount	% Gross Payroll	% Net Revenues
Meals	267,613	10%	1%	211,999	8%	1%
Compulsory payroll taxes	448,388	16%	1%	411,318	16%	1%
Health	209,703	8%	1%	177,772	7%	0%
Transportation	35,032	1%	0%	27,291	1%	0%
Professional training and development	10,708	0%	0%	10,327	0%	0%
Daycare centers or childcare allowance	3,738	0%	0%	3,620	0%	0%
Profit sharing	294,156	11%	1%	292,428	12%	1%
Other	51,756	2%	0%	39,164	2%	0%
Total Internal Social Indicators	1,321,094	47%	3%	1,173,919	46%	3%
External Social Indicators	Amount	% Pretax profit	% Net Revenues	Amount	% Pretax profit	% Net Revenues
Education	25	0%	0%	-	0%	0%
Culture	7,815	0%	0%	11,737	1%	0%
Other	725	0%	0%	5,750	0%	0%
Total contributions to society	8,565	0%	0%	17,487	1%	0%
Taxes (excluding payroll taxes)	2,031,715	64%	5%	1,018,703	55%	3%
Total external social indicators	2,040,280	64%	5%	1,036,190	56%	3%
Staff indicators	12/31/25		12/31/24			
Number of employees at year-end		23,220		21,966		
Number of new hires during the year		9,156		9,344		
Number of third-party workers		450		512		
Number of interns		113		84		
Number of employees above 50 years old		1,704		1,526		
Number of women employed		10,055		9,451		
Percentage of lead positions held by women		45.31%		47.19%		
Number of employees with disabilities		1,017		963		

10 - CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE

10.1 - Corporate Structure

Localiza&Co maintains an integrated corporate structure driven by its parent company, Localiza Rent a Car S.A., and its main operating subsidiaries, Localiza Fleet S.A., Localiza Serviços Prime S.A., Car Assistance Serviços de Administração de Sinistros S.A., Rental Brasil Administração e Participação S.A., Localiza Veículos Especiais S.A., as well as the telematics and technology platforms linked to MOBI7 and the international operation in Mexico (LL MEX and MOBI7 México).

As of December 31, 2025, the Platform was fully controlled by Localiza with a 100% interest in its main car rental, fleet rental, Seminovos sales, and technology support subsidiaries, in accordance with the updated corporate organizational chart.

The year was marked by a series of internal reorganizations aimed at simplifying the structure, eliminating corporate redundancies, and strengthening the focus on its core mobility, vehicle rental, and fleet rental businesses.

Changes in investment balances in 2025 are described below:

a) Merger of Localiza Franchising Brasil S.A.:

On April 30, 2025, the merger of Localiza Franchising Brasil S.A., a wholly owned subsidiary of the Company, was resolved and approved at an Extraordinary Shareholders' Meeting, all its assets and liabilities being merged by the Company, its parent, as of that date.

b) Dissolution of Car As a Service Ltda. and transfer of its assets:

On May 31, 2025, Car As a Service Ltda. was formally dissolved, with the transfer of its net assets to its sole quotaholder, Localiza Fleet S.A., as resolved in the respective corporate termination instrument and Board meeting.

c) Merger of Acelero Comércio de Veículos S.A.:

On July 1, 2025, Acelero was merged into Locamerica, with the subsequent absorption of its assets as part of the reorganization involving Localiza Veículos Especiais S.A.

c) Merger of Locamerica into Localiza:

On August 1, 2025, Companhia de Locações das Américas was merged into Localiza Rent a Car S.A., directly and wholly owned by the parent company.

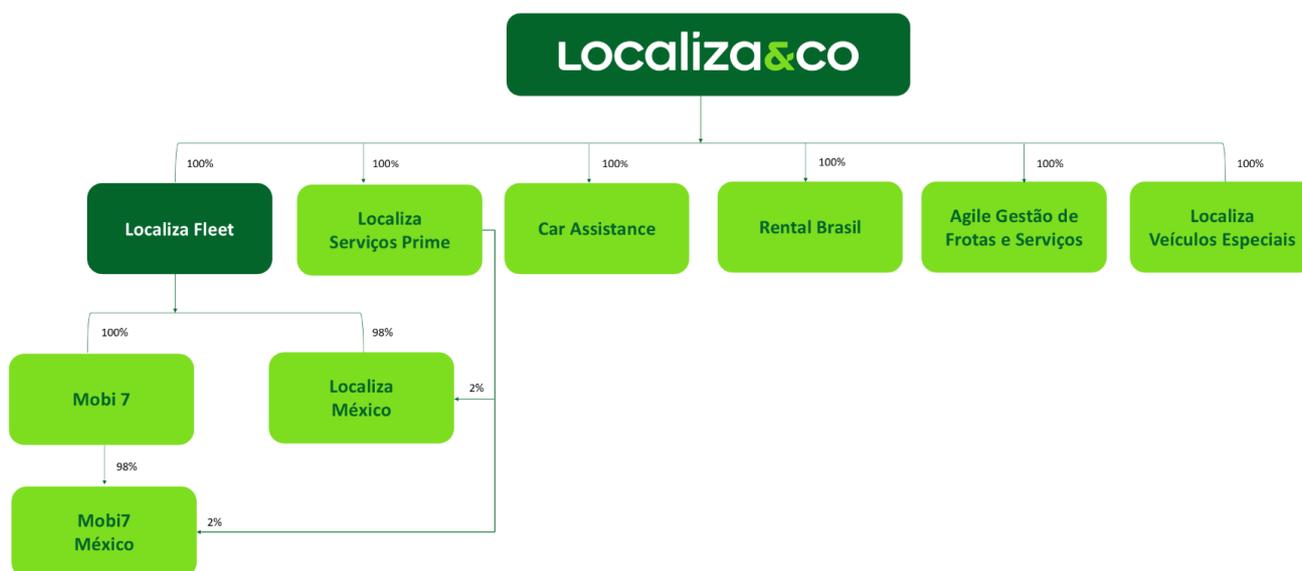
e) Sale of Voll Soluções em Mobilidade Corporativa S.A.

On November 13, 2025, the subsidiary Localiza Fleet S.A., sold its entire 64.6% equity interest in Voll Soluções em Mobilidade Corporativa S.A. ("Voll") to an entity held by funds managed by Warburg Pincus, as disclosed in a Material Fact notice released on the same date.

The transaction valued Voll at BRL 606 million (enterprise value). The amount to be received by Localiza, corresponding to BRL 382 million, as determined after the applicable contractual adjustments, is payable in three annual and successive installments due in 2026, 2027, and 2028, with no further charges or interest, as set forth in the agreement.

The transaction was completed on January 8, 2026, when control of the investee was transferred and the first installment of the purchase price, in the amount of BRL 173 million, was received.

The Localiza Group organizational chart at December 31, 2025, is as follows:



10.2 - Capital Markets

In 2025, Localiza maintained its position among the most liquid companies on B3. The average daily trading of the ticker RENT3 was BRL 346.6 million, with significant presence of institutional investors and growing interest in mobility-related sectors.

In addition to trading in the Brazilian market, the Company participates in a Level I American Depositary Receipts (ADR) Program, broadening its base of international investors and reinforcing its commitment to best practices in governance and transparency. The program was approved by the CVM in 2012; as of December 31, 2025, there were 2,640,510 ADRs outstanding and traded in the United States, each representing one Company share.

10.3 - Issuance of Preferred Shares (PN)

On December 5, 2025, the Company filed with B3 a request for the admission of its preferred shares for trading on the Novo Mercado segment. On December 17, 2025, B3 granted an exceptional waiver from the obligation set forth in Article 8 of the Novo Mercado Regulations, considering the transitional nature of the preferred shares and their compatibility with the principles underlying the segment. The new preferred shares are traded under ticker "RENT4."

At the Extraordinary Shareholders' Meeting held on December 29, 2025, the Company approved the creation of registered, book-entry preferred shares with no par value, carrying voting rights and convertible into common shares. The characteristics of the preferred shares include voting rights; equal participation with common shares in the distribution of dividends and other proceeds; 100% tag-along rights in the event of a

change of control; priority in capital reimbursement (without premium); the possibility of redemption upon resolution of the Board of Directors; and a transitional nature. Preferred shares not redeemed will be automatically converted into common shares at a 1:1 ratio by December 31, 2028, on a date to be determined by the Board of Directors, and will be automatically canceled upon their conversion or redemption.

The conversion of preferred shares into common shares does not create a contractual obligation for the Company to deliver cash, as settlement will occur through the delivery of common shares issued by the Company. For operational purposes, the Company may satisfy the delivery of common shares arising from the conversion by using shares held in treasury, subject to applicable legal, regulatory, and bylaw provisions.

Additionally, the Company's Bylaws provide that the Board of Directors may resolve, at any time, to redeem preferred shares, in which case the resolution will specify the payment date and redemption price. In such event, holders may, under the terms and conditions established by the Board of Directors, opt for conversion instead of redemption, in whole or in part.

At the same EGM, the Company approved a capital increase of BRL 2,065,276, through the capitalization of retained earnings reserves, by means of a bonus share issuance in the form of preferred shares. In this context, 41,638,625 new preferred shares were issued and distributed to shareholders on a pro rata basis as bonus shares, pursuant to Article 169 of Law No. 6,404/76. The Company's share capital increased from BRL 17,908,250 to BRL 19,973,526.

10.4 - Repurchase of shares

As of December 31, 2025, and December 31, 2024, the following Localiza Share Buyback Programs were in effect:

Share Buyback Program	Board Approval Date	Repurchase period	Maximum authorized amount
16th	07/19/24	07/23/24 to 01/19/26	87,000,000
17th	12/12/25	01/20/26 to 07/21/27	72,000,000

The repurchase program aims to maximize the generation of value for shareholders or settle the share purchase programs within the scope of the Company's long-term incentive plans.

In 2024, the Company acquired common shares of its own issuance, as shown below:

		2024		
Repurchase Program	Period	Number of Common Shares	Amount	Average Cost (*)
16th	08/14/2024	7,500,000	300,094	40.01
16th	08/16/2024	425,000	18,056	42.48
16th	08/22/2024	4,240,000	179,710	42.38
16th	10/21/2024	772,300	32,822	42.50
16th	10/22/2024	1,242,200	52,581	42.33
16th	10/23/2024	2,150,000	91,141	42.39
16th	10/24/2024	743,400	31,793	42.77
16th	10/25/2024	2,100,000	89,438	42.59
		<u>19,172,900</u>	<u>795,635</u>	41.50

(*) The average cost of acquiring treasury shares includes negotiation costs.

No shares issued by the Company were repurchased in 2025.

Sale to employees eligible under the Matching Program

In 2025, 46,846 common shares held in treasury were sold, totaling BRL 1,960 (54,416 shares and BRL 2,277 in 2024), to employees eligible for the second share purchase plan and Matching shares, approved at the Extraordinary Shareholders' Meeting held on April 26, 2022. The premium generated from the sale of these shares amounted to BRL 59 in the year (BRL 391 in 2024).

Exercise of stock options with treasury shares

In 2025, 686,361 stock options were exercised under the Long-Term Incentive Programs, using treasury shares, totaling BRL 28.7 million.

10.5 - Corporate Governance

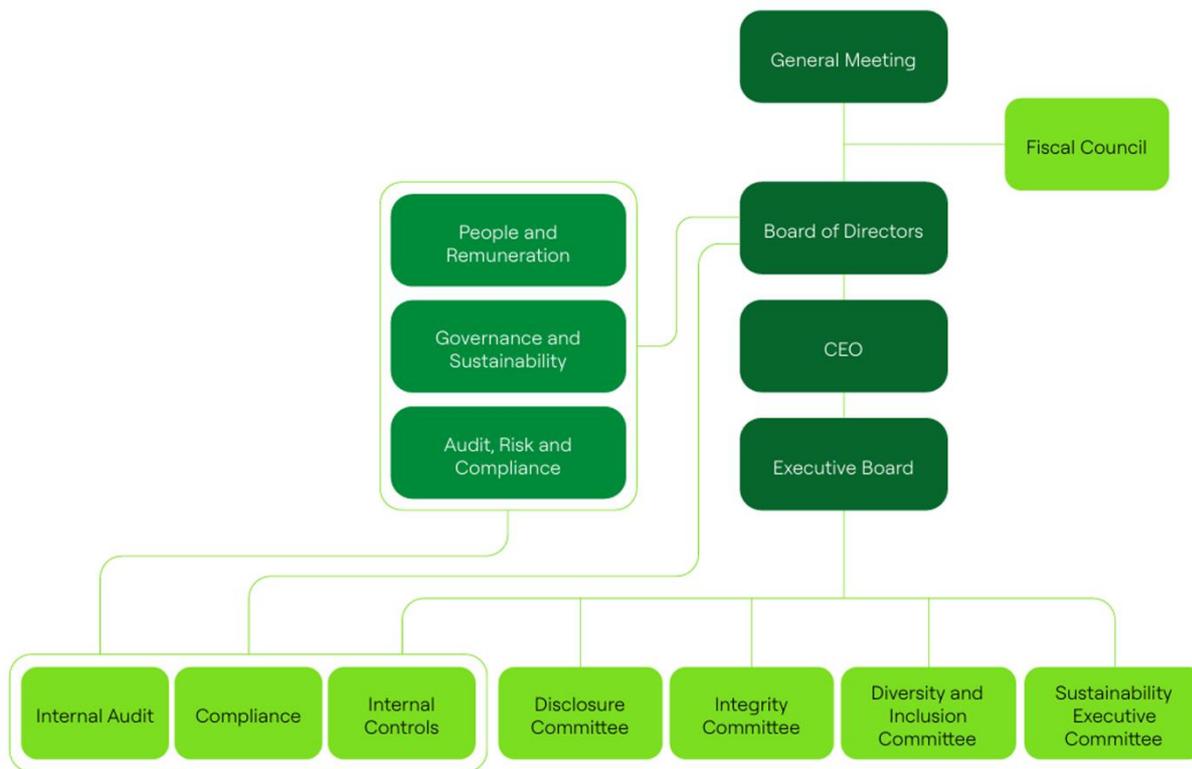
The Company aims to achieve the highest standards of corporate governance for equity, compliance, accountability, and transparency, promoting shareholder value and the market in general. From the date of its IPO, the Company joined Novo Mercado, the highest level of governance on B3 (the Brazilian Stock Exchange), granting a 100% tag-along right to all its shares.

Adherence to the Arbitration Chamber: Under Article 36 of its Bylaws, the Company, its shareholders, managers, and members of the Fiscal Council, whether permanent or alternate, must resolve any disputes or controversies arising among them through arbitration before the Market Arbitration Chamber (*Câmara de Arbitragem do Mercado*), in accordance with its rules. This requirement covers any matters related to their roles as issuer, shareholder, manager, or Fiscal Council member. In particular, it includes disputes arising under Law No. 6,385/76, Law No. 6,404/76, the Company's Bylaws, regulations issued by the National Monetary Council, the Central Bank of Brazil, and the Brazilian Securities Commission (CVM), as well as other applicable rules governing the functioning of the capital markets, including the Novo Mercado Regulations, other B3 regulations, and the Novo Mercado Participation Agreement.

ABRASCA Code of Self-Regulation and Good Practices: Localiza, in line with the best corporate governance practices, adheres to the ABRASCA Code of Self-Regulation and Good Practices for publicly held companies, adopting the Corporate Governance practices provided for in B3's Novo Mercado and seeks to meet the guidelines suggested by the Brazilian Institute of Corporate Governance ("IBGC").

Code of Conduct: Since 1995, the Company has adopted a Code of Conduct, which applies to all employees of the Platform, regardless of their hierarchical position, members of the Board of Directors and other committees, partners, suppliers, third-party intermediaries, and franchisees, both in Brazil and abroad. Every employee, upon joining the Company, undergoes training on the Code of Conduct and Anti-Bribery and Anti-Corruption Policy during their onboarding. All employees also complete the Core Training Program (*Trilha Essencial*) annually, which includes training on the Code of Conduct, Anti-Bribery and Anti-Corruption Policy, Information Security, and LGPD (the Brazilian General Data Protection Law).

On December 31, 2025, the governance structure of the Platform was as follows:



Board of Directors: The Company’s Board of Directors is responsible for setting the guidelines and general policies for the Company’s business, overseeing and monitoring the activities of the Directors, selecting independent auditors, and implementing and supervising internal audits.

On December 31, 2025, the Board of Directors, the Fiscal Council, and the Board of Directors were composed as follows:

LOCALIZA RENT A CAR S.A. (parent company)

BOARD OF DIRECTORS		FISCAL COUNCIL	
Name	Position	Name	Position
Eugênio Pacelli Mattar	Chair	Antônio de Pádua Soares Policarpo	Chair
Luis Fernando Memoria Porto	Vice-Chair	Carla Alessandra Trematore	Sitting Member
Paula Cardoso Neves	Independent member	Guilherme Bottrel Pereira Tostes	Sitting Member
Artur Noemio Grynbaum	Independent member	Márcio José Soares Lutterbach	Deputy member
Maria Letícia de Freitas Costa	Independent member	Eder Carvalho Magalhães	Deputy member
Paulo Antunes Veras	Independent member	Juliano Lima Pinheiro	Deputy member
Andre Sapoznik	Independent member		

STATUTORY BOARD

Name	Position
Bruno Sebastian Lasansky	Chief Executive Officer (CEO)
Rodrigo Tavares Gonçalves de Sousa	CFO and Investor Relations Officer
Breno Davis Campolina	Chief Fleet Rental Officer
Elvio Lupo Neto	Chief Car Rental Officer
Flávio Mergener Salles	Chief Seminovos Officer
João Hilário De Ávila Valgas Filho	Chief Operating Officer
Suzana Fagundes Ribeiro de Oliveira	Chief Legal and Institutional Relations Officer

Subsidiaries

LOCALIZA FLEET S.A.

Name	Position
Eugênio Pacelli Mattar	Chair of the Board of Directors
Bruno Sebastian Lasansky	Member of the Board of Directors and Chief Executive Officer
João Hilario de Ávila Valgas Filho	Member of the Board of Directors
Breno Davis Campolina	Chief Executive Officer
Flávio Mergener Salles	Chief Executive Officer
Rodrigo Tavares Gonçalves de Sousa	Chief Financial and Investor Relations Officer

AGILE GESTÃO DE FROTAS E SERVIÇOS S.A.

Name	Position
Elvio Lupo Neto	Chief Executive Officer
Breno Davis Campolina	Chief Executive Officer
Rodrigo Tavares Gonçalves de Sousa	Chief Financial Officer

CAR ASSISTANCE SERVIÇOS DE ADMINISTRAÇÃO DE SINISTROS S.A.

Name	Position
João Hilário De Ávila Valgas Filho	Chief Executive Officer
Breno Davis Campolina	Chief Executive Officer
Rodrigo Tavares Gonçalves de Sousa	Chief Financial Officer

LL MÉX. SOCIEDAD ANÓNIMA DE CAPITAL VARIABLE

Name	Position
Bruno Sebastian Lasansky	Chair of the Board of Directors
Rodrigo Tavares Gonçalves de Sousa	Secretary of the Board of Directors
Guilherme Xavier Milton	CFO
Lucas Amaral Ribeiro	Commercial Intelligence and New Business Officer

LOCALIZA SERVIÇOS PRIME S.A.

Name	Position
João Hilário De Ávila Valgas Filho	Chief Executive Officer
Rodrigo Tavares Gonçalves de Sousa	Chief Financial Officer
Flávio Mergener Salles	CEO

LOCALIZA VEÍCULOS ESPECIAIS S.A.

Name	Position
Breno Davis Campolina	Chief Executive Officer
João Hilário Ávila Valgas Filho	Director without a specific designation
Rodrigo Tavares Gonçalves de Sousa	Chief Financial Officer

MOBI 7 SOCIEDADE ANÓNIMA DE CAPITAL VARIABLE

Name	Position
Bruno Sebastian Lasansky	Chair of the Board of Directors
Rodrigo Tavares Gonçalves de Sousa	Secretary of the Board of Directors
João Hilário Ávila Valgas Filho	Member of the Board of Directors
Ricardo Ferreira Novo	CEO
Vinicius Costa Ferreira	Manager

MOBI7 TECNOLOGIA EM MOBILIDADE S.A.

Name	Position
João Hilário De Ávila Valgas Filho	Chief Executive Officer
Rodrigo Tavares Gonçalves de Sousa	Chief Financial Officer
Ricardo Ferreira Novo	Chief Executive Officer

GETRAK SERVIÇOS S.A.

Name	Position
João Hilário De Ávila Valgas Filho	Chief Executive Officer
Fabio Bortolotti	Chief Executive Officer
Rodrigo Tavares Gonçalves de Sousa	Chief Financial Officer

RENTAL BRASIL ADMINISTRAÇÃO E PARTICIPAÇÃO S.A.

Name	Position
Bruno Sebastian Lasansky	Chief Executive Officer
Rodrigo Tavares Gonçalves de Sousa	Chief Financial Officer
Breno Davis Campolina	Chief Executive Officer

The Board of Directors of the Company (holding) established the following advisory committees, mostly composed of Board members, with independent coordinators:

(i) Audit, Risk Management, and Compliance: Composed of three independent members, the Audit, Risk Management, and Compliance Committee is responsible for overseeing the work of the independent auditors, providing input on their selection, evaluating their performance, assessing the quality of opinions and financial reports, reviewing the accounting principles applied, and determining the effectiveness and adequacy of the internal control framework, in addition to monitoring the effectiveness of the Integrity Program.

(ii) People and Compensation: The People and Compensation Committee is responsible for proposing to the Board of Directors the compensation policies, performance evaluation, profit-sharing program, stock option program, as well as general personnel management policies. The People Committee consists of three members, and two of them are independent.

(iii) Governance, Nomination, and Sustainability Committee: Composed of three members, the Governance, Nomination, and Sustainability Committee is responsible for actively participating in the development and implementation of the Board of Directors and CEO Succession Program, periodically monitoring its progress. Furthermore, it formulates the guidelines and target indicators for ESG (Environmental, Social, and Governance) goals and monitors them, dictating the most relevant topics considering their impact on the business, to define priority initiatives for us to continue advancing consistently and strategically in our sustainability actions.

Additionally, the Company has Integrity, Sustainability, Diversity and Inclusion, and Disclosure Committees, composed of directors and employees of the Company. The first two reports to the CEO, the third reports to the People Officer, and the latter reports to the CFO and Investor Relations Officer.

Internal Controls: The Internal Controls department reports both operationally and hierarchically to the CFO and Investor Relations Officer, with periodic reports to the Audit, Risk Management, and Compliance Committee and the Board of Directors. The process review plan for the Internal Controls department is approved annually by the Audit, Risk Management, and Compliance Committee, with periodic reporting to the committee on the achieved results.

Internal Audit: The Company has an Internal Audit department with a dual reporting structure, whereby hierarchical reporting is directed to the Chief Financial and Investor Relations Officer, while functional reporting is to the Audit, Risk Management, and Compliance Committee.

As part of the Internal Audit activities, audits of Company processes are conducted to assess the effectiveness and efficiency of internal controls. Any weaknesses identified result in action plans for implementation by the responsible areas, which are periodically monitored for compliance.

Compliance: The Compliance department is responsible for coordinating matters related to the Company's Integrity Program. Its main responsibilities are: (a) coordinating the Corruption and Bribery Risk Management process; (b) supporting and guiding the implementation of the rules, policies, and procedures of the Anti-Bribery and Anti-Corruption Management System; (c) conducting due diligence on suppliers and business partners; (d) monitoring and following up on additional actions resulting from business continuity decisions for business partners whose Integrity due diligence revealed points of concern; (e) executing continuous improvement of the Anti-Bribery and Anti-Corruption Management System, ensuring compliance with the requirements established in the ABNT NBR ISO 37001 standard; (f) executing and reporting to Management the main issues and any violations of the Code of Conduct, Anti-Bribery and Anti-Corruption Policy, and other policies and procedures related to the Integrity Program; (g) preparing the Communication and Training Plan related to the Policies and Procedures of the Anti-Bribery and Anti-Corruption Management System; (h) promoting and supporting process improvements and developing actions to enhance the Integrity Program, including based on the results of investigations from the Confidential Reporting Channel; (i) managing the Company's whistleblowing channel; and (j) supporting and guiding the implementation of rules, policies, and procedures to comply with the Anti-Money Laundering and Counter-Terrorism Financing Program, in accordance with applicable laws.

Localiza's Compliance department has a dual reporting structure, where administrative reporting is carried out to the Legal Board and functional reporting to the Audit, Risk Management and Compliance Committee.

The Company has an outsourced reporting channel with the aim of receiving reports, anonymously or identified (voluntarily), of unethical and/or illegal situations that occurred in the companies on the Platform. The reporting channel can be used by the entire Localiza team and other stakeholders related to the Company.

The Company has a Reporting and Non-Retaliation Procedure for Whistleblowers that prohibits retaliation of any kind against a whistleblower in good faith or against employees who act as witnesses in internal investigation procedures.

The whistleblowing channel can be accessed via telephone at 0800 979 2055 for calls originating in Brazil, +55 (11) 3232 0786 for calls originating abroad, through the website www.canalconfidencial.com.br/localiza or by e-mail at localiza@canalconfidencial.com.br.

Relationship with Independent Auditors: To ensure that extra-audit services are not contracted that could compromise the independence of its auditors, the Company established a normative document for "Contracting Non Audit Services", which is reviewed and monitored by the Audit, Risk Management and Compliance Committee.

11 - RECOGNITIONS AND AWARDS

In 2025, the Company's importance to the mobility sector was reaffirmed, being recognized for its ability to innovate, streamline processes, delight customers, and strengthen environmental, social, and governance (ESG) practices. The awards received reflect the alignment of its strategy, execution, and reputation, reinforcing its commitment to operational efficiency, service excellence, ethical leadership, and positive impact on the mobility ecosystem.

The recognitions achieved during the period highlight the consistency of our performance across key pillars: business-focused innovation, excellence in customer experience, robust corporate governance, market-recognized ESG practices, and brand strengthening. The main highlights from 2025 are as follows:

Business and Brand

Estadão Empresas Mais Award — Technology and Innovation in Mobility.

Recognition among the top recalled and valuable brands in the country across multiple rankings.

Increasing prominence in reputation, innovation, and influence, reinforcing leadership in the sector.

Customer Experience

Reclame Aqui Award — Best Customer Service in the Car Rental and Seminovos categories

Recognitions related to satisfaction, transparency, and engagement, reinforcing our longstanding leadership in these areas.

Leadership and Executives

Notable individual recognitions, such as prominent positions in the Merco Líderes ranking and in industry awards.

Growing visibility of executives in national rankings.

Governance, Ethics, and Sustainability (ESG)

Awards recognizing corporate reputation and ESG responsibility.

Recognitions for ethics, responsible governance, positive impact, and social responsibility.

Consolidated presence in rankings evaluating sustainable performance and corporate practices.

Awards and Recognition	Category	Institution
Estadão Empresas Mais Award	Technology and Innovation in Mobility TOP 5 in Governance TOP 6 in Ethics and Citizenship	Estadão
Best CMOs – Merco	54th position	Merco Empresas
ABF – Brazilian Franchising Association	Among the 50 largest franchisors in Brazil	ABF
IT Forum	17th time receiving the Excellence in Franchising Seal	IT Forum
Top of Mind – Revista Amanhã (RS)	Among the 100+ most innovative in IT adoption	Revista Amanhã
Merco Leaders Ranking	Top 35 most remembered brands	Merco
Folha de São Paulo – Viaja São Paulo	Eugênio Mattar: 51st place / Bruno Lasansky: 83rd place	Folha de São Paulo
Brand Finance 100	Winner in the Car Rental category	Brand Finance
Executive of Value – Valor Econômico	7th most valuable brand in Brazil	Valor Econômico
Time	Bruno Lasansky	Statista
Serasa Experian	Among the 500 most sustainable companies in the world	Serasa Experian
GPTW Minas Gerais	5-star reputation rating	GPTW
GPTW Diversity – Ethnic-Racial	2nd place	GPTW
GPTW Brazil	24th place	GPTW
ANEFAC Transparency Trophy – 2025	9th place	GPTW
Exame – ESG Best Practices	1st place	ANEFAC
Reclame Aqui	Highlights in the Transportation and Logistics category	EXAME
	Best customer service in: Car Rentals, Seminovos	Reclame Aqui

12 - SUSTAINABILITY

Sustainability guides strategic decisions enhancing operational efficiency, to mitigate risks and expand our growth potential. Throughout 2025, we focused on the more material topics, with particular emphasis on Atmospheric Emissions and Diversity & Inclusion, linking mobility decarbonization to the strengthening of organizational culture. These pillars drive productivity gains, talent attraction, and resilience in value creation for our shareholders.



12.1 - Sustainable Mobility

Localiza has been systematically preparing to comply with the new IFRS S1 and S2 standards, increasingly integrating sustainability into business strategy, governance, and risk management. The Company already has a consolidated ESG governance structure, involving senior management, as well as processes for identifying, assessing, and managing significant risks and opportunities related to climate change. This model facilitates the analysis of financial and non-financial aspects, strengthening decision-making and transparency for investors and other stakeholders, in line with the financial materiality principles outlined in the standards.

Prioritized initiatives include climate change, diversity and inclusion, and road safety. The Company has also advanced in renewable energy use, waste and natural resource management, ESG governance, and performance metrics, reinforcing its contribution to safer, more inclusive, low-carbon, and sustainable mobility.

We observed an increase in the use of ethanol as a fuel by customers across our main business lines, reflecting our ongoing commitment to raising awareness of lower-environmental-impact alternatives, such as biofuels, which is likely to result in a relative reduction of emissions (gCO₂/km) from customer travel. Internally, in 2025, Localiza consumed 28 million liters of ethanol (+12% vs. 2024), avoiding 45,300 tons of CO₂e emissions when compared to using fossil fuels. Additionally, 327,800 tons of CO₂e were offset through the Neutraliza program (+23.7% vs. 2024).

Based on initiatives undertaken, we maintained a B rating in the CDP – Carbon Disclosure Project and, for the sixth consecutive year, continued to be included in B3 S.A. – Brasil, Bolsa, Balcão's Carbon Efficient Index (ICO2), which recognizes companies that adopt practices to combat climate change.

Over the past three published cycles, Localiza&Co has demonstrated consistent energy performance aligned with its internal targets and the corporate principle of prioritizing renewable sources. Between 2023 and 2025, the Company maintained 100% renewable electricity consumption through a combination of self-generation, credits from solar farms, clean energy purchases on the free market, distributed generation, and the acquisition of I-RECs, reinforcing its energy transition strategy toward a cleaner matrix. During this period, renewable energy consumption on the platform increased from 48,437 GJ (2023) to 59,870 GJ (2024) and 72,835 GJ (2025), while the Company achieved its highest historical level of solar energy injected into branches, surpassing 15 million kWh in 2025 – a 34.7% increase compared to 2024 – driven by the expansion of shared distributed generation and the free energy market. Efficiency measures continue to be implemented across projects, including equipment modernization, sensor technology, LED lighting, and conscious consumption practices. Over recent years, we have demonstrated a strong structural improvement trend, with continuous increases in renewable energy injection and strengthened energy consumption management across the platform.

We have expanded the waste management project to cover 100% of Decommissioning Centers and Pit Stops (maintenance centers), ensuring that all stages of waste management are traceable, service providers are certified, and waste is increasingly diverted from landfills to more sustainable destinations, such as reverse logistics, thereby mitigating operational risks. We are piloting a project to transform the main types of waste generated into utensils for our operations, which is currently in the financial validation phase.

We avoided the consumption of over 34 million liters of water through dry vehicle cleaning practices.



Youth in Motion

In 2025, the Instituto Localiza celebrated four years dedicated to promoting social mobility for Brazilian youth. We reaffirmed our strategy of supporting social organizations to expand access to technical training and productive inclusion opportunities nationwide. Throughout the year, we supported the execution of nearly 100 projects with this focus, impacting approximately 30,000 individuals. Young people participating in these initiatives advanced in their educational and professional journeys, whether in first-time employment, strengthening their entrepreneurial ventures, or working in areas such as technology, new media, tourism, gastronomy, and vehicle maintenance. In addition to financial support, we monitored project implementation and results. For the first time, we expanded our scope by establishing partnerships for larger-scale initiatives with UNICEF, Fundação Roberto Marinho, and Movimento Bem Maior, whose outcomes are expected in 2026.

To further support the development of the organizations we assist, we implemented an Institutional Strengthening Program, providing content on people management, financial sustainability, impact measurement, and, in particular, youth-focused project management – a mission that connects us. Fifty-five organizations participated, engaging in 44 hours of structured content and 119 hours of mentoring, culminating in the design of individual organizational development plans, which continue to be monitored. We also launched the first edition of a Social Ideathon, featuring 10 hours of immersive engagement by Company volunteers to develop solutions for the training and employability model of a partner organization, with direct results in increasing the absorption of these young

people into the labor market.



* Formatura do Programa Geração Caldeira

people into the labor market.

Volunteering

With the growing engagement of Company employees in knowledge-sharing activities, we launched the Instituto Localiza Training Academy. The Academy consolidates all professional development initiatives led by Company volunteers—including courses, mentoring, tutoring, and lectures. It serves young people supported by the Institute as well as residents of communities near the Belo Horizonte headquarters, bringing together programs such as Social Residency, Route Companion, Tech Girl, Na Rota Social – a customer service training program with professionals from the Customer Service Centers – and Procurement Training, conducted with employees from the Supply area and the Procurement Garage (PG). Within the Academy, we also expanded Social Residency, which accelerates the careers of young graduates from technology programs, offering a practical learning path developed with Localiza Labs leadership to



* Ação de voluntariado realizada por estagiários da L&Co

strengthen technical and behavioral skills. The Route Companion Program supports newly hired employees in adapting to their work environments through structured tutoring. Both initiatives integrate knowledge from Instituto Localiza, Localiza&Co, and partner social organizations.

We also highlight engagement activities such as “Dreams Take Me to You” (“Sonhar me Leva até Você”), which facilitated the exchange of inspirational letters between youth from supported projects and Company employees; gardening activities during Environment Week; and initiatives conducted by employee-led volunteering committees – *Centrais do Bem* in Belo Horizonte and *Voluntários em Movimento* in São Paulo. In 2025, the Volunteering Program recorded 1,209 volunteer participations with 806 unique volunteers, benefiting more than 8,400 people.

Community in Motion (Comunidade em Movimento)

In Belo Horizonte, we strengthened our engagement with communities near the Company headquarters. In partnership with Gerando Falcões, we advanced the implementation of the Favela 3D Program, conducting territorial diagnostics, providing support to families at higher risk, and participatively defining priority actions for local development. The Localiza Institute also offered training in Social Project Writing for local leaders and, in partnership with Sebrae Minas, ran the Entrepreneurial Community Program, providing consulting in commercial management, sales, and marketing for micro-entrepreneurs. For young students from public schools in the region, we organized another edition of Tech Girl (Garota Tecnológica), featuring female professionals from Localiza Labs.

Communication and Engagement

In the field of communications, we launched the web series “**Nós & Voz**”, featuring the stories of seven young people supported by our programs who achieved their educational and professional goals. With over 100,000 views on Instagram, the initiative helped inspire other young people to remain committed to their own journeys. As part of our commitment to transparency, we redesigned our institutional website (www.institutolocaliza.org),



launched a bimonthly newsletter on LinkedIn, and updated our social media editorial strategy (Instagram and LinkedIn), expanding dialogue with our strategic audiences.

We also maintained active participation in key social sector networks, including Movitech, the Corporate Volunteer Committee of Minas Gerais (CMVC), and the Group of Corporate Institutes and Foundations (GIFE).

Investments

Social investments in 2025 totaled BRL 9.9 million, comprising BRL 8.2 million in direct donations and BRL 1.7 million through tax incentive mechanisms (Children and Adolescents’ Fund [FIA] and the Elderly Fund, with contributions from Localiza&Co and management by the Institute). Of the total direct donations, 83% were allocated to technical education and productive inclusion projects, and 17% to territorial development

initiatives. Regarding tax-incentivized investments, 29% were directed to technical education projects, 22% to other educational initiatives, and 49% to rights advocacy initiatives.

12.2 - World-Class Governance

Localiza&Co was recognized in the MERCO (Corporate Reputation Business Monitor) rankings as one of the 35 companies with the best reputation in Brazil, ranked 1st in the mobility industry, and among the top 45 most responsible companies in the overall ESG classification. Our founding partner and Chair of the Board, Eugênio Mattar, and our Chief Executive Officer (CEO), Bruno Lasansky, are listed among the 75 leaders with the highest reputation, according to the same institution.

In 2025, Localiza was also named among Time magazine's World's Most Sustainable Companies 2025, ranking among the 500 most sustainable companies globally.

The Company's ESG program was recognized as the best in the Transportation sector by the Latin America Executive Team 2025 ranking, conducted by Extel (formerly Institutional Investor Research). In Governance, we highlight the monitoring of ESG matters by the Board, through the Governance, Nomination, and Sustainability Committee, which is responsible for validating and monitoring the strategy adopted by the Company in the evolution of its journey to build the future of sustainable mobility.

In compliance with the Brazilian General Data Protection Law (LGPD) and other regulations on this matter, we have made progress in developing best practices to ensure the privacy of personal data of customers, employees, and third parties processed by the Company, and we have advanced in the more efficient management of information security.

Key initiatives include the implementation of Internal and External Privacy and Data Protection Notices, establishing guidelines to ensure that all personal data under the Company's responsibility is protected. We also maintain a Privacy Portal designed to inform stakeholders how personal data is used within Localiza, providing a direct communication channel with data subjects and reinforcing our commitment to transparency and information security. In addition, the Company updated cookie collection practices across its websites and landing pages and implemented an evaluation process for critical suppliers acting as data processors on behalf of Localiza&Co. We also maintain an updated Record of Data Processing Activities, as required by law.

Internally, we implemented a comprehensive annual training track covering privacy, data protection, and information security, achieving 100% employee participation. We further enhanced our exclusive Privacy and Data Protection Portal for employees, which includes procedures and documentation informing employees of their privacy rights and providing guidance on how to act, in accordance with the LGPD, when processing personal data in the course of their duties. As privacy and information security are shared responsibilities, we rely on the commitment of all employees to effectively implement these practices.

In 2025, the Company extended participation in its Code of Conduct and Anti-Bribery and Anti-Corruption Policy training programs, reinforcing its commitment to ethics, integrity, and legal compliance. These initiatives guide employees on ethical standards and transparent practices in both internal and external relationships, helping prevent bribery and corruption risks. Currently, 99% of employees have valid training certifications, with 100% compliance among leadership. The Company maintained its ISO 37001 recertification for the fifth consecutive year, attesting to the effectiveness of its anti-bribery framework, fully aligned with its culture of integrity, transparency, and compliance.

(A free translation of the original in Portuguese)



COMMENTS ON THE PERFORMANCE OF BUSINESS PROJECTIONS

The Company did not disclose any projections for year 2025.



Independent auditor's report

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

Opinion

We have audited the accompanying individual parent company financial statements of Localiza Rent a Car S.A. (the "Company"), which comprise the balance sheet as at December 31, 2025 and the statements of income, comprehensive income, changes in equity and cash flows for the year then ended, as well as the accompanying consolidated financial statements of the Company and its subsidiaries ("Consolidated"), which comprise the consolidated balance sheet as at December 31, 2025 and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company and of the Company and its subsidiaries as at December 31, 2025, and the individual parent company financial performance and the cash flows as well as the consolidated financial performance and the cash flows for the year then ended, in accordance with accounting practices adopted in Brazil and with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB)

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are described in the "Auditor's responsibilities for the audit of the individual parent company and consolidated financial statements" section of our report. We are independent of the Company and its subsidiaries in accordance with the ethical requirements established in the Code of Professional Ethics and Professional Standards issued by the Brazilian Federal Accounting Council, as applicable to audits of financial statements of public interest entities in Brazil, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Localiza Rent a Car S.A.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the individual parent company and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Why it is a Key Audit Matter	How the matter was addressed in the audit
<p>Recoverability of goodwill (Note 13)</p> <p>The consolidated financial statements at December 31, 2025 present intangible assets which include goodwill recorded based on expected future profitability arising from business combinations, in the amount of R\$ 8.435.886 thousand.</p> <p>Management tested the recoverable amount of goodwill, using the value in use present value model of expected future cash flows for the assets in each of the cash-generating units (CGUs). This required management to apply assumptions, such as revenue growth rates, projected earnings and discount rates.</p> <p>We selected this as a key audit matter due to the significance of the balances and because of the sensitive nature of the critical estimates and judgments used for the assumptions and projections. Had management selected a different set of variables for estimating the future results of the CGUs, the amounts determined might have been significantly different with a consequential effect on the financial statements.</p>	<p>Our audit approach considered, among other procedures, understanding the relevant internal controls over the preparation of the discounted cash flows of the CGUs to which goodwill was allocated.</p> <p>We assessed the reasonableness and consistency of the calculation model used by management to prepare the forecasts, as well as the data and assumptions used for the projected cash flows, such as revenue growth rates and profitability estimates (comparing these with macroeconomic and industry forecasts) and discount rates. We considered the cost of capital of the Company and its subsidiaries and compared this to similar organizations for the purposes of the discount rate.</p> <p>We tested the mathematical calculations and data used for the main assumptions for the cash flow projections. We performed an analysis to assess the sensitivity of projections to different possible scenarios.</p> <p>We read the disclosures in the financial statements.</p> <p>Our audit procedures demonstrated the judgments and assumptions used by management to be consistent with the information obtained during our audit.</p>



Localiza Rent a Car S.A.

Why it is a Key Audit Matter	How the matter was addressed in the audit
<p>Determination of estimated vehicle residual values (Note 12)</p> <p>The Company and its subsidiaries estimate the residual value of its fleet of vehicles based on the expected sale value of the vehicles at the end of their useful lives, less selling expenses and estimated wholesale and retail discounts.</p> <p>This was selected as a key audit matter because of the inherently subjective nature of the estimation process relying on assumptions and management's judgment including that for the market value of vehicles upon sale, estimated service life to the Company and the significance of the balances. Any changes in these assumptions could have a material impact on the financial statements.</p>	<p>Our audit approach considered, among other procedures, understanding and evaluating the design and effectiveness of the internal control environment relating to the selection of assumptions and criteria for determining the residual value of vehicles.</p> <p>On a sample basis, we compared the systems input data for the residual value of vehicles with the documentation supporting the estimated residual values.</p> <p>On a sample basis, we compared the estimated residual values with actual sales prices in the year and to listings disclosed by specialized external firms for vehicle selling prices.</p> <p>We consider the assumptions used to be consistent with market data and with the information obtained during our audit.</p>

Other matters - Statements of Value Added

The individual parent company and consolidated Statements of Value Added for the year ended December 31, 2025, prepared under the responsibility of the Company's management and presented as supplementary information for IFRS Accounting Standards purposes, were submitted to audit procedures performed in conjunction with the audit of the Company's financial statements. For the purposes of forming our opinion, we evaluated whether these statements are reconciled with the financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in Technical Pronouncement CPC 09 - "Statement of Value Added". In our opinion, these Statements of Value Added have been properly prepared in all material respects, in accordance with the criteria established in the Technical Pronouncement, and are consistent with the individual parent company and consolidated financial statements taken as a whole.

Other information accompanying the individual parent company and consolidated financial statements and the auditor's report

The Company's management is responsible for the other information that comprises the Management Report .

Our opinion on the individual parent company and consolidated financial statements does not cover the Management Report, and we do not express any form of audit conclusion thereon.



Localiza Rent a Car S.A.

In connection with the audit of the individual parent company and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the individual parent company and consolidated financial statements

Management is responsible for the preparation and fair presentation of the individual parent company and consolidated financial statements in accordance with accounting practices adopted in Brazil and with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual parent company and consolidated financial statements, management is responsible for assessing the ability of the Company and its subsidiaries, as a whole, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its subsidiaries, as a whole, or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the individual parent company and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the individual parent company and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the individual parent company and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.



Localiza Rent a Car S.A.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its subsidiaries, as a whole, to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual parent company and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries, as a whole, to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the individual parent company and consolidated financial statements, including the disclosures, and whether these financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the individual parent company and consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats to our independence or safeguards applied.



Localiza Rent a Car S.A.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the Key Audit Matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Belo Horizonte, February 26, 2026

A handwritten signature in cursive script that reads 'PricewaterhouseCoopers'.

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

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

LOCALIZA RENT A CAR S.A.

BALANCE SHEET
(In BRL thousand)

(A free translation of the original in Portuguese)

ASSETS

	Note	Individual		Consolidated	
		12/31/25	31/12/24	12/31/25	12/31/24
Current assets					
Cash and cash equivalents	5	1,100,848	1,652,029	1,705,451	3,568,636
Financial assets	6	4,773,346	2,251,852	8,887,354	7,856,926
Trade receivables	7	2,879,439	2,375,654	3,995,092	4,033,679
Dividends receivable	10.3.1(b)	307,518	214,352	-	-
Cars decommissioned for fleet renewal	12(b)	2,597,129	2,255,421	3,444,850	3,463,598
Derivative financial instruments	4.1	300,561	454,963	339,031	572,021
Recoverable taxes	8	328,364	229,432	869,510	693,983
Other assets	9	473,698	455,773	478,959	593,126
		12,760,903	9,889,476	19,720,247	20,781,969
Non-current assets held for sale	30	-	-	134,877	-
Total current assets		12,760,903	9,889,476	19,855,124	20,781,969
Non-current assets					
Long-term assets:					
Financial assets	6	1,240,293	1,213,275	1,242,674	1,216,929
(-) Present value adjustment	6	(149,721)	(241,847)	(149,721)	(241,847)
Trade receivables	7	16,290	-	16,290	21,102
Derivative financial instruments	4.1	675,950	1,216,805	792,796	1,592,406
Escrow deposits	20(b)	211,723	103,859	241,969	241,238
Deferred income tax and social contribution	21(a)	357,590	361,655	479,148	457,490
Recoverable taxes	8	319,552	227,814	410,998	364,167
Other assets	9	11,177	382	71,203	89,854
Total long-term assets		2,682,854	2,881,943	3,105,357	3,741,339
Investments	10.3	10,891,149	29,801,849	-	-
Property and equipment	12(a)	34,544,404	26,813,971	53,731,841	53,842,366
Intangible assets	13	8,725,693	224,877	8,874,254	8,877,933
Total non-current assets		56,844,100	59,722,640	65,711,452	66,461,638
Total assets		69,605,003	69,612,116	85,566,576	87,243,607

LOCALIZA RENT A CAR S.A.

BALANCE SHEET
(In BRL thousand)

(A free translation of the original in Portuguese)

LIABILITIES AND SHAREHOLDERS' EQUITY

	Note	Individual		Consolidated	
		12/31/25	12/31/24	12/31/25	12/31/24
Current liabilities					
Suppliers	14	8,366,374	7,638,893	9,342,633	10,026,394
Social and labor obligations	15	436,540	402,322	508,457	478,656
Assignment of credit rights	16	-	-	10,575	37,452
Loans, financing, and debt securities	17	1,769,853	3,452,737	4,585,163	5,295,928
Derivative financial instruments	4.1	282,403	66,269	298,086	91,067
Lease liability	18	252,116	302,537	253,809	320,488
Income tax and social contribution payable		-	-	34,752	182,983
Dividends and interest on equity	22(e)	480,521	380,064	480,521	380,064
Other liabilities	19	795,259	736,381	946,903	900,762
		12,383,066	12,979,203	16,460,899	17,713,794
Liabilities related to non-current assets held for sale	30	-	-	104,152	-
Total current liabilities		12,383,066	12,979,203	16,565,051	17,713,794
Non-current liabilities					
Assignment of credit rights	16	-	-	26	10,600
Loans, financing, and debt securities	17	29,614,959	28,824,298	39,010,175	39,470,609
Derivative financial instruments	4.1	125,644	13,200	125,644	13,200
Lease liability	18	1,283,561	1,246,360	1,051,141	1,016,126
Provisions for risks	20(a)	532,653	121,113	574,932	552,736
Deferred income tax and social contribution	21(a)	-	-	2,492,965	1,947,922
Other liabilities	19	129,721	93,844	207,630	175,906
Total non-current liabilities		31,686,538	30,298,815	43,462,513	43,187,099
Total liabilities		44,069,604	43,278,018	60,027,564	60,900,893
Equity					
	22				
Share capital		19,973,526	17,908,250	19,973,526	17,908,250
Share issuance expenses		(118,804)	(118,804)	(118,804)	(118,804)
Treasury shares		(1,177,323)	(1,208,002)	(1,177,323)	(1,208,002)
Capital reserves		4,285,687	4,206,650	4,285,687	4,206,650
Earnings reserves		2,598,940	4,890,481	2,598,940	4,890,481
Other comprehensive income		(26,627)	655,523	(26,627)	655,523
Total equity attributable to controlling shareholders		25,535,399	26,334,098	25,535,399	26,334,098
Attributable to non-controlling partners		-	-	3,613	8,616
Total shareholders' equity		25,535,399	26,334,098	25,539,012	26,342,714
Total liabilities and shareholders' equity		69,605,003	69,612,116	85,566,576	87,243,607

LOCALIZA RENT A CAR S.A.

STATEMENT OF INCOME
YEAR ENDED DECEMBER 31

(In BRL thousands, except net income per share)

(A free translation of the original in Portuguese)

	Note	Individual		Consolidated	
		2025	2024	2025	2024
Net revenues	25	26,151,034	21,202,387	41,781,588	37,271,558
Costs	26	(20,001,327)	(16,972,780)	(30,651,613)	(28,518,696)
Gross profit		6,149,707	4,229,607	11,129,975	8,752,862
Operating income (expenses):					
Selling	26	(1,621,266)	(1,405,561)	(2,437,865)	(2,155,698)
General, administrative, and other expenses	26	(469,469)	(397,369)	(880,454)	(791,995)
Equity in the earnings of subsidiaries	10.3	881,983	1,787,011	-	-
		(1,208,752)	(15,919)	(3,318,319)	(2,947,693)
Profit before financial income and expenses		4,940,955	4,213,688	7,811,656	5,805,169
Financial income	27	900,523	935,702	1,707,422	1,490,759
Financial expenses	27	(4,484,304)	(4,149,864)	(6,321,210)	(5,429,390)
Financial income (expenses)	27	(3,583,781)	(3,214,162)	(4,613,788)	(3,938,631)
Profit before income tax and social contribution		1,357,174	999,526	3,197,868	1,866,538
Income tax and social contribution:	21(b)				
Current		5,182	1,956	(443,809)	(722,553)
Deferred		513,117	812,145	(883,589)	669,325
		518,299	814,101	(1,327,398)	(53,228)
Net income for the year		1,875,473	1,813,627	1,870,470	1,813,310
Attributable to the shareholders of the Company				1,875,473	1,813,627
Attributable to non-controlling shareholders				(5,003)	(317)
Earnings per share (in BRL):	23				
Basic				1.77860	1.71362
Diluted				1.75778	1.69385

LOCALIZA RENT A CAR S.A.

STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED DECEMBER 31
(In BRL thousand)

(A free translation of the original in Portuguese)

	Individual		Consolidated	
	2025	2024	2025	2024
Net income for the year	1,875,473	1,813,627	1,870,470	1,813,310
Other comprehensive income				
Items that may be subsequently reclassified to income				
Fair value gain (loss) of financial liabilities designated at fair value through profit or loss attributable to changes in credit risk	5,499	4,019	5,227	(2,030)
Income tax and social contribution	(1,869)	(1,366)	(1,775)	690
Cumulative translation adjustments of investees abroad	-	-	2,952	12,573
Share in the comprehensive income of subsidiaries	(85,540)	221,419	-	-
Cash flow hedges	(912,142)	1,144,620	(1,045,950)	1,467,102
Income tax and social contribution on cash flow hedges	311,902	(389,171)	357,396	(498,814)
Other comprehensive income for the year, net of taxes	(682,150)	979,521	(682,150)	979,521
Total comprehensive income for the year	1,193,323	2,793,148	1,188,320	2,792,831
Attributable to the shareholders of the Company			1,193,323	2,793,148
Attributable to non-controlling shareholders			(5,003)	(317)

LOCALIZA RENT A CAR S.A.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
YEAR ENDED DECEMBER 31 (In BRL thousand)

(A free translation of the original in Portuguese)

	Note	Share capital			Capital reserves			Earnings reserves		Retained earnings	Other comprehensive income	Total	Non-controlling shareholder	Total shareholders' equity
		Share capital	Share issuance expenses	Treasury shares	Capital reserve	Stock options granted	Share premium	Legal reserve	Statutory reserve					
As of December 31, 2023		17,376,899	(118,804)	(447,225)	3,827,562	187,892	129,726	557,650	4,199,180	-	(323,998)	25,388,882	8,933	25,397,815
Comprehensive income for the year														
Net income for the year		-	-	-	-	-	-	-	-	1,813,627	-	1,813,627	(317)	1,813,310
Cash flow hedges, net of taxes		-	-	-	-	-	-	-	-	-	968,288	968,288	-	968,288
Cumulative translation adjustments of investees abroad	10.3	-	-	-	-	-	-	-	-	-	12,573	12,573	-	12,573
Other comprehensive income		-	-	-	-	-	-	-	-	-	(1,340)	(1,340)	-	(1,340)
Shareholder contributions and distributions														
Stock options granted and recognized	22(c) (i)	-	-	-	-	96,720	-	-	-	-	-	96,720	-	96,720
Long-term incentive programs – treasury shares		-	-	34,858	-	(40,540)	2,388	-	-	-	-	(3,294)	-	(3,294)
Long-term incentive programs with treasury shares of subsidiaries	10.3	-	-	-	-	(4,906)	-	-	-	-	-	(4,906)	-	(4,906)
Long-term incentive programs – subsidiaries	10.3	-	-	-	-	7,808	-	-	-	-	-	7,808	-	7,808
Capital increase		531,351	-	-	-	-	-	-	-	-	-	531,351	-	531,351
Repurchase of shares	22 (b)	-	-	(795,635)	-	-	-	-	-	-	-	(795,635)	-	(795,635)
Allocation of profit for the year														
Legal reserve	22 (d)	-	-	-	-	-	-	90,681	-	(90,681)	-	-	-	-
Interest on equity	21(e)	-	-	-	-	-	-	-	-	(1,679,976)	-	(1,679,976)	-	(1,679,976)
Statutory reserve	22 (d)	-	-	-	-	-	-	-	42,970	(42,970)	-	-	-	-
As of December 31, 2024		17,908,250	(118,804)	(1,208,002)	3,827,562	246,974	132,114	648,331	4,242,150	-	655,523	26,334,098	8,616	26,342,714
Comprehensive income for the year														
Net income for the year		-	-	-	-	-	-	-	-	1,875,473	-	1,875,473	(5,003)	1,870,470
Cash flow hedges, net of taxes		-	-	-	-	-	-	-	-	-	(688,554)	(688,554)	-	(688,554)
Cumulative translation adjustments of investees abroad	10.3	-	-	-	-	-	-	-	-	-	2,952	2,952	-	2,952
Other comprehensive income		-	-	-	-	-	-	-	-	-	3,452	3,452	-	3,452
Shareholder contributions and distributions														
Capital increase	22 (a) (i)	2,065,276	-	-	-	-	-	-	2,065,276	-	-	2,065,276	-	2,065,276
Stock options and shares granted and recognized	22(c) (i)	-	-	-	-	107,664	-	-	-	-	-	107,664	-	107,664
Long-term incentive programs – treasury shares		-	-	30,679	-	(21,042)	(3,303)	-	-	-	-	6,334	-	6,334
Long-term incentive plans with treasury shares of subsidiaries	10.3	-	-	-	-	(8,142)	-	-	-	-	-	(8,142)	-	(8,142)
Long-term incentive programs – subsidiaries	10.3	-	-	-	-	3,860	-	-	-	-	-	3,860	-	3,860
Allocation of profit for the year														
Legal reserve	22 (d)	-	-	-	-	-	-	93,774	-	(93,774)	-	-	-	-
Interest on equity	22 (e)	-	-	-	-	-	-	-	(320,039)	(1,781,699)	-	(2,101,738)	-	(2,101,738)
As of December 31, 2025		19,973,526	(118,804)	(1,177,323)	3,827,562	329,314	128,811	742,105	1,856,835	-	(26,627)	25,535,399	3,613	25,539,012

Management's notes are an integral part of these financial statements.

LOCALIZA RENT A CAR S.A.

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31 (In BRL thousand)

(A free translation of the original in Portuguese)

Note	Individual		Consolidated		
	2025	2024	2025	2024	
Net income for the year	1,875,473	1,813,627	1,870,470	1,813,310	
Adjustments to reconcile net income to cash and cash equivalents from operating activities:					
Depreciation and amortization	26	3,483,514	3,286,573	5,941,749	6,109,548
Provision for adjustments to recoverable value	26	107,616	128,673	134,608	344,570
Gain on the sale or write-off of decommissioned vehicles		(687,300)	(625,353)	(1,335,905)	(1,435,217)
Deferred income tax and social contribution	21(b)	513,117	(812,145)	883,589	(669,325)
Equity in the earnings of subsidiaries	10.3	(881,983)	(1,787,011)	-	-
Provisions for risks		5,578	(20,518)	22,196	(51,549)
Accrued interest and exchange effects on loans, financing, debt securities and derivatives	4.1	4,265,715	3,967,622	6,049,119	5,215,129
Accrued lease interest	18	171,576	153,749	150,100	133,447
Allowance for doubtful debts and expected losses and write-off of uncollectible amounts	26	141,698	122,365	343,566	271,276
Profit sharing	26	209,938	194,915	314,594	314,433
Other provisions		157,517	125,546	253,425	297,719
Changes in assets and liabilities:					
Financial assets		(776,944)	4,513,880	(1,056,173)	433,748
Trade receivables		(211,223)	(348,896)	(386,490)	(673,574)
Proceeds from sale of decommissioned cars					
net of taxes	25	14,549,553	11,246,727	22,183,237	19,185,014
Acquisition of vehicles, net of change in the balance of amounts owed to suppliers of vehicles		(18,100,873)	(14,392,240)	(26,951,437)	(25,211,654)
Escrow deposits		24,796	26,016	2,635	29,154
Recoverable taxes		(172,829)	23,667	(337,083)	133,094
Prepaid expenses and motor vehicle taxes – IPVA		28,069	7,990	(8,124)	21,429
Other assets		11,361	(198,502)	72,088	(116,731)
Suppliers (except automakers) and lease liability		(237,925)	(188,615)	7,932	58,245
Payroll and related taxes		(170,992)	(108,544)	(267,110)	(234,001)
Income tax and social contribution	21(b)	(5,182)	(1,956)	443,809	722,553
Insurance premiums for transfer		(23,038)	16,936	(19,700)	18,208
Other liabilities		(285,754)	(69,465)	(130,360)	(175,058)
Cash generated by operations		2,965,244	7,075,041	8,180,735	6,533,768
Income tax and social contribution paid		-	-	(477,334)	(487,471)
Interest on loans, financing, debt securities and derivatives paid	4.1 and 17	(3,896,299)	(4,126,370)	(5,434,462)	(5,294,946)
Interest on assignment of credit rights		-	-	(14,807)	(19,095)
Lease interest paid		(117,831)	(93,203)	(107,714)	(81,903)
Net cash generated by (used in) operating activities		(1,048,886)	2,855,468	2,146,418	650,353
Cash flow from investing activities:					
Purchase of other property and equipment	12(a)	(144,060)	(178,724)	(306,634)	(323,269)
Purchase of intangible assets	13	(109,442)	(100,459)	(128,752)	(121,779)
Return of capital from subsidiaries	10.3	2,959,461	(1,695,000)	-	-
Dividends received	10.3.1 (b)	958,627	1,437,977	-	-
Payments for corporate acquisitions		-	-	(1,398)	(7,979)
Proceeds on sale of investments		-	-	-	894
Net cash generated by (used in) investing activities		3,664,586	(536,206)	(436,784)	(452,133)

LOCALIZA RENT A CAR S.A.

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31 (In BRL thousand)

(A free translation of the original in Portuguese)

	Note	Individual		Consolidated	
		2025	2024	2025	2024
Cash flow from financing activities:					
Loans, financing, and debt securities:	17				
Funding, net of funding costs		6,883,488	9,490,051	11,690,885	15,512,094
Amortizations		(8,658,682)	(9,258,860)	(13,160,355)	(12,034,193)
Amortization of lease liabilities		(290,100)	(266,132)	(301,272)	(284,338)
Amortization of assignment of credit rights		-	-	(37,666)	(86,565)
Long-term incentive programs – treasury shares		-	(3,294)	-	(3,294)
Interest on equity paid	22(e)	(1,755,556)	(1,294,383)	(1,755,556)	(1,294,383)
Capital increase		-	353,944	-	353,944
Treasury shares acquired		-	(795,635)	-	(795,635)
Cash from the merger of a subsidiary		653,969	-	-	-
Net cash generated by (used in) financing activities		(3,166,881)	(1,774,309)	(3,563,964)	1,367,630
Effects of exchange rate changes on cash and cash equivalents		-	-	1,303	1,889
Increase (decrease) in cash and cash equivalents, net		(551,181)	544,953	(1,853,027)	1,567,739
Balance of cash and cash equivalents:					
At the beginning of the year	5	1,652,029	1,107,076	3,568,636	2,000,897
At the end of the year		1,100,848	1,652,029	1,705,451	3,568,636
Balance of Cash and Cash Equivalents – Assets held for sale (*)	30	-	-	(10,158)	-
Increase (decrease) in cash and cash equivalents, net		(551,181)	544,953	(1,853,027)	1,567,739

(*) Refers to the reclassification of cash and cash equivalents to non-current assets held for sale (Note 1.3).

LOCALIZA RENT A CAR S.A.

STATEMENT OF VALUE ADDED
YEAR ENDED DECEMBER 31
(In BRL thousand)

(A free translation of the original in Portuguese)

Note	Individual		Consolidated	
	2025	2024	2025	2024
Revenues:				
Gross revenues net of discounts	27,329,442	22,218,016	43,821,604	39,168,239
Revenues from the construction of assets	229,811	238,649	246,636	296,235
Allowance for doubtful debts and and write-off of uncollectible amounts	26 (141,698)	(122,365)	(343,566)	(271,276)
Other income	17,292	-	17,521	2,125
Total revenues	27,434,847	22,334,300	43,742,195	39,195,323
Costs and expenses acquired from third parties:				
Materials, power, third-party services and other	(1,084,595)	(962,620)	(1,520,681)	(1,421,302)
Car rental costs and residual value of written-off vehicles	(16,237,064)	(13,219,790)	(24,411,684)	(21,641,576)
Provision for adjustments to the recoverable value of assets	26 (107,616)	(128,673)	(134,608)	(344,570)
Total costs and expenses acquired from third parties	(17,429,275)	(14,311,083)	(26,066,973)	(23,407,448)
Gross value added	10,005,572	8,023,217	17,675,222	15,787,875
Depreciation and amortization	26 (3,483,514)	(3,286,573)	(5,941,749)	(6,109,548)
Net wealth generated	6,522,058	4,736,644	11,733,473	9,678,327
Wealth received in transfers:				
Financial income	27 942,573	976,496	1,790,244	1,563,611
Equity in the earnings of subsidiaries	10.3 881,983	1,787,011	-	-
Wealth to be distributed	8,346,614	7,500,151	13,523,717	11,241,938
Wealth distribution				
Personnel				
- Compensation	1,151,237	1,051,624	1,784,648	1,687,337
- Benefits	405,654	314,009	566,670	458,088
- FGTS	85,189	75,508	126,513	120,602
- Other	110,487	95,946	114,709	102,937
Taxes, fees, and contributions				
- Federal	(382,206)	(564,338)	1,698,491	595,868
- State	388,790	320,872	707,169	692,790
- Municipal	42,023	52,616	82,341	95,971
Remuneration of debt capital				
- Financial expenses	27 4,484,304	4,149,864	6,321,210	5,429,390
- Real estate lease	26 138,130	134,749	196,841	182,793
- Other leases	18 47,533	55,674	54,655	62,852
Return on equity				
- Interest on equity	1,781,699	1,679,976	1,781,699	1,679,976
- Accumulated deficit	93,774	133,651	93,774	133,651
- Attributable to non-controlling shareholders	-	-	(5,003)	(317)
Wealth distributed and retained	8,346,614	7,500,151	13,523,717	11,241,938

LOCALIZA RENT A CAR S.A.

MANAGEMENT'S NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2025

(in BRL thousand, unless otherwise stated)

1. OPERATIONS

Localiza Rent a Car S.A. ("Localiza", "Company", or "Parent Company"), with registered address at Avenida Bernardo de Vasconcelos, 377, Cachoeirinha, in the city of Belo Horizonte, State of Minas Gerais, became a Brazilian publicly-held corporation in May 2005, listed on the B3 S.A. – Brasil, Bolsa, Balcão ("B3") Novo Mercado segment, the highest corporate governance level in the Brazilian capital market. Localiza's shares are traded under ticker RENT3.

The main activities of Localiza and its subsidiaries ("Group" or "Consolidated") are car rentals, which includes the granting of franchises, and fleet rentals. To renew the fleet while maximizing cash generation, Localiza and its subsidiaries sell their decommissioned vehicles.

As of December 31, 2025, the Group, including franchisees, in Brazil and abroad, comprised of 691 car rental agencies (unaudited), as follows: (i) 592 agencies in 363 cities in Brazil, of which 517 are operated by Localiza and 75 by franchisees; and (ii) 99 agencies abroad, of which 29 are operated by Localiza in Mexico and 70 by franchisees in five other South American countries, located in 43 cities. In addition to its network of locations, the Group owns 263 points of sale distributed in 138 cities in Brazil for decommissioned vehicles.

These individual parent company and consolidated financial statements were approved and authorized for disclosure by the Board of Directors on February 26, 2026.

1.1 Reform of Taxes on Consumption

On December 20, 2023, Constitutional Amendment (*Emenda Constitucional*, EC) No. 132 was enacted, establishing the Tax Reform ("Reform") on consumption. The Reform is based on a split VAT ("dual VAT") model – federal (Contribution on Goods and Services - CBS), which will replace PIS and COFINS, and nonfederal (Tax on Goods and Services - IBS), which will replace ICMS and ISS. A Selective Tax (*Imposto Seletivo*, IS) was also created – under federal jurisdiction – which will be levied on the production, extraction, selling or importing of goods and services harmful to health and the environment, as specified by a supplementary law.

On January 16, 2025, Supplementary Law (*Lei Complementar*) 214/2025 was published, regulating part of the Reform, establishing the Tax on Goods and Services (IBS), the Social Contribution on Goods and Services (CBS), and the Selective Tax (IS). This law will still be subject to further regulations before its effective implementation. On January 13, 2026, Supplementary Law No. 227/2026 was enacted. Among other matters, it establishes the IBS Management Committee, sets forth the allocation of IBS revenues among the federative entities, and defines the assessment and enforcement procedures for this tax. It also amends Supplementary Law No. 214/2025.

There will be a transition period from 2026 to 2032, during which the two tax systems – the old and the new – will coexist. The impacts of the Reform will only be fully understood once the process of regulating the pending issues is completed. Consequently, there is no effect of the Reform on the financial statements as of December 31, 2025.

Any additional regulations issued after the reporting date will be assessed for their impacts on the financial statements of future periods.

1.2 Decree No. 12,549/2025 – reduction of tax rates on industrialized products (IPI) for cleaner and more fuel-efficient vehicles (Green IPI – "IPI Verde")

On July 10, 2025, the Federal Government announced, through Decree No. 12,549/2025, a program that amended the Table of Incidence of the Tax on Industrialized Products (TIPI), with the purpose of encouraging the production and consumption of more fuel-efficient vehicles powered by clean energy and meeting recyclability and safety requirements. The decree modifies the incidence of IPI excise tax for passenger vehicles and cargo transport vehicles within the context of the Green Mobility and Innovation Program (MOVER), by introducing a new rate-calculation mechanism that varies in proportion to the fulfillment of sustainability requirements. The new IPI table takes immediate effect for vehicles registered as "sustainable cars" and will apply to other provisions starting November 1, 2025,

remaining in force until December 31, 2026. The reduction in the prices of new cars also affects the pre-owned car market. Accordingly, Management identified the need to reduce the sales prices applied to a portion of the vehicles decommissioned after use in rental operations and revised the estimates of the net selling price of its car fleet at the end of their useful lives (residual value), which serves as the basis for depreciation calculations.

In this context, a charge of BRL 709,408 and BRL 929,220 was recognized in the Individual and Consolidated statement of income for 2025, respectively, before taxes. Of these amounts, BRL 601,618 and BRL 792,477 relate to additional fleet depreciation, in Individual and Consolidated, respectively, and BRL 107,790 and BRL 136,743 relate to impairment adjustments on vehicles being decommissioned for fleet renewal, in Individual and Consolidated, respectively. This negative impact represents around 1.7% of the consolidated fleet value at the end of 2025.

1.3 Disposal of investment in Soluções em Mobilidade Corporativa S.A. ("Voll")

On November 13, 2025, Localiza Fleet S.A., a subsidiary of the Company, entered into an agreement for the full disposal of its 64.6% equity interest in Voll Soluções em Mobilidade Corporativa S.A. ("Voll") to a company held by funds managed by Warburg Pincus, as disclosed in a Material Fact notice released on the same date.

The transaction valued Voll at BRL 606 million (enterprise value). Localiza will receive BRL 382 million, as determined after the applicable contractual adjustments. The amount will be paid in three equal annual installments, due in 2026, 2027, and 2028, with no indexation adjustment or interest, as set forth in the agreement.

As of December 31, 2025, in the Consolidated financial statements, Voll's assets and liabilities were classified as held for sale and presented separately in the balance sheet as "Non-current assets held for sale" and "Liabilities related to non-current assets held for sale," in accordance with IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations. The assets and liabilities were measured at the lower of their carrying amount and fair value less costs to sell. As from this classification date, depreciation and amortization of the subsidiary's non-current assets ceased to be recognized, as applicable (Note 30).

The transaction was completed on January 8, 2026, upon the transfer of control of the investee and the receipt of the first installment of the purchase price, in the amount of BRL 173 million. The accounting gain arising from the loss of control will be recognized in 2026, in accordance with CPC 36 (R3)/IFRS 10 – Consolidated Financial Statements (Note 31).

1.4 Impacts of the floods in the State of Rio Grande do Sul and revisions of vehicle estimates in 2024

As disclosed in the 2024 financial statements, in early May of that year, heavy rains caused flooding in the State of Rio Grande do Sul, resulting in recognized losses of BRL 56,907 in Individual and BRL 102,509 in Consolidated.

Additionally, in the second quarter of 2024, the Company revised the residual value and depreciable useful life estimates of its car fleet, with effects recognized prospectively, in accordance with CPC 23 (IAS 8) – Accounting Policies, Change of Estimate and Error Correction. The effects of these revisions on the 2024 statement of income were disclosed in that year's financial statements. No new material impacts related to these events occurred in 2025.

2. BASIS OF PREPARATION, PRESENTATION OF FINANCIAL STATEMENTS, AND SUMMARY OF MAIN ACCOUNTING POLICIES

2.1 Basis of preparation

The Company's financial statements, which include the individual parent company and consolidated financial statements, identified as "Individual" and "Consolidated", were prepared and are presented in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB) (currently referred to by the IFRS Foundation as IFRS® Accounting Standards, including the interpretations issued by the

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IFRS Interpretations Committee (IFRIC® Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC® Interpretations), and in accordance with the accounting practices adopted in Brazil. The accounting practices adopted in Brazil comprise those included in the Brazilian Corporate Law as well as the technical pronouncements, guidelines and interpretations issued by the Accounting Pronouncements Committee ("CPC") and approved by the Brazilian Securities Commission ("CVM"). All information of significance to the financial statements is disclosed and is consistent with that used by Management in the performance of its duties.

The financial statements were prepared based on historical cost as the valuation basis, typically reflecting the original fair value of considerations paid in exchange for goods or services, except for certain financial assets and liabilities (including derivative financial instruments) which are measured at fair value. Assets held for sale are measured at the lower of their carrying amount and fair value less selling costs.

2.2 Consolidation bases and investment in subsidiaries

The Company consolidates all entities over which it has control. The consolidated financial statements include the individual financial statements of the parent company, Localiza, and the subsidiaries headquartered in Brazil and abroad. The individual financial statements show the evaluation of investments in subsidiaries using the equity method.

In consolidation, the parent company's interest in the shareholders' equity of subsidiaries was eliminated, as well as the balances of assets and liabilities, revenues, costs and expenses arising from transactions carried out between the companies. The classification of the consolidated accounting accounts follows the Parent Company's grouping.

The direct and indirect subsidiaries of the Company are summarized in Note 10.1.

The accounting policies applied in the preparation of these financial statements are described in Note 2.6 and in the other explanatory notes.

2.3 Key accounting judgments and sources of uncertainty in estimates

The preparation of financial statements requires Management to make judgments and prepare estimates and assumptions based on experience and other factors considered significant that affect the reported amounts of assets, liabilities, as well as revenues, costs and expenses. Settlement of transactions involving these estimates may result in amounts different from those recorded in the financial statements.

The main judgments and estimates made by Management refer to (i) the assessment of the fair value of derivative financial instruments (Note 4(c)); (ii) provision for impairment of trades receivable from customers (provision for expected losses and doubtful debts) (Note 7); (iii) determination of the useful life and residual value of property and equipment (Note 12); (v) evaluation of the recoverability of goodwill generated by the expectation of future profitability (Note 13); (vi) provisions for risks (Note 20); (iv) calculation of income tax and social contribution (Note 21); and (v) measurement of costs for long-term incentive plans (Note 22(c)(i)).

The Company reviews its estimates and assumptions whenever necessary to reflect changes that may occur during the period, which are recognized on an accrual basis.

2.4 Functional and presentation currency

The Brazilian Real/Reais (BRL or R\$) is the functional currency of the Company and the reporting currency of the individual and consolidated financial statements. Financial information is presented in thousands of Brazilian Reais, unless otherwise indicated, and is rounded to the nearest thousand. The financial statements of the subsidiaries headquartered abroad were converted into Reais, as follows: (i) assets and liabilities converted at the closing rate on the balance sheet date; (ii) revenues and expenses converted using average exchange rates; (iii) the resulting exchange differences are recognized as other comprehensive income.

2.5 Statement of Value Added

The purpose of this statement is to show the wealth created by the Company and its distribution, and is presented as part of its financial statements, as required by Brazilian corporate law and the accounting practices adopted in Brazil applicable to publicly held companies. This statement is not required by IFRS and, as a result, is presented as supplementary information.

The 2.5 Statement of Value Added was prepared based on information obtained from the accounting records used as the basis for the preparation of the financial statements and in accordance with the provisions of CPC 09 – Statement of Value Added. The first part shows the wealth created by the Company, represented by revenues, costs and expenses, and wealth received in transfer. The second part presents the distribution of wealth among personnel, taxes, fees, and contributions, and compensation of third-party and own capital.

2.6 Summary of material accounting policies

The main accounting practices applied in the preparation of these financial statements, individual and consolidated, are summarized below or in the notes related to the respective line item and were consistently applied in the years presented for Localiza and its subsidiaries.

2.6.1 Impairment of non-financial assets – For non-financial assets subject to amortization or depreciation, the Company assesses, at the end of each year, whether there is any indication of impairment. If there is such an indication, an impairment loss is recognized when the carrying amount of the asset exceeds its recoverable amount, being the higher of an asset's fair value less costs to sell and its value in use.

Non-financial assets with an indefinite useful life, such as goodwill on the acquisition of an investment, are submitted annually to impairment tests or, more frequently, when there is an indication that it may present impairment (Note 13).

2.6.2 Assets and liabilities subject to indexation adjustment and exchange rate fluctuation – Assets and liabilities in Reais and subject to contractual, legal, or denominated in foreign exchange are updated on the balance sheet dates by applying the corresponding index / rates (except for lease liabilities). Gains and losses arising from indexation and exchange fluctuations are recognized in income for the year on an accrual basis.

2.6.3 Indemnities and claims – The Group offers its customers, through an insurance company, the option of contracting insurance for leased vehicles, third parties, and an extended warranty for decommissioned cars sold for fleet renewal. Premiums received are recorded in liabilities under "other current liabilities". When the policies are issued by the insurance company, the premiums received are reclassified to "suppliers" and, subsequently, transferred to the insurance company, which assumes the risk arising from any potential claims. The expenses incurred by Localiza on claims and indemnities, as well as any losses on stolen cars, are accounted for in assets under the line item "other current assets" until effectively received from the insurance company. Additionally, Localiza offers protection covering the car directly to its customers when contracting the rental, with the expenses incurred with claims and theft recorded in the statement of income and classified as "costs".

3. RECENTLY ISSUED ACCOUNTING STANDARDS AND INTERPRETATIONS

3.1 Accounting standards and interpretations issued recently and adopted for the first time for the year started on January 1, 2025

Amendments to IAS 21 / CPC 02 (R2) – Effects of Changes in Foreign Exchange Rates and Translation of Financial Statements: In August 2023, the IASB amended IAS 21 – “The Effects of Changes in Foreign Exchange Rates and Translation of Financial Statements” introducing new requirements aimed at helping entities determine whether a currency is convertible into another currency and, if not, which spot exchange rate should be used. Prior to these amendments, IAS 21 only established the exchange rate to be used when the lack of convertibility was temporary. The amendments are effective as of January 1, 2025.

The Company assessed the effects of these amendments and did not identify any material impacts on the financial statements.

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

The following IFRS were issued by IASB, but has not yet entered into force in the year ended December 31, 2025. The early adoption of the standards, although encouraged by IASB, is not permitted by the CPC.

- **IFRS 18 – Presentation and Disclosure in Financial Statements:** This new accounting standard will replace IAS 1 – Presentation of Financial Statements, introducing new requirements that will help achieve comparability of financial performance among similar entities and provide more relevant information and transparency to users. Although IFRS 18 does not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be widespread, particularly those related to the presentation of financial performance and the provision of performance measures defined by Management within the financial statements.

Management is currently assessing the detailed implications of applying the new standard to the Company's financial statements. Based on a preliminary assessment, the following potential impacts have been identified: a) Although the adoption of IFRS 18 does not impact the Company's net income, it is expected that the grouping of revenue and expense items in the statement of income into new categories will affect how operating results are calculated and disclosed. b) The line items presented in the primary financial statements may change because of the principles for aggregation and disaggregation. Additionally, since goodwill must be presented separately on the balance sheet, the Company will disaggregate goodwill and other intangible assets and present them separately on the balance sheet. c) The Company does not expect significant changes in the information currently disclosed in the notes to the financial statements, as the requirement to disclose material information remains unchanged; however, the way in which the information is grouped may change because of the aggregation/disaggregation principles. Additionally, there will be new significant disclosures required for: (i) performance measures defined by management; (ii) disclosure of the nature of certain expense lines presented by function in the operational category of the statement of income; and (iii) for the first year of IFRS 18 application, a reconciliation for each line of the statement of income between the restated values resulting from the application of IFRS 18 and the values previously presented under IAS 1.

For the statement of cash flows, there will be changes in how interest received and paid are presented. The interest paid will be presented as financing cash flows, and the interest received will be presented as investing cash flows.

The new standard is effective from January 1, 2027, with retrospective application, affecting the year ending December 31, 2026, which will be restated in accordance with IFRS 18.

- **Amendments to IFRS 7 and 9 – Financial Instruments:** On May 30, 2024, the IASB issued amendments to IFRS 9 – Financial Instruments and IFRS 7 – Financial Instruments: Disclosure to address recent practical issues, as well as include new requirements applicable to companies in general, not just financial institutions. The amendments are the following: (a) clarify the recognition and derecognition date of certain financial assets and liabilities, with a new exception for certain financial liabilities settled through an electronic cash transfer system; (b) clarify and add guidance on how to assess whether a financial asset meets the “solely payments of principal and interest” (SPPI) criterion; (c) add new disclosures for certain instruments with contractual terms that may alter cash flows (such as some financial instruments with characteristics linked to the achievement of ESG goals); (d) update disclosures for equity instruments designated at fair value through other comprehensive income (“FVOCI”).

The amendments are effective as of January 1, 2026. The Company does not expect these amendments to have a material impact on its operations or financial statements.

- **IFRS 19 – Subsidiaries Without Public Accountability:** In May 2024, the IASB issued IFRS 19, which allows eligible entities to choose to apply its reduced disclosure requirements while still applying the recognition, measurement, and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10 (CPC 36 (R3) – Consolidated Financial Statements), must not have public accountability, and must have a parent company (either final or intermediate) that prepares consolidated financial statements, publicly available, that comply with IFRS accounting standards. IFRS 19 will be effective starting January 1, 2027. The Company has been evaluating the effects of the standard and does not expect material impacts.

- **Annual Improvements to IFRS Accounting Standards – Volume 11:** The annual improvements are limited to amendments aimed at clarifying the wording of certain IFRS Accounting Standards or correcting minor unintended consequences, omissions, or conflicts between the requirements of the IFRS Accounting Standards. The amendments relate to the following standards:

IFRS 1 – First-time Adoption of International Financial Reporting Standards;
IFRS 7 - Financial Instruments: Disclosures and its Implementation Guidance;
IFRS 9 - Financial Instruments;
IFRS 10 - Consolidated Financial Statements; and
IAS 7 - Statement of Cash Flows.

Effective for annual periods beginning on or after January 1, 2026. The Company has been evaluating the effects of the standard and does not expect material impacts.

- **Amendments to IAS 21 – Translation into a Hyperinflationary Presentation Currency:** These narrow-scope amendments specify the translation procedures for an entity whose presentation currency is that of a hyperinflationary economy. The entity applies the amendments if:

- i) its functional currency is that of a non-hyperinflationary economy and it is translating its financial results and position into the currency of a hyperinflationary economy; or
- ii) it is translating the financial results and position of a foreign operation, whose functional currency is that of a non-hyperinflationary economy, into the currency of a hyperinflationary economy.

The amendments aim to enhance the usefulness of the resulting information in a cost-efficient manner. Developed in response to stakeholder feedback, these amendments are expected to reduce diversity in practice and provide a clearer basis for reporting in a hyperinflationary currency.

Effective for annual periods beginning on or after January 1, 2027. The Company has been evaluating the effects of the standard and does not expect material impacts.

- **Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36, and IAS 37 – “Disclosures of Uncertainties in Financial Statements”:** These amendments include examples illustrating how an entity may apply the requirements of the International Financial Reporting Standards (IFRS Accounting Standards) to disclose the effects of uncertainties in its financial statements. The examples demonstrate how to disclose the impacts of uncertainties in climate-related scenarios, but the principles and requirements are also applicable to the disclosure of other uncertainties. The examples do not add to or amend the requirements of the International Financial Reporting Standards (IFRS Accounting Standards) and, therefore, no transition requirements apply. Instead, these examples accompany the respective IFRS Accounting Standards to which they relate.

The Company does not expect these amendments to have a material impact on its operations or financial statements.

No other International Financial Reporting Standards (IFRS Accounting Standards) or IFRIC interpretations not yet effective are expected to have a significant impact on the Company's financial statements.

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial assets

Financial assets are classified upon initial recognition as follows: (i) at fair value through profit or loss; (ii) at fair value through other comprehensive income; or (iii) at amortized cost. The Company considered two factors to define the classification of financial assets – the business model in which the financial asset is managed and its characteristics of contractual cash flows.

On initial recognition, the Company and its subsidiaries measure a financial asset at fair value plus, in the case of a financial asset not measured at fair value through profit or loss, transaction costs directly attributable to the acquisition of the financial asset. The transaction costs of financial assets at fair value through profit or loss are recorded as expenses in profit or loss.

Regular purchases or sales of financial assets are recognized on a trade date basis, i.e., the date on which the Company and its subsidiaries agree to buy or sell the asset. Financial assets are derecognized when the rights to receive cash flows have expired or have been transferred and the Company and its subsidiaries have substantially transferred all the risks and rewards of ownership.

Financial liabilities

Financial liabilities are classified upon initial recognition as follows: (i) at amortized cost; (ii) at fair value through other profit or loss.

Financial liabilities measured at amortized cost using the interest rate method are recognized initially when funds are received, net of transaction costs, when applicable. At the balance sheet date, they are presented at initial recognition, less amortization of the principal installments, when applicable, plus corresponding charges incurred. The derecognition of financial liabilities occurs only when the obligations are settled, terminated and canceled. The difference between the carrying amount of the financial liability written down and the consideration paid and payable is recognized in profit or loss.

Financial liabilities classified as at fair value through profit or loss are presented at fair value, and any profit or loss arising from the fluctuation of fair value are recognized in the statement of income, as they are not part of the

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designated hedge (hedge accounting policy – Note 4.1). The net gain or loss recognized in the statement of income incorporates any interest paid on financial liabilities and is included in the “financial income”.

In the event of financial liabilities designated at fair value through profit or loss, the amount of changes in the fair value of the financial liability attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in credit risk of the liability in other comprehensive income would result in or increase the accounting mismatch in profit or loss. The remaining amount of the fair value change of the liability is recognized in the statement of income. Changes in fair value attributable to the credit risk of the financial liability recognized in other comprehensive income are not subsequently reclassified to profit or loss when the financial liability is written off.

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

	Note	Individual		Consolidated	
		12/31/25	12/31/24	12/31/25	12/31/24
Financial assets					
<u>Financial assets at amortized cost</u>					
Cash and cash equivalents	5	1,065,039	1,469,164	1,601,869	2,446,380
Financial assets	6	5,385,577	2,441,819	8,029,943	5,017,072
Trade receivables	7	2,895,729	2,375,654	4,011,382	4,054,781
Receivables from insurance company	9	300,758	286,892	308,882	301,325
Other receivables from related parties	9	54,850	44,643	-	-
Reimbursements receivable	9	4,986	-	20,709	95,067
Consortia quotas	9	1,408	1,094	3,120	41,580
Investments in restricted accounts	9	-	-	58,314	56,483
Escrow deposits	20(b)	211,723	103,859	241,969	241,238
<u>Financial assets at fair value through profit or loss</u>					
Cash and cash equivalents	5	35,809	182,865	103,582	1,122,256
Financial assets	6	478,341	781,461	1,950,364	3,814,936
Derivative financial instruments	4.1	364,231	664,676	387,512	953,445
Other trade receivables	9	8,954	-	8,954	26,186
<u>Financial assets at fair value through other comprehensive income</u>					
Derivative financial instruments	4.1	612,280	1,007,092	744,315	1,210,982
Financial liabilities					
<u>Financial liabilities at amortized cost</u>					
Suppliers	14	(8,366,374)	(7,638,893)	(9,342,633)	(10,026,394)
Assignment of credit rights	16	-	-	(10,601)	(48,052)
Loans, financing, and debt securities	17	(22,912,071)	(24,938,694)	(34,050,484)	(34,883,576)
Lease liability	18	(1,535,677)	(1,548,897)	(1,304,950)	(1,336,614)
Insurance premiums for transfer	19	(133,327)	(156,365)	(139,483)	(159,183)
Accounts payable to related parties	19	(1,826)	(6,869)	-	-
Restricted obligations	19	-	-	(61,537)	(58,572)
Amounts payable for the acquisition of companies	19	-	-	(3,650)	(9,074)
Dividends and interest on equity	22(e)	(480,521)	(380,064)	(480,521)	(380,064)
<u>Financial liabilities at fair value through profit or loss</u>					
Loans, financing, and debt securities	17	(8,472,741)	(7,338,341)	(9,544,854)	(9,882,961)
Derivative financial instruments	4.1	(408,047)	(79,469)	(423,730)	(104,267)

(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.

The risk identification, analysis, and monitoring process is monitored by the Company's Board of Directors, which has the power to make decisions about the strategies to be adopted, with the support of the Audit, Risk, and Compliance departments.

(i) Market risk

The market risk is managed to ensure that the Company is exposed only to risk levels considered acceptable in the context of its operations.

The Company enters derivative financial instruments to manage its exposure to market risks (interest rate and foreign exchange).

• **Interest rate risk** – Being the risk that the fair value or future cash flows of a certain financial instrument fluctuate due to market interest rate changes.

The Company uses cash from operating activities to conduct its operations and finance its fleet renewal and part of its growth. To supplement its cash requirements for growth, the Company obtains loans and financing from major financial institutions in Brazil and issues debt securities (debentures and promissory notes), which are mainly linked to the floating CDI rate. The inherent risk arises from the possibility of significant changes in the CDI rate, since interest rates can affect both the loan and financing costs raised by the Company and the debt cost, affecting finance costs.

As a strategy to manage interest rate risk, Management continuously monitors the CDI to, if necessary, adjust car rental fees to mitigate such fluctuations. For fleet rental, the Company takes out loans and financing at floating rates and transacts swaps of interest rates by changing the floating rate to the fixed rate, eliminating the risk of basic rate fluctuations (Note 4(b)). All cash equivalents and short-term investments of the Company yield CDI, the same index used for floating-rate debts.

Additionally, Localiza applies the initial designation of hedge accounting (CPC 48/IFRS 9 – Financial Instruments) to the DI vs. fixed-rate derivative transactions of Localiza Fleet (cash flow hedge).

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

As of December 31, 2025, consolidated net debt amounts to BRL 31,051,762. Of this amount, BRL 9,410,554 relates to net debt subject to CDI variation, and BRL 21,641,208 relates to fixed-rate debt at a weighted average rate of 11.89% per year. Debt with fixed interest refer mostly to hedging operations (swaps), exchanging rates indexed to the CDI for fixed rates.

Description	Consolidated		
	Likely scenario	Scenario I – 25% deterioration	Scenario II – 50% deterioration
Net debt on December 31, 2025 (Note 4(b))	31,051,762	31,051,762	31,051,762
Amounts hedged with a swap from a fixed rate	(21,641,208)	(21,641,208)	(21,641,208)
Net debt subject to CDI fluctuations	9,410,554	9,410,554	9,410,554
Effective average annual CDI rate for the period ended December 31, 2025	14.31%	14.31%	14.31%
Estimated average annual CDI rate, according to likely scenarios	13.39%	16.74%	20.09%
Effect on financial expenses subject to CDI fluctuations:			
- As per the effective rate	(1,346,650)	(1,346,650)	(1,346,650)
- As per likely scenarios	(1,260,073)	(1,575,327)	(1,890,580)
Estimated increase (decrease) in financial expenses for the next twelve months	86,577	(228,677)	(543,930)

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The scenario considered likely for the next 12 months was estimated at an average CDI rate of 13.39%, based on projection information provided by B3¹, compared with the effective annual rate of 14.31% observed in 2025.

• **Foreign currency risk** – The Company has loans and financing in foreign currency. To mitigate the effects from exchange rate fluctuation, the Company contracts derivative transactions for hedging purposes in accordance with its policies on Indebtedness, Derivatives, Market Risk Coverage Strategy and the Granting of Guarantees, Sureties and Guarantees approved by the Board of Directors.

As the contracted derivative financial instruments have the same characteristics as the respective loans and financing, the effect of an exchange rate increase on the debt is fully offset by the exchange rate increase on the derivative asset.

(ii) Credit Risk

Being the risk of a counterparty not fulfilling its contractual obligations, leading the Company to incur financial losses. The Company's credit risk basically arises from trade receivables, cash and cash equivalents, and short-term investments deposited/invested in banks and financial institutions, which include amounts invested in fixed-income investment fund units and other financial assets.

The maximum exposure to credit risk, based on the net carrying amount of the respective financial assets, is as follows:

	Individual		Consolidated	
	12/31/25	12/31/24	12/31/25	12/31/24
Cash and cash equivalents:				
At least Aa3 on Moody's scale or the equivalent in other rating agencies	1,100,848	1,652,029	1,705,451	3,568,636
Total cash and cash equivalents (Note 5)	1,100,848	1,652,029	1,705,451	3,568,636
Financial assets:				
At least Aa3 on Moody's scale or the equivalent in other rating agencies	5,863,918	3,223,280	9,980,307	8,832,008
Total short-term investments (Note 6)	5,863,918	3,223,280	9,980,307	8,832,008
Trade receivables:				
Trade receivables – customers	1,916,984	1,387,255	2,847,267	2,862,641
Trade receivables – credit cards:				
Aaa on Moody's scale	180,419	139,057	181,466	139,870
Sundry	798,326	849,342	982,649	1,052,270
Total trade receivables (Note 7)	2,895,729	2,375,654	4,011,382	4,054,781
Derivative financial instruments (assets):				
At least Aa3 on Moody's scale or the equivalent in other rating agencies	976,511	1,671,768	1,131,827	2,164,427
Total derivative financial instruments (assets) (Note 4.1)	976,511	1,671,768	1,131,827	2,164,427
Receivables from insurance company (Note 9)	300,758	286,892	308,882	301,325
Reimbursement to be invoiced (Note 9)	4,986	-	20,709	95,067
Consortia quotas (Note 9)	1,408	1,094	3,120	41,580
Investments in restricted accounts (Note 9)	-	-	58,314	56,483
Escrow deposits (Note 20(b))	211,723	103,859	241,969	241,238
Total other financial assets	518,875	391,845	632,994	735,693
Total	11,355,881	9,314,576	17,461,961	19,355,545

¹ https://www.b3.com.br/pt_br/market-data-e-indices/servicos-de-dados/market-data/consultas/mercado-de-derivativos/precos-referenciais/taxas-referenciais-bm-fbovespa/

• **Cash and cash equivalents and short-term investments** – The credit risk of balances with banks and financial institutions is managed by the Company's Financial Department, in accordance with policies established by the Board of Directors, aiming at minimizing the concentration of risks and, therefore, reducing financial losses in the event of bankruptcy of a counterparty.

As established by the Board of Directors, the maximum allocation of funds, on a consolidated basis, can only be carried out with financial institutions with ratings equal to or greater than AA by Standard & Poor's, Moody's or Fitch, and follow certain criteria regarding the rating, maximum limit, and shareholders' equity per institution.

• **Trade receivables** – The management of credit risk related to trade receivables is continually monitored by the Company, which has established control procedures.

The concentration of credit risk is limited because of the broad customer base. All significant operations and customers are in Brazil, with no customers that individually represent more than 10% of the Company's revenues.

The Company mitigates its credit risk as it primarily operates with credit cards for significant car rental transactions, combined with a payment method risk analysis, particularly for transactions involving individuals with short-term contracts. In operations involving corporate clients in car rentals, as well as fleet rental, this risk is mitigated through a credit limit concession policy based on the analysis of the financial position and experience with these clients, as well as the status of overdue accounts. The financial situation of customers is continuously monitored, with the aim of evaluating and adjusting, if necessary, the credit limit that has been previously granted. The credit risk in the sale of decommissioned vehicles is reduced using finance and/or leasing companies that have recognized financial capacity and liquidity. The vehicles are released after confirmation of credits for amounts paid in cash.

Credit risk management also includes an analysis of the recoverability of credits receivable, in which the need to set up an allowance for doubtful debts and expected losses is assessed, with the aim of adjusting them to expected recoverable amounts. This analysis, which aims to assign a risk rating to a customer according to the internal criteria defined by management, considers the current financial situation of the customer, any past experiences, delinquencies and historical credit loss (Note 7).

• **Derivative Financial Instruments** – The credit risk from operations with derivative financial instruments with banks, in which there is a balance receivable by the Company, is managed by the Company's Financial Board, under the Indebtedness, Derivatives, Strategy for Hedging Market Risks and Granting Guarantees, Sureties and Guarantees Policy, established by the Board of Directors, that lists the banks with which the Company may carry out operations.

(iii) Liquidity risk

Being the risk of the Company not having sufficient funds to settle its obligations. The liquidity risk management, conducted by the Finance Department, seeks to ensure that the Company has the necessary funds to settle its financial liabilities at the maturity dates, and is monitored by the Board of Directors and conducted considering funding requirements and liquidity management in the short, medium, and long terms. The Company manages the liquidity risk by maintaining appropriate financial resources available in cash and cash equivalents and short-term investments and by means of credit facilities, based on the continuous monitoring of estimated and realized cash flows, and the matching of the maturity profiles of financial assets and liabilities.

Management assesses third-party credit also by the corporate credit ratings allocated by the main rating agencies.

The Company and its subsidiaries manage liquidity and their cash flows periodically to ensure that operating cash generation and available funds, when necessary, are sufficient to maintain their commitments. The analysis of the maturities of undiscounted consolidated contractual cash flows of liability financial instruments, based on the interest rate contracted for each transaction and a CDI rate of 14.90% (according to B3²), on December 31, 2025, is as follows:

² https://www.b3.com.br/pt_br/market-data-e-indices/indices/indices-de-segmentos-e-setoriais/serie-historica-do-di.htm

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	Individual					2031 and after	Total
	2026	2027	2028	2029	2030		
Suppliers	8,366,374	-	-	-	-	-	8,366,374
Debentures	3,625,668	6,160,602	8,144,212	8,056,547	7,553,777	7,997,326	41,538,132
Working capital	350,479	660,083	247,771	221,994	197,510	172,965	1,850,802
Real Estate Receivables Certificate ("CRI")	155,983	432,430	303,852	76,522	527,621	-	1,496,408
Certificate of Agribusiness Receivables ("CRA")	54,993	55,108	427,854	48,490	71,402	68,926	726,773
Loans in foreign currency	893,835	1,668,290	1,142,854	1,091,083	-	-	4,796,062
Derivative financial instruments	282,403	10,924	-	90,586	-	24,134	408,047
Lease liability	423,071	389,933	324,209	268,929	223,367	1,127,893	2,757,402
Interest on equity	480,521	-	-	-	-	-	480,521
Other financial liabilities (a)	135,153	-	-	-	-	-	135,153
Total	14,768,480	9,377,370	10,590,752	9,854,151	8,573,677	9,391,244	62,555,674

	Consolidated					2031 and after	Total
	2026	2027	2028	2029	2030		
Suppliers	9,342,633	-	-	-	-	-	9,342,633
Assignment of credit rights	16,537	80	-	-	-	-	16,617
Debentures	5,068,418	7,607,591	10,883,860	11,738,487	11,651,796	10,317,881	57,268,033
Working capital	2,000,995	790,036	247,771	221,994	197,510	172,965	3,631,271
Real Estate Receivables Certificate ("CRI")	205,151	482,983	356,291	130,482	583,006	81,015	1,838,928
Certificate of Agribusiness Receivables ("CRA")	54,993	55,108	427,854	48,490	71,402	68,926	726,773
Consortia	-	-	-	2,424	-	-	2,424
Loans in foreign currency	1,972,338	1,668,290	1,142,854	1,091,083	-	-	5,874,565
Derivative financial instruments	298,086	10,924	-	90,586	-	24,134	423,730
Lease liability	358,049	322,349	254,143	196,410	148,310	567,237	1,846,498
Interest on equity	480,521	-	-	-	-	-	480,521
Other financial liabilities (a)	140,752	63,918	-	-	-	-	204,670
Total	19,938,473	11,001,279	13,312,773	13,519,956	12,652,024	11,232,158	81,656,663

(a) This refers to accounts payable to related parties, amounts payable related to the acquisition of companies, linked obligations, and insurance premiums to be passed on (Note 19).

(b) Capital management

The Company's businesses demand intensive long-term capital to finance the fleet, to achieve growth and its renewal strategy.

The main objectives of capital management are: (i) to ensure the Company's operational cash flow; (ii) to maintain a strong credit rating; (iii) to optimize shareholder returns; and (iv) to safeguard the Company's competitive advantage in raising funds.

The Company manages the capital structure and adjusts it for changes in economic conditions. To maintain or adjust capital structure, Management may modify the payment of dividends to shareholders, return capital to them or issue new shares.

Capital is monitored based on the Company's leverage ratio, which corresponds to net debt divided by shareholders' equity, as well as the value of the fleet. Net debt is defined as short and long-term debts, including the positive or negative balances of the hedge transactions, less cash and cash equivalents and short-term investments.

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The table below shows the Company's debt ratios:

	<i>Note</i>	Consolidated	
		12/31/25	12/31/24
Loans, financing, and debt securities	17	43,595,338	44,766,537
Derivative financial instruments	4.1	(708,097)	(2,060,160)
Cash and cash equivalents	5	(1,705,451)	(3,568,636)
Financial investments (a)	6	(10,130,028)	(9,073,855)
Net debt		31,051,762	30,063,886
Equity		25,539,012	26,342,714
Debt ratio (net debt/equity)		1.22	1.14
Fleet value (b)	12	54,759,308	54,925,108
Net debt/fleet value		0.57	0.55

(a) Excludes the adjustment to present value (Note 6), since Management believes that the net debt better represents the par value of the investment, its redemption value, being consistent with the maturity profile.

(b) Property and equipment - vehicles and vehicles being decommissioned for fleet renewal.

As of December 31, 2024, the reduction in the Individual Parent Company's net working capital resulted from the concentration of contributions made to subsidiaries, the repayment of debt, and investments in the fleet. The projected operational cash generation was considered sufficient to meet its short-term obligations.

(c) Fair value of financial instruments

The estimated carrying amounts and fair values of loans, financing, debt securities and short-term investments are calculated based on models that use observable inputs and future assumptions related to fixed and floating interest rates, among other applicable variables. The rates used are obtained from financial institutions for transactions with similar conditions or based on market information, when available. Fair values are calculated by projecting future cash flows of the transactions based on the projection of interest rate curves, discounted to present value using indicative price and benchmark rate data collected from financial institutions.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement hierarchies, which are described as follows:

- Level 1 information refers to quoted prices (unadjusted) in active markets for identical assets or liabilities to which the entity may have access on the measurement date;
- Level 2 information refers to information directly or indirectly observable for an asset or liability, other than quoted prices included in Level 1; and
- Level 3 information refers to information non-observable for an asset or liability.

The fair values of derivative financial instruments are classified under Level 2 and are presented in Note 4.1.

There are no financial instruments measured at fair value at the Levels 1 and 3 of the fair value hierarchy.

The financial instruments recognized in the financial statements at their carrying value are substantially similar to the values measured at fair value. The fair values of financial liabilities recognized at amortized cost in the Company's balance sheet are as follows:

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	Individual			
	Carrying amount		Fair value	
	12/31/25	12/31/24	12/31/25	12/31/24
Loans, financing, and debt securities				
Debentures	20,344,521	22,214,150	20,665,389	20,682,647
Working capital	1,290,664	1,360,081	1,330,266	1,318,223
Real Estate Receivables Certificate ("CRI")	1,020,800	1,006,737	1,025,833	978,586
Certificate of Agribusiness Receivables ("CRA")	256,086	-	256,675	-
Consortia	-	885	-	885
Loans in foreign currency	-	356,841	-	357,523
Total	22,912,071	24,938,694	23,278,163	23,337,864
	Consolidated			
	Carrying amount		Fair value	
	12/31/25	12/31/24	12/31/25	12/31/24
Loans, financing, and debt securities				
Debentures	29,694,262	30,553,088	30,016,631	28,850,377
Working capital	2,868,946	2,489,321	2,908,616	2,427,774
Real Estate Receivables Certificate ("CRI")	1,228,766	1,228,344	1,216,946	1,166,232
Certificate of Agribusiness Receivables ("CRA")	256,086	255,097	256,675	247,090
Consortia	2,424	885	2,424	885
Loans in foreign currency	-	356,841	-	357,523
Total	34,050,484	34,883,576	34,401,292	33,049,881

The other financial instruments recognized in the individual and consolidated financial statements at their amortized cost approximate their respective market values, since the maturity of a substantial part of the balances occurs on dates close to those of the balance sheets.

4.1 Derivative financial instruments and hedge activities

Derivatives are initially recognized at fair value on the date the contract is entered into and are subsequently remeasured at fair value. Changes in the fair value of financial derivative instruments are recognized in the statement of income. The method for recognizing the resulting gain or loss depends on whether the derivative is designated as a hedge instrument when hedge accounting is adopted. If this is the case, the method depends on the nature of the item being protected by hedge. The Company has adopted hedge accounting and designates certain derivatives as hedge for a specific risk associated with a recognized asset or liability or a highly likely transaction (cash flow hedges).

Changes in hedge amounts classified as "Other comprehensive income" in shareholders' equity are presented in the statement of changes in equity. The Company uses the initial designation for hedge accounting (CPC 48/IFRS 9) for CDI versus fixed-rate derivative transactions (cash flow hedge).

The balance of derivative financial instruments is as follows:

	Individual		Consolidated	
	12/31/25	12/31/24	12/31/25	12/31/24
Foreign currency x BRL (a)	(265,815)	552,260	(258,217)	815,331
CDI x fixed rate (b)	612,280	1,007,092	744,315	1,210,982
IPCA x CDI (c)	221,999	32,947	221,999	33,847
Total, net	568,464	1,592,299	708,097	2,060,160
Current assets	300,561	454,963	339,031	572,021
Non-current assets	675,950	1,216,805	792,796	1,592,406
Current liabilities	(282,403)	(66,269)	(298,086)	(91,067)
Non-current liabilities	(125,644)	(13,200)	(125,644)	(13,200)

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The balance of derivative financial instruments is as follows:

	<u>Individual</u>	<u>Consolidated</u>
As of December 31, 2024	1,592,299	2,060,160
Opening balance of the merged company	19,026	-
Adjustment to fair value – profit or loss	(263,191)	(536,488)
Adjustment to fair value – other comprehensive income	(912,142)	(1,045,950)
Interest amortization	132,472	230,375
As of December 31, 2025	568,464	708,097
	<u>Individual</u>	<u>Consolidated</u>
As of December 31, 2023	(140,461)	(165,732)
Debt assignment between Group companies (Note 17)	113,582	-
Adjustment to fair value – profit or loss	147,225	315,234
Adjustment to fair value – other comprehensive income	1,144,620	1,467,102
Interest amortization	327,333	443.556
As of December 31, 2024	1,592,299	2,060,160

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(a) Foreign currency x BRL

As of December 31, 2025, the Company and its subsidiaries had outstanding hedges designed exclusively for protection against exchange rate fluctuation for their foreign currency loans contracted with major financial institutions. The characteristics of these operations are the following:

Company	Classification	Maturity date	Consolidated									
			Index		Reference value	Yield curve			Market value (carrying amount)			Gain (loss)
			Long position	Short position	Notional	Long position	Short position	Gain (loss)	Long position	Short position	Gain (loss)	Curve x MTM
Localiza	Fair Value Option	02/04/2027	JPY + 2.02%	CDI + 1.90%	JPY 12,004,000 thousand	425,552	420,346	5,206	419,322	420,348	(1,026)	(6,232)
Localiza	Fair Value Option	01/27/2026	SOFR + 0.88%	CDI + 0.75%	USD 125,000 thousand	727,445	856,490	(129,045)	721,949	856,544	(134,595)	(5,550)
Localiza	Fair Value Option	11/29/2027	USD + 5.756%	CDI + 1.30%	USD 50,000 thousand	276,572	290,829	(14,257)	280,461	290,875	(10,414)	3,843
Localiza	Fair Value Option	01/04/2027	USD + 3.44%	CDI + 0.45%	USD 54,163 thousand	298,085	300,342	(2,257)	297,169	300,342	(3,173)	(916)
Localiza	Fair Value Hedge	10/15/2029	SOFR 6M + 1.90%	CDI + 0.8395%	USD 200,000 thousand	1,128,317	1,185,636	(57,319)	1,104,841	1,185,798	(80,957)	(23,638)
Localiza	Fair Value Hedge	10/15/2029	SOFR 6M + 1.90%	CDI + 0.86%	USD 172,000 thousand	970,353	1,012,814	(42,461)	961,566	1,013,091	(51,525)	(9,064)
Localiza	Fair Value Hedge	10/15/2029	Euribor 6M + 1.75%	CDI + 1.00%	EUR 89,386 thousand	591,154	568,499	22,655	584,375	568,500	15,875	(6,780)
Localiza Fleet	Fair Value Option	02/23/2026	USD + 6.7412%	CDI + 1.79%	USD 50,000 thousand	281,920	263,124	18,796	281,371	263,024	18,347	(449)
Localiza Fleet	Fair Value Option	01/13/2026	USD + 5.67%	CDI + 1.46%	USD 100,000 thousand	564,973	579,735	(14,762)	564,161	579,844	(15,683)	(921)
Localiza Fleet	Fair Value Option	06/29/2026	USD + 6.8353%	CDI + 1.30%	USD 40,000 thousand	220,180	215,860	4,320	220,778	215,844	4,934	614
						5,484,551	5,693,675	(209,124)	5,435,993	5,694,210	(258,217)	(49,093)

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(b) CDI x fixed rate

Funding at floating interest rates is hedged by cash flows from fluctuations in the benchmark rate ("CDI"), which leads to exposure to cash flow risk due to terms and cashflow amounts. Localiza adopted the initial designation for hedge accounting (CPC 48/IFRS 9) for CDI versus fixed-rate derivative transactions. The specific characteristics of these transactions on December 31, 2025 are as follows:

Company	Classification	Maturity ranges	Consolidated									
			Weighted average rates		Reference value	Yield curve			Market value (carrying amount)			Gain
			Long position	Short position	Notional	Long position	Short position	Gain	Long position	Short position	Gain	Curve x MTM
			% CDI									
Localiza	Cash Flow	Ja/26 to Oct/30	100% CDI	11.70%	11,977,200	14,413,284	14,046,013	367,271	14,414,503	13,870,150	544,353	177,082
Localiza	Cash Flow	Jan/26 to Apr/28	100.01% CDI	11.78%	1,686,011	2,158,163	2,123,131	35,032	2,158,923	2,090,996	67,927	32,895
Localiza Fleet	Cash Flow	Jan/26 to Jan/31	100% CDI	12.43%	4,724,462	5,551,255	5,472,064	79,191	5,551,678	5,419,643	132,035	52,844
						22,122,702	21,641,208	481,494	22,125,104	21,380,789	744,315	262,821

(c) IPCA x CDI

The Group has derivative financial instruments contracted to swap the interest on IPCA-indexed issuances for their equivalent in CDI, which is the reference index used by the Group. The specific characteristics of these transactions on December 31, 2025, are as follows:

Company	Classification	Maturity date	Consolidated									
			Weighted average rates		Reference value	Yield curve			Market value (carrying amount)			Loss
			Long position %	Short position	Notional	Long position	Short position	Gain (loss)	Long position	Short position	Gain (loss)	Curve x MTM
			CDI/CDI +									
Localiza	Fair Value Option	March 2031	IPCA + 5.4702%	CDI + 1.99% p.a.	400,000	530,716	419,344	111,372	449,636	419,344	30,292	(81,080)
Localiza	Fair Value Option	March 2031	IPCA + 5.4702%	CDI + 1.99% p.a.	300,000	398,037	314,508	83,529	337,225	314,508	22,717	(60,812)
Localiza	Fair Value Option	March 2031	IPCA + 5.4702%	CDI + 1.99% p.a.	300,000	398,037	314,508	83,529	337,225	314,508	22,717	(60,812)
Localiza	Fair Value Option	March 2031	IPCA + 5.4702%	CDI + 1.99% p.a.	200,000	265,358	209,672	55,686	224,817	209,672	15,145	(40,541)
Localiza	Fair Value Hedge	April 2029	IPCA + 7.2101%	CDI + 2.01% p.a.	515,000	607,916	532,490	75,426	572,830	532,490	40,340	(35,086)
Localiza	Fair Value Hedge	September 2031	IPCA + 6.5119%	CDI + 2.24% p.a.	1,100,000	1,405,388	1,154,005	251,383	1,253,384	1,154,005	99,379	(152,004)
Localiza	Fair Value Hedge	December 2031	IPCA + 8.8670%	CDI + 1.40% p.a.	700,000	796,372	812,223	(15,851)	788,091	812,224	(24,133)	(8,282)
Localiza	Fair Value Hedge	July 2031	IPCA + 4.8250%	CDI + 1.42% p.a.	164,925	159,192	131,160	28,032	136,884	131,160	5,724	(22,308)
Localiza	Fair Value Hedge	September 2028	IPCA + 6.6018%	CDI + 1.06% p.a.	152,609	146,292	129,662	16,630	139,480	129,662	9,818	(6,812)
						4,707,308	4,017,572	689,736	4,239,572	4,017,573	221,999	(467,737)

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5. CASH AND CASH EQUIVALENTS

The Company considers cash and cash equivalents to be cash, bank deposits, and other short-term, highly liquid financial investments, with original maturities of up to three months, readily convertible into a known amount of cash and subject to an insignificant risk of change in value, maintained for the purpose of meeting short-term commitments.

Cash and cash equivalents are as follows:

	Individual		Consolidated	
	12/31/25	12/31/24	12/31/25	12/31/24
Cash and banks	60,393	38,870	75,937	48,290
Bank Certificates of Deposit ("CDB")	435,375	937,779	832,232	1,740,871
Investments in financial bills	569,271	492,515	693,700	657,219
Investment fund units	35,809	182,865	103,582	1,122,256
Total	1,100,848	1,652,029	1,705,451	3,568,636

As of December 31, 2025, investments in CDBs, financial bills, and shares of fixed-income investment funds yielded a weighted average annual return of 104.4% of the Interbank Deposit Certificate ("CDI") rate (105.2% as of December 31, 2024).

6. SHORT-TERM INVESTMENTS

The Company considers short-term investments to be bank deposits and other short- and long-term liquidity investments that do not meet all the criteria to be classified as cash equivalents pursuant to CPC 03 (R2)/IAS7 – Cash Flow Statements.

Short-term investments are as follows:

	Individual		Consolidated	
	12/31/25	12/31/24	12/31/25	12/31/24
Bank Certificates of Deposit ("CDB")	3,433,485	1,058,050	5,305,925	3,633,303
Investment fund units	478,341	781,461	1,950,364	3,814,936
Investments in financial bills	862,181	413,341	1,634,107	413,341
Linked bank certificates of deposit	1,239,632	1,212,275	1,239,632	1,212,275
(-) Present value adjustment (a)	(149,721)	(241,847)	(149,721)	(241,847)
Total	5,863,918	3,223,280	9,980,307	8,832,008
Current	4,773,346	2,251,852	8,887,354	7,856,926
Non-current	1,090,572	971,428	1,092,953	975,082

(a) Financial investment contracted as part of the business combination with Companhia de Locação das Américas carried out on June 22, 2022.

As of December 31, 2025, financial investments yielded a weighted average annual return of 103.9% of the CDI rate (109.7% as of December 31, 2024).

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7. TRADE RECEIVABLES

The balance of accounts receivable mainly consists of amounts receivable from customers for car rentals, which include franchise fees, fleet rental, telemetry services, development and licensing of customizable software programs, and the sale of cars decommissioned for fleet renewal in the normal course of the Group's operations.

For contracts that are in progress and will be billed after the end of the year, the amount is calculated based on the days incurred and accounted for as revenue to be billed until the entire contractual obligation is fulfilled.

At the end of each period, the Company assesses the need to establish an allowance for expected credit losses to adjust receivables to their probable realizable amounts. This analysis, which aims to assign a certain risk rating to the customer according to the internal criteria defined by Management, considers the current financial situation of the customer, any past experiences, the position of overdue debts and historical credit loss.

The expected losses on balances of trade receivables not yet due were calculated based on the actual experience of credit loss in the last year. The Company calculated the loss rates separately for each business category, using the default percentage observed between 90 and 180 days past due, considering the nature of the customer, since after this period the effectiveness of collection processes is no longer considered representative. Positions within each activity category were segregated based on common credit risk characteristics, such as credit risk classification, type of product purchased, form of payment and level of default.

Trade receivables are as follows:

	Individual		Consolidated	
	12/31/25	12/31/24	12/31/25	12/31/24
Car rental	1,389,696	1,502,352	1,355,113	1,517,930
Fleet rental	501,540	-	1,379,573	1,284,660
Unbilled revenues	587,837	502,680	662,129	672,478
Sale of decommissioned vehicles and resale of vehicles	760,887	560,144	1,065,761	918,494
Sale of equipment and telemetry	-	-	31,352	39,780
	3,239,960	2,565,176	4,493,928	4,433,342
Allowance for doubtful debts and expected losses	(344,231)	(189,522)	(482,546)	(378,561)
Total	2,895,729	2,375,654	4,011,382	4,054,781
Current	2,879,439	2,375,654	3,995,092	4,033,679
Non-current	16,290	-	16,290	21,102

The aging list of trade receivables is as follows:

	Individual		Consolidated	
	12/31/25	12/31/24	12/31/25	12/31/24
Current	2,700,898	2,198,209	3,623,045	3,607,083
Up to 30 days past due	152,101	113,139	291,454	281,339
31 to 60 days past due	48,785	30,641	93,664	107,378
61 to 90 days past due	36,145	39,456	61,111	79,961
91 to 180 days past due	59,913	51,528	91,169	105,673
Over 181 days past due	242,118	132,203	333,485	251,908
Total	3,239,960	2,565,176	4,493,928	4,433,342

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The allowance for doubtful debts and expected losses by maturity is as follows:

	Individual		Consolidated	
	12/31/25	12/31/24	12/31/25	12/31/24
Current	(38,993)	(11,746)	(59,263)	(45,826)
Up to 30 days past due	(4,747)	(5,483)	(8,175)	(11,397)
31 to 60 days past due	(3,243)	(3,270)	(4,896)	(4,521)
61 to 90 days past due	(3,073)	(4,181)	(3,993)	(7,263)
91 to 180 days past due	(53,653)	(45,476)	(76,679)	(80,572)
Over 181 days past due	(240,522)	(119,366)	(329,540)	(228,982)
Total	(344,231)	(189,522)	(482,546)	(378,561)

Changes in the allowance for doubtful debts and expected losses were as follows:

	Individual	Consolidated
As of December 31, 2024	(189,522)	(378,561)
Balance arising from merged companies	(136,634)	-
Non-current assets held for sale (Note 30)	-	935
Provision, net of reversals	(18,075)	(104,920)
As of December 31, 2025	(344,231)	(482,546)
	Individual	Consolidated
As of December 31, 2023	(158,388)	(287,069)
Provision, net of reversals	(31,134)	(91,492)
As of December 31, 2024	(189,522)	(378,561)

8. RECOVERABLE TAXES

	Individual		Consolidated	
	12/31/25	12/31/24	12/31/25	12/31/24
PIS and COFINS (a)	329,137	229,784	539,972	485,234
Income tax and social contribution	292,534	210,402	593,571	473,122
VAT recoverable	-	-	115,290	70,639
Other taxes	26,245	17,060	31,675	29,155
Total	647,916	457,246	1,280,508	1,058,150
Current	328,364	229,432	869,510	693,983
Non-current	319,552	227,814	410,998	364,167

(a) The Company and certain subsidiaries conduct a review of the tax useful lives for specific fleet vehicles through a technical report, in accordance with Article 320 of the Income Tax Regulation (Decree No. 9,580/18). As a result of these reviews, technical reports were issued, reducing the tax useful life of these vehicles. As a result of this reduction, there was an increase in tax depreciation, tax loss, and carryforwards for social contribution, along with the corresponding recognition of PIS/COFINS tax credits.

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9. OTHER CURRENT AND NON-CURRENT ASSETS

	Individual		Consolidated	
	12/31/25	12/31/24	12/31/25	12/31/24
Prepaid expenses	42,316	35,390	47,267	40,386
Receivables from insurance company (a)	300,758	286,892	308,882	301,325
Other receivables from related parties (Note 11(a))	54,850	44,643	-	-
Advance to suppliers	40,809	57,017	45,801	64,021
Reimbursements receivable	4,986	-	20,709	95,067
Consortia quotas	1,408	1,094	1,408	37,523
Other current assets	28,571	30,737	54,892	54,804
Total other current assets	473,698	455,773	478,959	593,126
Investments in restricted accounts (Note 19)	-	-	58,314	56,483
Prepaid expenses	1,655	382	1,655	412
Consortia quotas	-	-	1,712	4,057
Other trade receivables	8,954	-	8,954	26,186
Other non-current assets	568	-	568	2,716
Total other non-current assets	11,177	382	71,203	89,854

(a) Expenses incurred on claims and receivables from insurance companies related to insurance contracted by customers when they rent cars. The Company acts as an agent in the intermediation of these insurance policies, without assuming the actuarial risk of the policies, which is fully borne by the insurer. Accordingly, amounts related to claims are recorded against amounts receivable from the insurer and do not represent the Company's own revenue.

10. INVESTMENTS

10.1 Direct and indirect investees

Name	Headquarters	% participation in share/voting capital		Activity
		12/31/25	12/31/24	
Direct subsidiaries				
Agile Gestão de Frotas e Serviços S.A. (a) ("Agile") (a)	Belo Horizonte – MG	100	100	Fleet rental and intermediation in the sale of decommissioned cars
Car Assistance Serviços de Administração de Sinistros S.A. ("Car Assistance")	Belo Horizonte – MG	100	100	Manages claims for insurance companies
Companhia de Locação das Américas ("Locamerica") (b)	Belo Horizonte – MG	-	100	Fleet rental
Localiza Fleet S.A. ("Localiza Fleet")	Belo Horizonte – MG	100	100	Fleet rental
Localiza Franchising Brasil S.A. ("Franchising Brasil") (c)	Belo Horizonte – MG	-	100	Franchise business
Localiza Serviços Prime S.A. ("Localiza Prime")	Belo Horizonte – MG	100	100	Intermediary in the sale of decommissioned cars
Localiza Veículos Especiais S.A. ("Localiza Veículos Especiais") (d)	São Paulo – SP	100	100	Fleet rental
Rental Brasil Administração e Participação S.A. ("Rental Brasil")	Belo Horizonte – MG	100	100	Purchase, sale, and rental of real estate for the Group and third parties
Indirect subsidiaries				
Acelero Comércio de Veículos S.A. ("Acelero") (e)	Belo Horizonte – MG	-	100	Resale of used cars and intermediation activities
Car as a Service Ltda. (f)	Belo Horizonte – MG	-	100	Sundry automotive services
Getrak Serviços S.A. ("Getrak")	Belo Horizonte – MG	100	100	Solutions for tracking and telemetry
LLMX Sociedad Anónima de Capital Variable ("LLMX")	Mexico	100	100	Car rental
Localiza Lux Sarl Sef (g)	Luxembourg	-	100	Interest in other entities
MOBI7 Tecnologia em Mobilidade S.A.	Curitiba – PR	100	100	Solutions for tracking and telemetry
MOBI7 Sociedad Anónima de Capital Variable	Mexico	100	100	Solutions for tracking and telemetry
Voll Soluções em Mobilidade Corporativa S.A. ("Voll") (h)	Belo Horizonte – MG	64.6	64.6	Travel and tourism agency services
Voll S.A. (h)	Belo Horizonte – MG	64.6	64.6	Travel and tourism agency services

(a) As of August 1, 2025, Agile became a direct subsidiary following the merger of Locamerica into Localiza.

(b) On August 1, 2025, Locamerica was merged into Localiza, as resolved in the minutes of Localiza's Extraordinary General Meeting.

(c) On April 30, 2025, Localiza Franchising Brasil S.A. was merged into Localiza, as resolved in the Minutes of Localiza's Extraordinary General Meeting.

(d) On June 1, 2025, Localiza held a 43.7% direct interest and a 56.3% indirect interest through its direct investee, Companhia de Locação das Américas. Subsequently, on August 1, 2025, with the merger of Locamerica into Localiza, the company now holds a 100% direct interest.

(e) On July 1, 2025, Acelero was merged into Locamerica, as resolved in the minutes of Locamerica's Extraordinary General Meeting.

(f) On May 31, 2025, Car As Service Ltda. was dissolved, as resolved in the Termination of Articles of Association, and its equity was transferred to its sole shareholder, Localiza Fleet, as approved in a meeting of Localiza Fleet's Board of Directors.

(g) On December 22, 2025, Localiza Lux Sarl Sef was dissolved, as per the Articles of Dissolution, and its equity was transferred to its sole shareholder, Localiza Fleet, as approved at a meeting of the Board of Directors of Localiza Fleet.

(h) On November 13, 2025, an agreement was formalized to sell all Localiza's interest in Voll (Notes 1.3 and 31).

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10.2 Additional information on investments

(a) Partial spin-off of vehicles from the direct subsidiary Locamerica

On June 1, 2025, the first phase of the partial spin-off of Locamerica was approved at an Extraordinary General Meeting, with the transferred portion of its assets allocated to Localiza Veículos Especiais. The spun-off net assets were appraised at a book value of BRL 2,033,522 as of March 31, 2025, according to a report issued by an independent consulting firm.

On July 1, 2025, the second phase of the partial spin-off of Locamerica was approved at an Extraordinary General Meeting, followed by the absorption of the spun-off portion of its equity by Localiza Veículos Especiais. The spun-off net assets were appraised at a book value of BRL 10,844 as of March 31, 2025, according to a report issued by an independent consulting firm.

With the partial spin-off, Locamerica's share capital was reduced by BRL 2,044,366, increasing the capital of Localiza Veículos Especiais S.A. through the issuance of 2,044,406,428 common shares, registered and without par value, which were subscribed and fully paid by the Company. As a result, the Company now holds 43.7% of the share capital of Localiza Veículos Especiais S.A., which was subsequently increased to 43.9% in the second phase of the spin-off. On the effective dates of the spin-offs, June 1 and July 1, 2025, the total equity transferred amounted to BRL 1,963,351.

On August 1, 2025, the merger of Locamerica into Localiza was approved, with the merged company becoming wholly owned by the Company (Note 10.2(b)).

These spin-offs and the merger did not result in any change in the Company's share capital, nor in the number of shares or dilution of shareholders' interests.

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(b) Corporate merger

Franchising Brasil

On April 30, 2025, the merger of Franchising Brasil, a wholly owned subsidiary of the Company, was approved at an Extraordinary General Meeting, with all its assets and liabilities becoming part of the Company as of that date. The merger was carried out based on an appraisal report of the merged company's book net equity at book value, issued by an independent consulting firm hired by the Company. For the purposes of the statement of cash flows, the merged assets and liabilities are classified as non-cash transactions, except for the item "Cash and cash equivalents".

Assets	04/30/2025	Liabilities and shareholder's equity	04/30/2025
Current assets		Current liabilities	
Cash and cash equivalents	4,796	Labor obligations	1,091
Trade receivables	4,122	Income tax and social contribution payable	335
Recoverable taxes	102	Other current liabilities	7,593
Other current assets	599	Total current liabilities	9,019
Total current assets	9,619		
		Non-current liabilities	
Non-current assets		Provisions for risks	5,182
Long-term assets:		Other non-current liabilities	5,347
Trade receivables	2,901	Total non-current liabilities	10,529
Escrow deposits	6,493	Total liabilities	19,548
Total long-term assets	9,394		
		Equity	
Intangible assets	6,386	Share capital	399
Total non-current assets	15,780	Capital reserves	893
		Retained earnings	4,559
Total assets	25,399	Total shareholders' equity	5,851
		Total liabilities and shareholders' equity	25,399

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Locamerica

On August 1, 2025, the merger of Locamerica, a wholly owned subsidiary of the Company, was resolved and approved at an Extraordinary General Meeting, with all its assets and liabilities becoming part of its parent company as of that date. The merger was carried out based on an appraisal report of the merged company's book net equity at book value, issued by an independent consulting firm hired by the Company. For the purposes of the statement of cash flows, the merged assets and liabilities are classified as non-cash transactions, except for the item "Cash and cash equivalents".

Assets	<u>08/01/2025</u>	Liabilities and shareholder's equity	<u>08/01/2025</u>
Current assets		Current liabilities	
Cash and cash equivalents	649,173	Suppliers	297,627
Financial assets	1,771,568	Payroll and related taxes	515
Trade receivables	516,723	Loans, financing, and debt securities	16,125
Cars decommissioned for fleet renewal	381,059	Derivative financial instruments	5,684
Recoverable taxes	17,739	Lease liability	1,606
Other assets	48,995	Income tax and social contribution payable	44,535
Total current assets	<u>3,385,257</u>	Other liabilities	103,892
		Total current liabilities	<u>469,984</u>
Non-current assets		Non-current liabilities	
Long-term assets:		Loans, financing, and debt securities	633,648
Derivative financial instruments	24,710	Lease liability	3,390
Escrow deposits	123,769	Provisions for risks	110,814
Other assets	14,576	Deferred income tax and social contribution	827,215
Total long-term assets	<u>163,055</u>	Other liabilities	1,302
		Total non-current liabilities	<u>1,576,369</u>
Investments	2,635,209	Total liabilities	<u>2,046,353</u>
Property and equipment	6,052,855	Equity	<u>10,196,545</u>
Intangible assets	6,522		
Total non-current assets	<u>8,857,641</u>	Total liabilities and shareholders' equity	<u>12,242,898</u>
Total assets	<u>12,242,898</u>		

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10.3 Balance of Investments

	Localiza Fleet Consolidated	Locamerica Consolidated	Rental Brasil	Localiza Prime	Car Assistance	Franchising Brasil	Localiza Veículos Especiais	Agile Consolidated	Elimination of CPC 06 (R2)/IFRS 16 (a)	Goodwill on acquisition of investments	Total
As of December 31, 2024 – investment in subsidiaries	5,072,028	16,323,892	211,880	55,384	1,285	7,151	-	-	67,553	8,330,449	30,069,622
Equity in the earnings of investees	994,010	(374,261)	10,061	47,225	1,901	4,484	109,663	38,588	11,387	-	843,058
Non-cash capital increase (decrease)	-	(1,963,351)	-	-	-	-	4,496,179	99,932	-	-	2,632,760
Increase (decrease) in capital (cash) (b)	-	(3,272,461)	313,000	-	-	-	-	-	-	-	(2,959,461)
Dividends from subsidiaries (in addition to the mandatory minimum for 2024 and the proposed for 2025) – Note 10.3.1 b)	(236,077)	(511,977)	(9,272)	(47,144)	(1,520)	(5,802)	(43,869)	(12,900)	-	-	(868,561)
Interim dividends for the year – (10.3.1 (b))	-	-	-	-	-	-	(178,983)	(4,249)	-	-	(183,232)
Long-term incentive plans with treasury shares of subsidiaries	(1,743)	(6,399)	-	-	-	-	-	-	-	-	(8,142)
Long-term incentive programs – subsidiaries	2,689	1,102	-	-	-	18	51	-	-	-	3,860
Write-off due to merger – (10.2)	-	(10,196,545)	-	-	-	(5,851)	-	-	-	-	(10,202,396)
Cash flow hedge and changes in the fair value of credit risk	(88,492)	-	-	-	-	-	-	-	-	-	(88,492)
Cumulative translation adjustments of investees abroad	2,892	-	-	60	-	-	-	-	-	-	2,952
Transfer by merger – goodwill on acquisition of investments (Note 13)	-	-	-	-	-	-	-	-	-	(8,330,449)	(8,330,449)
As of December 31, 2025 – investment in subsidiaries	5,745,307	-	525,669	55,525	1,666	-	4,383,041	121,371	78,940	-	10,911,519
As of December 31, 2024 – capital gains and losses	-	(267,773)	-	-	-	-	-	-	-	-	(267,773)
Realization of net (gain)/loss on property and equipment	-	28,188	-	-	-	-	8,618	-	-	-	36,806
Realization of net (gain)/loss on intangible assets	-	(3,922)	-	-	-	-	(1,750)	-	-	-	(5,672)
Realization of impairment loss from contingencies	-	7,643	-	-	-	-	148	-	-	-	7,791
Transfer of fair value adjustment from merger of subsidiary	-	29,835	-	-	-	-	(27,386)	-	-	-	2,449
Transfer by merger – net fair value adjustment (gain/loss) on property and equipment (Note 12)	-	19,689	-	-	-	-	-	-	-	-	19,689
Transfer by merger – net fair value adjustment on intangible assets (Note 13)	-	(103,626)	-	-	-	-	-	-	-	-	(103,626)
Transfer by merger – impairment loss from contingencies (Note 20)	-	289,966	-	-	-	-	-	-	-	-	289,966
As of December 31, 2025 – capital gains and losses	-	-	-	-	-	-	(20,370)	-	-	-	(20,370)
As of December 31, 2025	5,745,307	-	525,669	55,525	1,666	-	4,362,671	121,371	78,940	-	10,891,149
As of December 31, 2024	5,072,028	16,056,119	211,880	55,384	1,285	7,151	-	-	67,553	8,330,449	29,801,849

(a) Equity in the Earnings of Subsidiaries recorded at the Parent Company, corresponding to the difference in the elimination in the statement of income between the rental revenue and depreciation and lease interest, related to the lease contract for the Administrative Headquarters and the Localiza Labs space between Localiza and its subsidiary Rental Brasil.

(b) Changes in capital settled in cash were as follows: i) Locamerica: On January 27, 2025, and June 6, 2025, capital reductions of BRL 1,672,461 and BRL 1,600,000, respectively, were carried out, approved at Extraordinary General Meetings held on November 14, 2024, and March 27, 2025, respectively, in accordance with Article 173 of Law 6,404/76, without cancellation of shares. This amount was fully returned to the Company, the sole shareholder of Locamerica. ii) Rental Brasil: On December 17, 2025, an increase in capital in the amount of BRL 313,000 was approved at an Extraordinary General Meeting.

As a result of the merger of Locamerica, completed on August 1, 2025, the balances of goodwill, revaluation surplus, and revaluation deficit previously recorded in the investment were reclassified to their respective asset groups — property and equipment, intangible assets, and contingencies (Notes 12, 13, and 20).

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	Localiza Fleet Consolidated	Locamerica Consolidated	Rental Brasil	Localiza Prime	Car Assistance	Franchising Brasil	Elimination of CPC 06 (R2)/IFRS 16 (a)	Goodwill on acquisition of investments	Total
As of December 31, 2023 – investment in subsidiaries	2,594,293	14,176,547	129,906	59,896	1,836	5,828	56,575	8,330,449	25,355,330
Equity in the earnings of investees	833,677	834,795	9,658	47,116	1,394	7,734	10,978	-	1,745,352
Capital increase	1,620,000	-	75,000	-	-	-	-	-	1,695,000
Capital increase (non-cash) – Note 17	-	2,368,065	-	-	-	-	-	-	2,368,065
Dividends from subsidiaries	(197,997)	(1,057,430)	(2,684)	(51,879)	(1,945)	(6,511)	-	-	(1,318,446)
Long-term incentive programs with treasury shares of subsidiaries	(1,934)	(2,906)	-	-	-	(66)	-	-	(4,906)
Long-term incentive programs – subsidiaries	2,821	4,821	-	-	-	166	-	-	7,808
Cash flow hedge and changes in the fair value of credit risk	208,846	-	-	-	-	-	-	-	208,846
Cumulative translation adjustments of investees abroad	12,322	-	-	251	-	-	-	-	12,573
As of December 31, 2024 – investment in subsidiaries	5,072,028	16,323,892	211,880	55,384	1,285	7,151	67,553	8,330,449	30,069,622
As of December 31, 2023 – capital gains and losses	-	(309,432)	-	-	-	-	-	-	(309,432)
Realization of impairment/gain on property and equipment, net	-	32,168	-	-	-	-	-	-	32,168
Realization of impairment/gain on intangible assets, net	-	(6,721)	-	-	-	-	-	-	(6,721)
Realization of impairment loss from contingencies	-	16,212	-	-	-	-	-	-	16,212
As of December 31, 2024 – capital gains and losses	-	(267,773)	-	-	-	-	-	-	(267,773)
As of December 31, 2024	5,072,028	16,056,119	211,880	55,384	1,285	7,151	67,553	8,330,449	29,801,849
As of December 31, 2023	2,594,293	13,867,115	129,906	59,896	1,836	5,828	56,575	8,330,449	25,045,898

(a) Equity in the Earnings of Subsidiaries recorded at the Parent Company, corresponding to the difference in the elimination in the statement of income between the rental revenue and depreciation and lease interest, related to the lease contract of the Administrative Headquarters between Localiza and its subsidiary Rental Brasil.

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10.3.1 Summary financial information of investees

(a) Balance sheet and statement of income

	12/31/2025			2025
	Assets	Liabilities	Equity	Net income (loss) for the year
Localiza Fleet (a)	21,614,962	15,861,195	5,753,767	986,023
Locamerica	-	-	-	(374,261)
Rental Brasil	802,574	276,905	525,669	10,061
Localiza Prime	102,831	47,306	55,525	47,225
Car Assistance	2,375	709	1,666	1,901
Franchising Brasil	-	-	-	4,484
Localiza Veículos Especiais (b)	5,004,780	621,739	4,383,041	184,710
Agile (c)	153,558	32,187	121,371	60,628

	12/31/2024			2024
	Assets	Liabilities	Equity	Net income for the year
Localiza Fleet (a)	20,802,878	15,714,521	5,088,357	831,246
Locamerica	18,438,313	2,114,421	16,323,892	834,795
Rental Brasil	462,511	250,631	211,880	9,658
Localiza Prime	86,465	31,081	55,384	47,116
Car Assistance	1,792	507	1,285	1,394
Franchising Brasil	28,857	21,706	7,151	7,734

(a) At Localiza Fleet, BRL 8,460 was recognized in equity and BRL 7,987 as loss for the year (BRL 16,329 in equity as of December 31, 2024, and BRL 2,431 as profit for the year 2024), relating to non-controlling interests.

(b) Localiza Veículos Especiais S.A. net income of BRL 184,710 for the year, of which BRL 109,663 relates to the period following the partial spin-off and merger, when Localiza began holding a direct investment in this subsidiary.

(c) The net income for the year was BRL 60,628, of which BRL 38,588 relates to the period following the merger of Locamerica, when Localiza began holding a direct investment in this subsidiary.

(b) Dividends

2025	Localiza Fleet	Locamerica	Rental Brasil	Localiza Prime	Car Assistance	Franchising Brasil	Veículos Especiais	Agile	Total
Dividends proposed for 2024 (mandatory minimum)	197,997	-	2,294	11,779	348	1,934	-	-	214,352
Additional dividends above the mandatory minimum for 2024	-	511,977	6,882	35,337	1,045	5,802	-	-	561,043
Dividends received	(197,997)	(511,977)	(9,176)	(47,116)	(1,393)	(7,736)	(178,983)	(4,249)	(958,627)
Interim dividends for 2025	-	-	-	-	-	-	178,983	4,249	183,232
Dividends proposed for 2025	236,077	-	2,390	11,807	475	-	43,869	12,900	307,518
Total dividends receivable	236,077	-	2,390	11,807	475	-	43,869	12,900	307,518

2024	Localiza Fleet	Locamerica	Rental Brasil	Localiza Prime	Car Assistance	Franchising Brasil	Total
2023 dividends (mandatory minimum)	147,110	171,218	130	13,367	532	1,526	333,883
Additional dividends above the mandatory minimum for 2023	-	513,656	390	40,100	1,597	4,577	560,320
Dividends received	(147,110)	(1,228,648)	(520)	(53,467)	(2,129)	(6,103)	(1,437,977)
Interim dividends for 2024	-	543,774	-	-	-	-	543,774
Dividends proposed for 2024	197,997	-	2,294	11,779	348	1,934	214,352
Total dividends receivable	197,997	-	2,294	11,779	348	1,934	214,352

Dividends from subsidiaries are classified as investing activities in the Statement of Cash Flows.

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11. TRANSACTIONS WITH RELATED PARTIES

(a) Balances and transactions

In the normal course of business, operations are carried out among the companies of the Group, mainly car rentals for companies to serve their customers, use of the administrative structure, and use of Localiza's corporate headquarters.

The sale of decommissioned cars for fleet renewal is carried out through a prepurchase financing pool, with the purpose of, but not limited to, capturing the synergy of the use of the same physical structure, sharing know-how and qualified units.

Balances and transactions made under conditions negotiated between the Company and its subsidiaries are as follows:

	Localiza Fleet Consolidated		Locamerica Consolidated		Rental do Brasil		Other subsidiaries		Total	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Balance sheet										
Trade receivables	32,484	33,094	-	37,195	-	-	7,308	629	39,792	70,918
Dividends receivable	236,077	197,997	-	-	-	-	71,441	16,355	307,518	214,352
Other trade receivables (Note 9)	54,801	-	-	44,633	-	-	49	10	54,850	44,643
Suppliers	(5,107)	(4,822)	-	(3,353)	(6,693)	(6,101)	(25,542)	(6,933)	(37,342)	(21,209)
Lease liability	-	-	-	-	(318,314)	(302,772)	-	-	(318,314)	(302,772)
Other accounts payable (Note 19)	-	(3,026)	-	(13)	-	-	(1,826)	(3,830)	(1,826)	(6,869)
	Localiza Fleet Consolidated		Locamerica Consolidated		Rental do Brasil		Other subsidiaries		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Statement of Income										
Revenues	182,335	159,714	90,999	178,828	-	-	8,066	-	281,400	338,542
Costs and expenses	(135,449)	(154,956)	(7,802)	(210,243)	-	-	(163,971)	(125,786)	(307,222)	(490,985)
Financial expenses	-	-	-	(113,228)	(30,617)	(28,853)	-	-	(30,617)	(142,081)
Recovery of costs and expenses	518,838	370,253	166,686	297,410	-	-	51,369	5,942	736,893	673,605

On November 28, 2022, the Board of Directors approved the placement of the 1st issuance of commercial notes by Localiza in the amount of BRL 1,700,000. Part of the commercial notes issued by the Company was acquired by its subsidiary Locamerica in the amount of BRL 1,100,000, an intragroup transaction. In November 2024, Localiza completed the full redemption of the Commercial Note. The transaction resulted in the full settlement of BRL 1,156,969 between Localiza and Locamerica. The financial expenses related to this transaction totaled BRL 113,228 in 2024 and were recognized in the statement of income for that year. In the consolidated financial statements, the effects of the intragroup transaction were eliminated, as applicable.

For the loan and/or liability operations carried out by the Localiza and its subsidiaries, guarantees are provided to Group companies. As of December 31, 2025 and 2024, sureties related to loans, financing, and debt securities, as well as derivative financial instruments, as shown below:

Guarantor	Obligee	12/31/25	12/31/24
Localiza Fleet	Localiza	29,868,062	30,076,876
Localiza	Localiza Fleet	11,701,340	11,373,288
Localiza	Locamerica	-	427,684
Localiza	Rental Brasil	207,965	221,607
Locamerica	Localiza	-	3,187,275
Localiza	LLMX	291,198	-

As of December 31, 2025, guarantees were also provided for bank surety bonds and warranty insurance in legal proceedings, amounting to BRL 1,079,169 (BRL 764,121 as of December 31, 2024).

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As of December 31, 2025, and December 31, 2024, the Company held warranty insurance with several insurance companies, including Pottencial Seguradora S.A., in which Localiza's founding shareholders, Salim Mattar and Eugênio Mattar, collectively held 32.50% of the share capital. The transactions were carried out under normal market conditions, totaling expenses of BRL 2,168 in 2025 (BRL 685 in 2024), recorded as warranty insurance expense, with the corresponding insured amount in force being BRL 1,050,821 (BRL 733,270 as of December 31, 2024).

The Company and its subsidiaries have other transactions with related parties in the normal course of business, which are carried out under market conditions. Management assessed these transactions considering the materiality criteria set out in Technical Pronouncement CPC 26 / IAS 1 – Presentation of Financial Statements, taking account of their nature and significance to the financial statements taken as a whole. Based on this assessment, Management concluded that these transactions are immaterial, both individually and in the aggregate, and lack of disclosure would not reasonably affect the economic decisions of users of the financial statements. Accordingly, the Company has elected not to provide additional specific disclosures regarding these transactions.

(b) Compensation of Key Management Personnel

The compensation of key management personnel, which includes the executive officers and the Board of Directors, is presented below.

	<u>2025</u>	<u>2024</u>
Short-term benefits	71,774	72,675
Post-employment benefits	906	801
Share-based compensation	100,478	85,201
Total	<u>173,158</u>	<u>158,677</u>

12. PROPERTY AND EQUIPMENT AND CARS DECOMMISSIONED FOR FLEET RENEWAL

(a) Property and equipment

These are stated at cost less any accumulated depreciation and accumulated impairment losses, where applicable. Subsequent costs are included in the carrying amount of the asset or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the costs will flow to the entity and that these costs can be measured reliably.

Cars in operation, either in car rental or fleet rental activities, are classified in property and equipment, while decommissioned cars, after being used in these activities, are presented as "decommissioned cars for fleet renewal" in current assets (Note 12 (b)).

An item of property and equipment is derecognized upon disposal or theft. Any gain or loss arising on the disposal or write-off of a property and equipment item is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of income.

An impairment loss is recognized when the carrying amount of the asset exceeds its recoverable amount, which represents the higher of an asset's fair value less costs to sell and its value in use.

Localiza and its subsidiaries revise the estimated useful lives and the residual value of the fleet cars at least monthly and the property and equipment on an annual basis. The effect of any changes in estimates is accounted for prospectively.

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As of December 31, 2025, and 2024, the useful life of property and equipment was as follows:

	<u>Useful life in years</u>
Vehicles (a):	
Car rental division	from 1 to 3
Fleet rental division	from 1 to 5
Other property and equipment:	
Property	from 25 to 80
Furniture and fixtures	10
Trackers	5
Other	from 5 to 10

(a) Includes accessories attached to vehicles.

The useful life of improvements and right of use takes into consideration the respective contractual lease terms.

The depreciation expense of property and equipment is allocated to "costs", "selling expenses", and "general, administrative and other expenses" in the statement of income, according to their nature and allocation.

Vehicle depreciation

The estimated depreciation of vehicles is calculated as the difference between the acquisition cost of the vehicle and its expected value on the anticipated sale date, deducting any estimated trade discounts and selling expenses. Depreciation is recognized so that the cost of the depreciable amount is fully relieved by the end of the estimated useful life, using the straight-line method. The Company periodically reassesses the adherence to depreciation methods to better reflect the equalization of maintenance and depreciation costs over the lifetime of the vehicles.

The estimate of the residual value takes into consideration assumptions that may affect depreciation:

- Estimated trade discounts: trade discounts are negotiated on sales to consumers and especially to resellers. Estimates of these expenses below the actual amount also have a negative impact on profit or loss when the cars are sold.
- Estimated selling expenses: sales to resellers and especially consumers require a network of stores, sales staff and advertising spending. Estimates of these expenses below the actual amount also have a negative impact on profit or loss when the cars are sold.

Depreciation of other property and equipment

Constructions, buildings, leasehold improvements and right-of-use assets are depreciated over the rental contract term. The renewal or sale is also considered in accordance with the contracts. Land and construction in progress are not depreciated.

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

	Individual							Total
	Vehicles	Trackers	Right-of-use	Property	Leasehold improvements	Furniture and fixtures	Other	
Costs:								
As of December 31, 2024	26,812,129	66,626	2,147,091	1,913	427,402	139,996	232,985	29,828,142
Opening balance of the merged company	7,233,590	-	7,965	-	8,291	10,512	17,710	7,278,068
Transfer by merger – net fair value adjustment (gain/loss) on vehicles	437,166	-	-	-	-	-	-	437,166
Additions	18,762,260	-	248,123	-	-	-	144,060	19,154,443
Write-offs/transfers (a)	(16,936,428)	(23,903)	(68,761)	-	152,293	9,685	(168,968)	(17,036,082)
Impairment	151	-	-	-	-	-	-	151
As of December 31, 2025	36,308,868	42,723	2,334,418	1,913	587,986	160,193	225,787	39,661,888
As of December 31, 2023	25,007,122	103,808	1,904,469	1,913	327,263	124,328	185,062	27,653,965
Additions	16,317,036	-	408,042	-	-	10,085	168,639	16,903,802
Write-offs/transfers (a)	(14,507,951)	(37,182)	(165,420)	-	100,139	5,583	(120,716)	(14,725,547)
Impairment	(4,078)	-	-	-	-	-	-	(4,078)
As of December 31, 2024	26,812,129	66,626	2,147,091	1,913	427,402	139,996	232,985	29,828,142
Accumulated depreciation:								
As of December 31, 2024	(1,856,662)	(36,319)	(792,243)	(1,624)	(203,496)	(66,600)	(57,227)	(3,014,171)
Opening balance of the merged company	(1,199,774)	-	(3,433)	-	(3,521)	(5,836)	(12,649)	(1,225,213)
Transfer by merger – net fair value adjustment (gain/loss) on vehicles	(456,855)	-	-	-	-	-	-	(456,855)
Additions	(3,028,646)	(12,672)	(293,337)	(60)	(60,641)	(14,709)	(17,837)	(3,427,902)
Write-offs/transfers (a)	2,921,180	17,046	62,781	-	1,724	-	3,926	3,006,657
As of December 31, 2025	(3,620,757)	(31,945)	(1,026,232)	(1,684)	(265,934)	(87,145)	(83,787)	(5,117,484)
As of December 31, 2023	(1,807,443)	(43,624)	(648,185)	(1,542)	(164,005)	(54,047)	(44,436)	(2,763,282)
Additions (b)	(2,890,240)	(15,990)	(269,303)	(82)	(43,404)	(12,972)	(16,992)	(3,248,983)
Write-offs/transfers (a)	2,841,021	23,295	125,245	-	3,913	419	4,201	2,998,094
As of December 31, 2024	(1,856,662)	(36,319)	(792,243)	(1,624)	(203,496)	(66,600)	(57,227)	(3,014,171)
Net carrying amount:								
As of December 31, 2025	32,688,111	10,778	1,308,186	229	322,052	73,048	142,000	34,544,404
As of December 31, 2024	24,955,467	30,307	1,354,848	289	223,906	73,396	175,758	26,813,971

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

(b) In the second quarter of 2024, BRL 947,539 of additional depreciation was recognized because of the revision of assumptions regarding the net selling price (residual value) (Note 1.4). In the third quarter of 2025, additional depreciation totaling BRL 601,618 was recognized following a new assessment of residual values, reflecting the effects of Decree No. 12,549/2025 (Note 1.2).

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	Consolidated							Total
	Vehicles	Trackers	Right-of-use	Property	Leasehold improvements	Furniture and fixtures	Other	
Costs:								
As of December 31, 2024	57,568,839	279,470	1,934,775	379,695	538,658	167,187	364,386	61,233,010
Non-current assets held for sale (Note 30)	-	-	(1,605)	(1,000)	(31)	(115)	(4,454)	(7,205)
Additions	26,318,495	90,311	281,208	-	16,882	3,878	195,563	26,906,337
Write-offs/transfers (a)	(25,926,074)	(22,512)	(110,024)	-	134,002	4,997	(220,447)	(26,140,058)
Impairment	(2,687)	-	-	-	-	-	-	(2,687)
Translation adjustments	7,282	-	3,398	-	1,063	210	269	12,222
As of December 31, 2025	57,965,855	347,269	2,107,752	378,695	690,574	176,157	335,317	62,001,619
As of December 31, 2023	54,865,337	256,858	1,725,934	379,695	406,309	142,082	344,541	58,120,756
Additions	26,297,339	64,610	363,585	-	17,914	14,124	226,621	26,984,193
Write-offs/transfers (a)	(23,563,692)	(41,998)	(159,948)	-	114,373	10,804	(199,658)	(23,840,119)
Impairment	(34,911)	-	-	-	-	-	-	(34,911)
Translation adjustments	4,766	-	5,204	-	62	177	(7,118)	3,091
As of December 31, 2024	57,568,839	279,470	1,934,775	379,695	538,658	167,187	364,386	61,233,010
Accumulated depreciation:								
As of December 31, 2024	(6,107,329)	(106,341)	(744,684)	(27,749)	(218,017)	(75,810)	(110,714)	(7,390,644)
Non-current assets held for sale (Note 30)	-	-	652	301	31	108	2,103	3,195
Additions	(5,364,306)	(66,218)	(298,852)	(5,226)	(66,965)	(17,336)	(28,314)	(5,847,217)
Write-offs/transfers (a)	4,821,440	29,405	78,750	-	8,494	3,007	27,672	4,968,768
Translation adjustments	(1,202)	-	(1,168)	-	(451)	(170)	(889)	(3,880)
As of December 31, 2025	(6,651,397)	(143,154)	(965,302)	(32,674)	(276,908)	(90,201)	(110,142)	(8,269,778)
As of December 31, 2023	(4,951,087)	(74,703)	(603,167)	(22,501)	(208,414)	(60,907)	(83,709)	(6,004,488)
Additions (b)	(5,578,801)	(56,227)	(276,359)	(5,248)	(52,818)	(15,572)	(31,163)	(6,016,188)
Write-offs/transfers (a)	4,423,257	24,589	136,308	-	43,314	420	4,966	4,632,854
Translation adjustments	(698)	-	(1,466)	-	(99)	249	(808)	(2,822)
As of December 31, 2024	(6,107,329)	(106,341)	(744,684)	(27,749)	(218,017)	(75,810)	(110,714)	(7,390,644)
Net carrying amount:								
As of December 31, 2025	51,314,458	204,115	1,142,450	346,021	413,666	85,956	225,175	53,731,841
As of December 31, 2024	51,461,510	173,129	1,190,091	351,946	320,641	91,377	253,672	53,842,366

- (a) Include write-offs due to car sale, theft, damage and transfer of decommissioned cars for fleet renewal to assets for sale, transfers to definitive property and write-offs of the right-of-use due to contract termination.
- (b) In the second quarter of 2024, an additional BRL 1,385,754 in depreciation was recognized due to a revision of the net selling price assumptions (residual value) (Note 1.4). In the third quarter of 2025, additional depreciation totaling BRL 792,477 was recognized following a new assessment of residual values, reflecting the effects of Decree No. 12,549/2025 (Note 1.2).

(b) Cars decommissioned for fleet renewal

Cars for which the carrying amounts will be recovered through sale rather than through continuing use are classified as "decommissioned cars for fleet renewal" in current assets. This condition is satisfied when: (i) cars are available for immediate sale under current conditions and their sale is highly probable; (ii) Management is committed to sell the decommissioned cars from property and equipment; (iii) cars are effectively available for sale at a reasonable price in relation to their current fair values; and (iv) the sale is expected to be completed within one year from the date of classification.

Decommissioned cars for fleet renewal are presented at the lower of fair value less costs to sell and net carrying amount, which considers the acquisition cost net of accumulated depreciation through the date in which cars are classified as "cars decommissioned for fleet renewal".

The carrying amount, net of the impairment provision, of cars decommissioned for fleet renewal totaled BRL 2,597,129 in the Individual and BRL 3,444,850 in the Consolidated (BRL 2,255,421 in Individual and BRL 3,463,598 in Consolidated as of December 31, 2024).

In 2025, including the impacts mentioned in Note 1.2, an impairment provision for cars being decommissioned for fleet renewal of BRL 119,681 and BRL 153,618 was recognized in Individual and Consolidated, respectively (BRL 88,543 in Individual and BRL 242,117 in Consolidated in 2024, including the impacts mentioned in Note 1.4). The balance of this provision as of December 31, 2025, amounted to BRL 24,429 in Individual and BRL 39,587 in Consolidated (BRL 18,999 in Individual and BRL 51,721 in Consolidated as of December 31, 2024).

There are no assets related to vehicles decommissioned for fleet renewal or for resale held as collateral.

13. INTANGIBLE ASSETS

Intangible assets with finite useful lives, acquired separately, are recorded at cost less accumulated amortization and impairment losses, when applicable. Amortization is recognized on a straight-line basis over the estimated useful life, with the expense allocated to "costs", "selling expenses", and "general and administrative and other expenses" in the statement of income, according to its nature and allocation. The estimated useful life and the amortization method are reviewed at the end of every year, and the effect of any changes in estimates is accounted for prospectively.

Costs incurred and directly attributable to preparing the software for its intended use are capitalized. Other development expenditures that do not meet the capitalization criteria are recognized as expenses as incurred. These costs are amortized over the estimated useful life of the software, not exceeding five years. Costs associated with software maintenance are recognized as expenses when incurred.

Goodwill arises from the acquisition of subsidiaries and represents the excess of the consideration transferred and the amount of non-controlling interests, when applicable, over the fair value of identified net assets acquired. Goodwill resulting from a business combination, is classified as having an indefinite useful life, at the cost on the date of the business combination, net of accumulated impairment losses, if any. Goodwill was classified as an intangible asset in the consolidated balance sheet and as an investment in the Individual parent company's balance sheet.

Customer relationships acquired in a business combination are recognized at fair value at the acquisition date and have finite useful lives. They are carried at cost less accumulated amortization. Amortization is calculated on a straight-line basis over the expected duration of the customer relationship.

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Changes in cost, accumulated amortization and net carrying amount of intangible assets were as follows:

	Individual				Consolidated					
	Software	Goodwill	Customer portfolio	Total	Software	Goodwill	Customer portfolio	Brands and patents	Other	Total
Costs:										
As of December 31, 2024	374,127	22,077	-	396,204	625,327	8,463,257	177,567	6,931	7,306	9,280,388
Opening balance of merged companies	69,181	-	-	69,181	-	-	-	-	-	-
Non-current assets held for sale (Note 30)	-	-	-	-	(5,426)	(27,371)	-	(6,927)	(4,099)	(43,823)
Transfer by merger	-	8,330,449	124,351	8,454,800	-	-	-	-	-	-
Additions	109,442	-	-	109,442	124,956	-	-	-	3,796	128,752
Write-offs/transfers	(926)	-	-	(926)	(79,303)	-	-	(4)	(192)	(79,499)
Translation adjustments	-	-	-	-	-	-	-	-	180	180
As of December 31, 2025	551,824	8,352,526	124,351	9,028,701	665,554	8,435,886	177,567	-	6,991	9,285,998
As of December 31, 2023	273,668	22,077	-	295,745	509,006	8,463,257	177,567	6,931	4,171	9,160,932
Additions	100,459	-	-	100,459	118,644	-	-	-	3,135	121,779
Write-offs/transfers	-	-	-	-	(2,323)	-	-	-	-	(2,323)
As of December 31, 2024	374,127	22,077	-	396,204	625,327	8,463,257	177,567	6,931	7,306	9,280,388
Accumulated amortization										
As of December 31, 2024	(171,327)	-	-	(171,327)	(335,296)	-	(64,329)	-	(2,830)	(402,455)
Opening balance of merged companies	(56,273)	-	-	(56,273)	-	-	-	-	-	-
Non-current assets held for sale (Note 30)	-	-	-	-	2,108	-	-	-	3,818	5,926
Transfer by merger	-	-	(20,725)	(20,725)	-	-	-	-	-	-
Additions	(52,812)	-	(2,800)	(55,612)	(81,591)	-	(11,906)	-	(1,035)	(94,532)
Write-offs/transfers	929	-	-	929	79,317	-	-	-	-	79,317
As of December 31, 2025	(279,483)	-	(23,525)	(303,008)	(335,462)	-	(76,235)	-	(47)	(411,744)
As of December 31, 2023	(133,737)	-	-	(133,737)	(256,070)	-	(51,750)	-	(1,776)	(309,596)
Additions	(37,590)	-	-	(37,590)	(79,727)	-	(12,579)	-	(1,054)	(93,360)
Write-offs/transfers	-	-	-	-	501	-	-	-	-	501
As of December 31, 2024	(171,327)	-	-	(171,327)	(335,296)	-	(64,329)	-	(2,830)	(402,455)
Net carrying amount:										
As of December 31, 2025	272,341	8,352,526	100,826	8,725,693	330,092	8,435,886	101,332	-	6,944	8,874,254
As of December 31, 2024	202,800	22,077	-	224,877	290,031	8,463,257	113,238	6,931	4,476	8,877,933

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Impairment assessment of intangible assets

Assets with indefinite useful lives, such as goodwill, are not subject to amortization and are tested annually to identify any potential impairment. Goodwill impairment reviews are performed annually, or more frequently if events or changes in circumstances indicate a possible impairment.

Assets subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds its recoverable amount, which represents the higher of an asset's fair value less costs to sell and its value in use. No indicators of impairment were identified for these assets during the years ended December 31, 2025 and 2024.

For purposes of assessing recoverable amount, assets are grouped at the lowest levels for which there are separately identifiable cash flows (Cash-Generating Units – CGUs), consistent with the internal management reporting used by management.

For the year ended December 31, 2025, using the discounted cash flow method, Management concluded that the recoverable amount of goodwill exceeds its historical carrying amount; therefore, no impairment loss was required to be recognized.

The recoverable amount of a cash-generating unit is determined based on value-in-use calculations. For these calculations, cash flow projections were used based on the budget approved by the Board of Directors, before income tax and social contribution, extrapolated over a 10-year period and applying a perpetual growth rate.

As of December 31, 2025, the Company presents goodwill of BRL 8,435,886 allocated to the Cash-Generating Units ("CGUs") identified below.

	<u>Goodwill</u>
Car rental	1,661,371
Fleet rental	6,465,628
Telemetry	308,887
	<u><u>8,435,886</u></u>

The key assumptions used in estimating the fair value of each CGU include: (i) average revenue growth rates and (ii) pre-tax discount rates, based on the approved budget and extrapolated using the growth rates estimated below:

	<u>Car rental</u>	<u>Fleet rental</u>	<u>Telemetry</u>
Average revenue growth rate	6.44%	4.96%	7.69%
Average discount rate for the period – before taxes	16.04%	17.71%	15.78%
Average perpetuity growth rate	3.50%	3.50%	3.98%

The assumptions did not change significantly compared with those used in the prior year.

Sensitivity test

The Company conducted a sensitivity analysis considering an increase or decrease of 0.5% in the average discount rate and the average perpetuity growth rate. For none of the sensitivity scenarios was impairment identified.

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14. SUPPLIERS

	Individual		Consolidated	
	12/31/25	12/31/24	12/31/25	12/31/24
Vehicles (a)	7,793,698	7,132,311	8,665,302	9,298,244
Maintenance services and spare parts	130,165	133,520	202,623	264,576
Information technology services	11,955	12,575	13,727	15,108
Rentals	44,903	40,649	39,047	34,650
Other	385,653	319,838	421,934	413,816
Total	8,366,374	7,638,893	9,342,633	10,026,394

(a) The balance payable to automakers refers to vehicles purchased with an average maturity of 129 days (105 days on December 31, 2024).

From December 2022, the Company offers suppliers a financing option which allows them to obtain an advance against receivables due from the Company from designated financial institutions. The financial institution may elect to acquire the receivables at its sole discretion, without the Company's involvement in the negotiation of the original terms, prices, or other conditions established with the suppliers. As a result of these characteristics, the balances and accounting treatment remain classified as "Suppliers" since there is no substantial modification of the obligations assumed by the Company.

As of December 31, 2025, the Company had no outstanding balances payable that had been negotiated by suppliers with the designated financial institutions. As of December 31, 2024, the balance payable was BRL 1,618,029 in Individual and BRL 2,010,718 in Consolidated.

15. SOCIAL AND LABOR OBLIGATIONS

	Individual		Consolidated	
	12/31/25	12/31/24	12/31/25	12/31/24
Provision for vacation pay	106,223	100,687	119,395	120,996
Provision for profit sharing (a)	199,311	198,671	235,758	228,240
INSS	56,278	53,009	65,576	64,482
FGTS	15,875	16,299	18,202	19,664
Payroll taxes from long-term incentives	21,269	8,288	22,047	12,774
Other	37,584	25,368	47,479	32,500
Total	436,540	402,322	508,457	478,656

(a) The Company has a profit-sharing program for its employees pursuant to Law No. 10,101/00, based on the results achieved in each year. The program is measured through the combination of the Company's profit and performance indicators, in addition to the individual performance of each employee, through objective and measurable indicators and goals and the annual budget approved by the Board of Directors. The provision for profit sharing is classified as "costs", "selling expenses" and "general and administrative expenses" in the statement of income, according to the respective employee's function.

16. ASSIGNMENT OF CREDIT RIGHTS

On December 29, 2022, Localiza Fleet, a wholly owned subsidiary of the Company, completed the assignment of receivables from customer contracts of the Fleet Rental division, in the amount of BRL 327,007. Transaction costs totaling BRL 50,976 are being recognized as financial expenses in the statement of income over the remaining term of the contracts, of up to 43 months. The assignment was carried out without recourse or substantial retention of credit risk, and the Company has no obligation in the event of customer default. Accordingly, the assigned assets were derecognized from the consolidated financial statements in accordance with CPC 48/IFRS 9.

As of December 31, 2025, the balance of assignment of credit rights was BRL 10,601 in Consolidated (BRL 48,052 as of December 31, 2024 in Consolidated).

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17. LOANS, FINANCING, AND DEBT SECURITIES

	Individual		Consolidated	
	12/31/25	12/31/24	12/31/25	12/31/24
In local currency				
Debentures	24,205,043	25,742,900	33,554,784	34,081,838
Working capital	1,290,664	1,360,081	2,868,946	2,489,321
Real Estate Receivables Certificate ("CRI")	1,020,800	1,006,737	1,228,766	1,228,344
Certificate of Agribusiness Receivables ("CRA")	524,618	-	524,618	630,499
Consortia	-	885	2,424	885
In foreign currency				
Loans in foreign currency	4,343,687	4,166,432	5,415,800	6,335,650
Total	31,384,812	32,277,035	43,595,338	44,766,537
Current	1,769,853	3,452,737	4,585,163	5,295,928
Non-current	29,614,959	28,824,298	39,010,175	39,470,609

The changes in balances of loans, financing, and debt securities was as follows:

	Individual	Consolidated
As of December 31, 2024	32,277,035	44,766,537
Opening balance of the merged company	649,773	-
Liabilities related to non-current assets held for sale (Note 30)	-	(18,370)
Funding, net of transaction costs	6,883,488	11,690,885
Interest, charges, adjustment to fair value and exchange rate variation (a)	3,997,025	5,520,728
Amortization of principal	(8,658,682)	(13,160,355)
Interest amortization	(3,763,827)	(5,204,087)
As of December 31, 2025	31,384,812	43,595,338

	Individual	Consolidated
As of December 31, 2023	29,252,406	40,607,633
Debt assignment between Group companies (Note 17)	2,481,647	-
Funding, net of transaction costs	9,490,051	15,512,094
Repurchase of debentures	(756,648)	(756,648)
Interest, charges, adjustment to fair value and exchange rate variation	4,110,828	5,532,393
Amortization of principal	(8,502,212)	(11,277,545)
Interest amortization	(3,799,037)	(4,851,390)
As of December 31, 2024	32,277,035	44,766,537

On December 31, 2025 and 2024, loans, financing, and debt securities recorded in liabilities, net of funding costs, were as follows, by maturity year:

	Individual		Consolidated	
	12/31/25	12/31/24	12/31/25	12/31/24
2025	-	3,452,737	-	5,295,928
2026	1,769,853	3,142,755	4,585,163	5,817,456
2027	3,508,680	5,375,146	3,633,403	7,446,524
2028	6,688,918	5,414,817	7,977,422	7,876,386
2029 to 2034	19,417,361	14,891,580	27,399,350	18,330,243
Total	31,384,812	32,277,035	43,595,338	44,766,537

As of December 31, 2025, there were no outstanding debenture repurchase programs.

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(a) Debt securities

On December 31, 2025 and 2024, the Company had debt securities issued under the terms of CVM Instruction 160/22. The characteristics of each issuance of debt securities, approved at the Board of Directors' meetings, are described below:

Company	Issuance	Maturity date	Contract rate (p.a.)	Financial settlement	Annual amortization	Surety/Guarantee	Individual		Consolidated	
							12/31/25	12/31/24	12/31/25	12/31/24
Debentures										
Localiza	Debentures - 14th issuance (2nd series)	09/2026	112.32% of CDI	800,000	2024, 2025, and 2026	Localiza Fleet	-	344,014	-	344,014
Localiza	Debentures - 15th issuance	04/2026	107.25% of CDI	1,000,000	2025 and 2026	Localiza Fleet	-	771,837	-	771,837
Localiza	Debentures - 16th issuance	01/2026	CDI + 1.05%	1,000,000	2024, 2025, and 2026	None	-	698,669	-	698,669
Localiza	Debentures - 17th issuance	03/2031	IPCA + 5.47% (a)	1,200,000	2030 and 2031	Localiza Fleet	1,306,460	1,200,374	1,306,460	1,200,374
Localiza	Debentures - 18th issuance	10/2026	CDI + 1.75%	1,500,000	2026	Localiza Fleet	-	991,937	-	991,937
Localiza	Debentures - 19th issuance (1st series)	02/2027	CDI + 1.6%	BRL 950,000	2027	Localiza Fleet	-	988,116	-	988,116
Localiza	Debentures - 19th issuance (2nd series)	02/2029	CDI + 2%	1,550,000	2029	Localiza Fleet	1,636,280	1,612,939	1,636,280	1,612,939
Localiza	Debentures - 21st issuance	07/2027	CDI + 1.6%	1,450,000	2027	Localiza Fleet	766,665	749,277	766,665	749,277
Localiza	Debentures - 22nd issuance	12/2028	CDI + 1.87%	2,450,000	2028	Localiza Fleet	2,465,410	2,457,345	2,465,410	2,457,345
Localiza	Debentures - 25th issuance	08/2033	CDI + 2.35%	1,500,000	2031, 2032, and 2033	Localiza Fleet	1,582,665	1,556,407	1,582,665	1,556,407
Localiza	Debentures - 27th issuance (1st series)	05/2028	CDI + 2%	350,000	2027 and 2028	Localiza Fleet	-	353,564	-	353,564
Localiza	Debentures - 27th issuance (2nd series)	05/2031	CDI + 2.4%	400,000	2029, 2030, and 3031	Localiza Fleet	404,445	402,697	404,445	402,697
Localiza	Debentures - 29th issuance	11/2026	CDI + 1.75%	1,000,000	2026	Localiza Fleet	-	613,953	-	613,953
Localiza	Debentures - 30th issuance	05/2027	CDI + 1.85%	265,500	2027	Localiza Fleet	-	268,321	-	268,321
Localiza	Debentures - 31st issuance (2nd series)	04/2027	110.5% of CDI	372,600	2025, 2026, and 2027	Localiza Fleet	-	381,054	-	381,054
Localiza	Debentures - 31st issuance (3rd series)	04/2029	112% of CDI	100,000	2028 and 2029	Localiza Fleet	103,193	102,204	103,193	102,204
Localiza	Debentures - 33rd issuance	12/2027	CDI + 1.8%	850,000	2026 and 2027	Localiza Fleet	-	850,251	-	850,251
Localiza	Debentures - 34th issuance	11/2028	CDI + 1.85%	1,900,000	2028	Localiza Fleet	1,917,562	1,906,874	1,917,562	1,906,874
Localiza	Debentures - 36th Issuance (1st series)	04/2027	CDI + 1.85% p.a	685,000	2027	Localiza Fleet	-	692,995	-	692,995
Localiza	Debentures - 36th Issuance (2nd series)	04/2029	IPCA + 7.2101% p.a	515,000	2029	Localiza Fleet	560,893	523,381	560,893	523,381
Localiza	Debentures - 37th issuance	09/2031	IPCA + 6.5119% p.a. (a)	1,100,000	2029, 2030, and 2031	Localiza Fleet	1,224,845	1,140,762	1,224,845	1,140,762
Localiza	Debentures - 38th issuance	02/2029	CDI + 1.85%	2,100,000	2029	Localiza Fleet	2,203,521	2,170,709	2,203,521	2,170,709
Localiza	Debentures - 39th Issuance (1st series)	04/2030	CDI + 1.70%	2,100,000	2027, 2028, 2029 and 2030	Localiza Fleet	2,150,166	2,130,372	2,150,166	2,130,372
Localiza	Debentures - 39th Issuance (2nd series)	04/2030	CDI + 1.85%	900,000	2030	Localiza Fleet	921,782	913,292	921,782	913,292
Localiza	Debentures - 39th Issuance (3rd series)	04/2034	CDI + 2.15%	250,000	2032, 2033, and 2034	Localiza Fleet	255,870	253,710	255,870	253,710
Localiza	Debentures - 40th issuance	12/2030	CDI + 1.55%	1,000,000	2029 and 2030	Localiza Fleet	1,006,039	1,003,613	1,006,039	1,003,613
Localiza	Debentures - 41st issuance	12/2031	IPCA + 8.8670% (a)	700,000	2031	Localiza Fleet	768,324	664,233	768,324	664,233
Localiza	Debentures - 42nd Issuance (1st series)	05/2030	CDI + 1.20%	1,143,916	2030	Localiza Fleet	1,158,328	-	1,158,328	-
Localiza	Debentures - 42nd Issuance (2nd series)	05/2032	CDI + 1.40%	371,304	2032	Localiza Fleet	375,904	-	375,904	-
Localiza	Debentures - 43rd issuance	07/2031	CDI + 1.20%	800,000	2029, 2030, and 2031	Localiza Fleet	853,674	-	853,674	-

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Company	Issuance	Maturity date	Contract rate (p.a.)	Financial settlement	Annual amortization	Surety/Guarantee	Individual		Consolidated	
							12/31/25	12/31/24	12/31/25	12/31/24
Localiza	Debentures - 44th issuance	08/2032	CDI + 1.30%	1,800,000	2030, 2031, and 2032	Localiza Fleet	1,913,735	-	1,913,735	-
Localiza	Debentures - 45th Issuance (1st series)	08/2031	CDI + 1.18%	500,000	2030 and 2031	Localiza Fleet	524,400	-	524,400	-
Localiza	Debentures - 45th Issuance (2nd series)	08/2032	CDI + 1.28%	100,000	2031 and 2032	Localiza Fleet	104,882	-	104,882	-
Localiza Fleet	Debentures - 5th issuance	07/2025	112.00% of CDI	300,000	2025	Localiza	-	-	-	213,172
Localiza Fleet	Debentures - 7th issuance	07/2025	108.50% of CDI	300,000	2023, 2024, and 2025	Localiza	-	-	-	104,807
Localiza Fleet	Debentures - 8th issuance	02/2025	CDI + 1.00%	1,000,000	2023, 2024, and 2025	Localiza	-	-	-	347,969
Localiza Fleet	Debentures - 9th issuance	05/2030	CDI + 1.30%	500,000	2030	Localiza	-	-	502,014	513,159
Localiza Fleet	Debentures - 10th issuance (1st series)	04/2027	CDI + 1.6%	950,000	2027	Localiza	-	-	-	972,553
Localiza Fleet	Debentures - 10th issuance (2nd series)	04/2028	CDI + 1.75%	500,000	2028	Localiza	-	-	-	511,602
Localiza Fleet	Debentures - 11th issuance	10/2027	CDI + 1.6%	1,000,000	2027	Localiza	-	-	-	1,020,788
Localiza Fleet	Debentures - 13th issuance	12/2028	CDI + 1.85%	700,000	2028	Localiza	-	-	697,958	695,997
Localiza Fleet	Debentures - 14th issuance	01/2029	CDI + 1.85%	1,200,000	2029	Localiza	-	-	1,277,002	1,253,645
Localiza Fleet	Debentures - 15th issuance (1st series)	11/2030	CDI + 1.50%	750,000	2028, 2029, and 2030	Localiza	-	-	716,826	699,009
Localiza Fleet	Debentures - 15th issuance (2nd series)	11/2030	CDI + 1.50%	1,000,000	2028, 2029, and 2030	Localiza	-	-	1,021,125	1,013,763
Localiza Fleet	Debentures - 16th issuance	12/2031	CDI + 1.45%	1,000,000	2029, 2030, and 2031	Localiza	-	-	1,000,171	992,474
Localiza Fleet	Debentures - 17th issuance	02/2031	CDI + 1.40%	500,000	2029, 2030, 2031	Localiza	-	-	529,655	-
Localiza Fleet	Debentures - 18th issuance	06/2030	CDI + 1.20%	1,000,000	2030	Localiza	-	-	999,492	-
Localiza Fleet	Debentures - 19th issuance	09/2032	CDI + 1.24%	1,500,000	2030, 2031, and 2032	Localiza	-	-	1,567,534	-
Localiza Fleet	Debentures - 20th issuance (1st series)	09/2030	CDI + 0.91%	600,000	2029 and 2030	Localiza	-	-	622,629	-
Localiza Fleet	Debentures - 20th issuance (2nd series)	09/2032	CDI + 1.15%	400,000	2031 and 2032	Localiza	-	-	415,335	-
							24,205,043	25,742,900	33,554,784	34,081,838

(a) Derivatives were contracted to swap the remuneration indexed to IPCA for its equivalent in CDI, which is the reference index used by the Company. The Company opted to designate these debt operations as measured at fair value, having contracted derivative financial instruments (swap) for protection. The Fair Value Option (or Fair Value Hedge) aims to eliminate or reduce the volatility of measurement or recognition of certain liabilities. Thus, both swaps and the respective debts are measured at fair value.

The average effective interest rate of the debt securities issued ranges from CDI + 1.04% p.a. to CDI + 2.98% p.a. (from 109.8% of CDI to CDI + 2.98% p.a. as of December 31, 2024).

As of December 31, 2025, the amount of issuance costs related to the debt securities to be amortized totaled BRL 247,457 (BRL 316,390 as of December 31, 2024), presented net in the respective liability in the balance sheet.

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Debt assignment between Group companies

On March 1, 2024, the Company entered the "Private Assignment and Assumption of Debts Agreement", for the assignment of certain financial obligations of its subsidiary Locamerica. Consequently, the Company, for all intents and purposes, assumed all liabilities arising from the respective debt securities. The debt securities subject to the debt assignment are presented below:

<u>Company</u>	<u>Date</u>	<u>Type</u>	<u>Issuance</u>	<u>Amount</u>
Locamerica	03/01/2024	Debentures	21st issuance	1,220,834
Locamerica	03/01/2024	Debentures	23rd Issuance (1st series)	707,337
Locamerica	03/01/2024	Debentures	23rd Issuance (2nd series)	553,476
				2,481,647
Locamerica		Swap		(113,582)
				2,368,065

The change in the issuer entity of the debts of subsidiary Locamerica was duly authorized through a General Meeting of Debenture Holders, specifically held for each issuance in question. The resolutions covered exclusively the change of ownership of the guarantor and the transfer of primary responsibility for the debt. No additional clauses were introduced thereby preserving the original terms of the contractual cash flows which remained unchanged due to the debt assignment. In 2024, the derivative financial instruments amounting to BRL 113,582 (Note 4.1), designated to hedge the debts and included in the "Private Assignment and Assumption of Debts Agreement".

As a result of the debt assignments and derivative financial instruments held by Localiza, there was an increase in capital at Locamerica (Note 10.3).

(b) Working Capital

The consolidated balance of working capital loans refers to the following agreements:

<u>Company</u>	<u>Maturity date</u>	<u>Interest rate (p.a.)</u>	<u>Contracted amount</u>	<u>Annual amortization</u>	<u>Surety/Guarantee</u>	<u>12/31/2025</u>	<u>12/31/2024</u>
Localiza	06/21/2027	CDI + 1.51%	100,000	2027	None	100,742	100,468
Localiza	12/09/2027	CDI + 1.30%	242,252	2027	Localiza Fleet	243,716	243,481
Localiza	10/15/2031	CDI + 1.85%	1,000,000	2025 to 2031	Localiza Fleet	946,206	1,016,132
Localiza Fleet	02/15/2027	117.50% of CDI	125,000	2027	Localiza	127,160	126,321
Localiza Fleet	12/16/2026	CDI + 1.10%	1,000,000	2026	Localiza	1,159,924	1,001,881
Voll	12/15/2025	11.87%	1,019	2021 to 2025	None	-	293
Voll S.A.	11/25/2030	IPCA + 9.38%	962	2020 to 2030	None	-	745
LLMX	05/07/2026	T.I.I.E + 1.65%	63,734	2026	Localiza	291,198	-
						2,868,946	2,489,321

On December 31, 2024, the debt issuance expenses with working capital loans to be recognized was BRL 11,566 (BRL 15,040 on December 31, 2024), presented net in the respective contract.

(c) Real Estate Receivables Certificate ("CRI")

The net proceeds obtained by the issuer from all operations carried out were used in the normal course of business. The balance of Real Estate Receivables Certificate refers to the following contracts:

<u>Company</u>	<u>Maturity date</u>	<u>Interest rate (p.a.)</u>	<u>Contracted amount</u>	<u>Annual amortization</u>	<u>Surety/Guarantee</u>	<u>12/31/2025</u>	<u>12/31/2024</u>
Localiza	06/07/27	CDI + 0.95%	300,000	2027	Localiza Fleet	300,878	298,903
Localiza	03/10/28	CDI + 1.25%	210,000	2028	Localiza Fleet	216,724	212,802
Localiza	03/11/30	CDI + 1.40%	490,000	2030	Localiza Fleet	503,198	495,032
Rental Brasil	11/21/32	99.00% of CDI	370,000	2024 to 2032	Localiza	207,966	221,607
						1,228,766	1,228,344

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(d) Certificate of Agribusiness Receivables ("CRA")

The net proceeds obtained by the issuer from all operations carried out were used in the normal course of business. The balance of Certificate of Agribusiness Receivables refers to the following contracts:

Company	Maturity date	Interest rate (p.a.)	Financial settlement	Annual amortization	Surety / Guarantee	12/31/25	12/31/24
Localiza	07/14/2031	IPCA + 4.825% p.a.	200,000	2029, 2030, 2031	None	132,181	202,815
Localiza	09/14/2028	IPCA + 6.6018% p.a.	167,200	2028	None	136,351	172,587
Localiza	09/14/2028	CDI + 1.00%	250,800	2028	None	256,086	255,097
						524,618	630,499

(e) Loans in foreign currency

Seeking to reduce its funding costs and lengthen debt tenures, the Company contracted loans in foreign currency and their main characteristics are:

Company	Maturity date	Interest rate (p.a.)	Contracted amount	Designation	Surety / Guarantee	12/31/2025	12/31/2024
Localiza	01/03/2025	EUR + 1.5588%	EUR 55,394 thousand	none	None	-	356,841
Localiza	05/19/2025	SOFR 3M + 1.5%	USD 50,000 thousand	Fair Value Option	Localiza Fleet	-	314,309
Localiza	06/30/2025	SOFR 6M + 1.0343%	USD 125,000 thousand	Fair Value Option	None	-	779,852
Localiza	11/28/2025	SOFR 6M + 1.35%	USD 50,000 thousand	Fair Value Option	Localiza Fleet	-	312,512
Localiza	02/04/2027	JPY + 2.02%	JPY 12,004,000 thousand	Fair Value Option	Localiza Fleet	420,790	464,660
Localiza	11/29/2027	USD + 4.8926%	USD 50,000 thousand	Fair Value Option	Localiza Fleet	281,695	308,455
Localiza	01/27/2026	SOFR + 0.88%	USD 125,000 thousand	Fair Value Option	None	722,238	-
Localiza	01/04/2027	USD +3.44%	USD 54,163 thousand	Fair Value Option	None	297,199	-
Localiza	10/15/2029	Euribor 6M + 1.75%	EUR 89,386 thousand	Fair Value Hedge	Localiza Fleet	578,600	570,154
Localiza	10/15/2029	SOFR 6M + 1.90%	USD 172,000 thousand	Fair Value Hedge	Localiza Fleet	951,032	1,059,649
Localiza	10/15/2029	SOFR 6M + 1.90%	USD 200,000 thousand	Fair Value Hedge	Localiza Fleet	1,092,133	-
Localiza Fleet	01/28/2025	SOFR + 2.78%	USD 12,500 thousand	Fair Value Option	Localiza	-	78,328
Localiza Fleet	01/13/2026	USD + 5.67%	USD 100,000 thousand	Fair Value Option	Localiza	568,110	645,872
Localiza Fleet	11/04/2025	JPY + 1.6%	JPY 6,752,021 thousand	Fair Value Option	Localiza	-	266,783
Localiza Fleet	02/23/2026	USD + 6.7412%	USD 50,000 thousand	Fair Value Option	Localiza	282,497	317,329
Localiza Fleet	03/31/2025	EUR + 5.936%	EUR 46,816 thousand	Fair Value Option	Localiza	-	313,015
Localiza Fleet	06/02/2025	SOFR + 2.49%	USD 19,428 thousand	Fair Value Option	Localiza	-	119,614
Localiza Fleet	06/29/2026	USD + 6.8353%	USD 40,000 thousand	Fair Value Option	Localiza	221,506	247,367
Localiza Fleet	10/06/2025	SOFR + 1.88%	USD 29,520 thousand	Fair Value Option	Localiza	-	180,910
						5,415,800	6,335,650

As a strategy to manage foreign exchange risk, simultaneously with these transactions, in accordance with the Indebtedness, Derivatives, Strategy to Cover Market Risks and Guarantees and Sureties Granting Policy, hedge operations were contracted exclusively for protection purposes (Note 4.1).

(f) Funding in the year:

In 2025, the following funding was approved:

Company	Issuance	Maturity date	Contract rate (p.a.)	Principal raised	Surety/Guarantee
Localiza	Foreign currency	01/27/2026	SOFR + 0.88%	750,188	Localiza Fleet
Localiza	Foreign currency	10/15/2029	SOFR 6M + 1.90%	1,149,480	Localiza Fleet
Localiza	42nd issuance (1st series)	05/20/2030	CDI + 1.20%	1,143,916	Localiza Fleet
Localiza	42nd issuance (2nd series)	05/20/2032	CDI + 1.40%	371,304	Localiza Fleet
Localiza	43rd issuance	07/17/2031	CDI + 1.20%	800,000	Localiza Fleet
Localiza	44th issuance	08/01/2032	CDI + 1.30%	1,800,000	Localiza Fleet
Localiza	45th issuance (1st series)	08/27/2031	CDI + 1.18%	500,000	Localiza Fleet
Localiza	45th issuance (2nd series)	08/27/2032	CDI + 1.28%	100,000	Localiza Fleet
Localiza	Foreign currency	01/04/2027	USD + 3.44%	300,000	none
Localiza Fleet	17th issuance	02/10/2031	CDI + 1.40%	500,000	Localiza
Localiza Fleet	Consortia	none	none	8,194	none
Localiza Fleet (a)	9th issuance	05/28/2030	CDI + 1.30%	500,000	Localiza
Localiza Fleet	18th issuance	06/20/2030	CDI + 1.20%	1,000,000	Localiza
Localiza Fleet	19th issuance	09/09/2032	CDI + 1.24%	1,500,000	Localiza

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Localiza Fleet	20th Issuance (1st series)	09/18/2030	CDI + 0.91%	600,000	Localiza
Localiza Fleet	20th Issuance (2nd series)	09/18/2032	CDI + 1.15%	400,000	Localiza
LLMX	Working capital	05/07/2026	T.I.I.E + 1.65%	63,734	Localiza
LLMX	Working capital	06/26/2026	T.I.I.E + 1.65%	38,740	Localiza
LLMX	Working capital	08/10/2026	T.I.I.E + 1.65%	38,834	Localiza
LLMX	Working capital	10/02/2026	T.I.I.E + 1.65%	34,836	Localiza
LLMX	Working capital	10/16/2026	T.I.I.E + 1.65%	17,418	Localiza
LLMX	Working capital	11/05/2026	T.I.I.E + 1.65%	40,768	Localiza
LLMX	Working capital	11/19/2026	T.I.I.E + 1.65%	23,296	Localiza
LLMX	Working capital	10/12/2026	T.I.I.E + 1.65%	15,320	Localiza
Voll S.A.	Secured Account	none	CDI + 3.00%	13,735	Localiza Fleet
Voll S.A.	Bank Credit Note	07/05/2026	120% of CDI	20,382	none
Voll S.A.	Secured Account	none	CDI + 3.00%	1,870	Localiza Fleet
Voll S.A.	Secured Account	none	CDI + 3.00%	6,690	Localiza Fleet
				11,738,705	

(a) On May 12, 2025, Localiza approved, at a meeting of the Board of Directors, the amendment of the terms of Localiza Fleet's 9th debenture issuance. The main amendments included the extension of the maturity date from October 4, 2026 to May 28, 2030, changes to the interest payment dates, and revisions to the terms for optional early redemption and optional extraordinary amortization.

The issuance costs of debt securities issued during the year totaled BRL 31,400 in Individual and BRL 47,820 in Consolidated.

(g) Financial Covenants

Restrictive Contractual Clauses – Financial Covenants

Loans and financing envisage accelerated maturity in cases of, but not limited to: (i) requesting or filing for bankruptcy by the issuer or third parties that is not duly remedied within the legal term; (ii) issues related to default, not cured within the expected period, in an individual or aggregate amount equal to or greater than 3% of the average consolidated shareholders' equity calculated in the last three quarters; (iii) Localiza's capital reduction and/or repurchase of its own shares for cancellation, except if previously authorized by the debenture holders; (iv) the incorporation, merger or spin-off of Localiza, unless, under the terms of Article 231 of Law No. 6,404/76, the spun-off party or the company resulting from the operation remains within the current controlling group of the issuer, or the object of the spin-off represents less than 30% of the last annual consolidated billing; (v) non-maintenance, for two consecutive quarters or three non-consecutive quarters, of quarterly financial ratios, based on the Company's consolidated financial information; and (vi) downgrade of the rating of the Company in two or more notches in relation to the AAA rating (BR, triple A) by Fitch Ratings or Standard & Poor's due to any change in the corporate structure that may result in the loss, transfer or sale of the issuer's controlling power by the current controllers.

The Brazilian scale corporate credit ratings in effect as of December 31, 2025, were: Standard & Poor's (brAAA/stable), Moody's (AAA.br/stable) and Fitch Ratings (AAA(bra)/stable).

As shown below, the financial covenants had been complied with as of December 31, 2025 and December 31, 2024:

(i) Localiza

Index	Limits	12/31/25	12/31/24
Adjusted net debt (a) / adjusted EBITDA (b)	Below 4.00	2.25	2.45
Net debt discounted from credit card balance (c) / adjusted EBITDA (b)	Below 4.00	2.13	2.36
Adjusted EBITDA (b) / Net financial expenses	Above 1.50	3.04	3.15

(a) Adjusted net debt includes: (i) loans, financing, and debt securities; (ii) derivative financial instruments; (iii) cash and cash equivalents; (iv) financial investments; and (v) dividends and interest on equity.

(b) EBITDA consolidated earnings basis over the last 12 months, before: (i) financial income; (ii) income tax and social contribution; and (iii) depreciation and amortization expenses. For all issuances, EBITDA is also adjusted by the costs of stock options, non-recurring expenses, and impairment.

(c) The debenture issuances of the Company and Localiza Fleet include, in the definition of net debt, the deduction of the credit card receivables balance. As of December 31, 2025, the Company's consolidated balance of credit card receivables amounted to BRL 1,164,115 (BRL 1,192,140 as of December 31, 2024).

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(ii) Localiza Fleet

Index	Limits	12/31/25	12/31/24
Adjusted net debt (a) / adjusted EBITDA (b)	Below 4.00	2.10	2.47
Net debt discounted from credit card balance (c) / adjusted EBITDA (b)	Below 4.00	2.01	2.43
Adjusted EBITDA (b) / Net financial expenses	Above 1.50	3.20	3.37

(a) Adjusted net debt includes: (i) loans, financing, and debt securities; (ii) derivative financial instruments; (iii) cash and cash equivalents; (iv) financial investments; and (v) dividends and interest on equity.

(b) EBITDA consolidated earnings basis over the last 12 months, before: (i) financial income; (ii) income tax and social contribution; and (iii) depreciation and amortization expenses. For all issuances, EBITDA is also adjusted by the costs of stock options, non-recurring expenses, and impairment.

(c) The debenture issuances of Localiza Fleet include, in the definition of net debt, the deduction of the credit card receivables balance. As of December 31, 2025, the balance of credit card receivables of Localiza Fleet amounted to BRL 180,844 (BRL 154,116 as of December 31, 2024).

(iii) LLMX

Index	Limit	12/31/25	12/31/24
Equity (Mexican pesos)	Greater than MXN 800,000 thousand	(a)	MX 1,281,756 thousand

(a) During the year, the contracts were amended, resulting in the removal of the covenant clauses.

Additionally, the Company has loans that also include certain early maturity events under conditions similar to those applicable to debt securities. On December 31, 2025, and December 31, 2024, these restrictive covenants had been met.

18. LEASE LIABILITY

The Company recognizes the leases as a right-of-use asset (Note 12) with a corresponding lease liability on the date that the leased asset becomes available for use. Each lease payment is allocated between the liability and the finance costs. Finance costs are charged to profit or loss over the lease period.

Assets and liabilities arising from leases are initially measured at present value.

Lease payments are discounted at the lessee's incremental loan rate on the initial application date and, if necessary, the carrying amount is remeasured to reflect any revaluation or changes in the lease.

The Company applies a discount rate calculated based on the expectation of the risk-free rate disclosed by the Central Bank of Brazil, for the weighted term of its agreements, adjusted to the Company's circumstances (credit spread). The discount rate used is reviewed annually, or as required, and applied to new or amended lease agreements. The Company applied the average discount rate of 12.26% in 2025 (11.14% in 2024).

Changes in the lease liability are as follows:

	Individual	Consolidated
As of December 31, 2024	1,548,897	1,336,614
Opening balance of the merged company	4,996	-
Addition of new contracts/remeasurement (Note 12 (a))	248,123	281,208
Liabilities related to non-current assets held for sale (Note 30)	-	(1,009)
Write-offs	(23,592)	(47,068)
Consideration paid	(407,931)	(408,986)
Consideration payable	(6,392)	-
Interest (Note 27)	171,576	150,100
Change in the exchange rate	-	(6,575)
Translation adjustments	-	666
As of December 31, 2025	1,535,677	1,304,950
Current	252,116	253,809
Non-current	1,283,561	1,051,141
	Individual	Consolidated
As of December 31, 2023	1,405,565	1,228,103
Addition of new contracts/remeasurement (Note 12 (a))	408,042	363,585
Write-offs	(52,920)	(33,073)
Consideration paid	(359,335)	(366,241)
Consideration payable	(6,204)	-
Interest (Note 27)	153,749	133,447
Change in the exchange rate	-	9,108
Translation adjustments	-	1,685
As of December 31, 2024	1,548,897	1,336,614
Current	302,537	320,488
Non-current	1,246,360	1,016,126

Changes in the right-of-use asset balance are shown in Note 12(a).

As of December 31, 2025, the Company recognized BRL 138,130 in Individual and BRL 196,841 in Consolidated (BRL 134,749 in Individual and BRL 182,793 in Consolidated as of December 31, 2024), relating to expenses for variable lease payments and short-term leases of properties (Note 26).

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The Company and its subsidiaries have lease agreements for properties related to their operations. The minimum amounts payable, considering undiscounted considerations, for the remaining lease term contracted up to December 31, 2025 and classified as leases are as follows:

	<u>Individual</u>	<u>Consolidated</u>
2026	423,071	358,049
2027	389,933	322,349
2028	324,209	254,143
2029	268,929	196,410
2030	223,367	148,310
2031 and onwards	1,127,893	567,237
Total	2,757,402	1,846,498
Embedded interest	(1,221,725)	(541,548)
Balance of lease liability (current and non-current)	1,535,677	1,304,950

The estimated amount of PIS and COFINS credit embedded in the undiscounted lease consideration totals BRL 224,216 in Individual and BRL 165,996 in Consolidated. The consideration discounted to present value totals BRL 122,298 in Individual and BRL 94,010 in Consolidated.

The Company has short-term leases for office equipment (such as laptops, printers and copiers) that are low-value assets, for which it adopts the recognition exemptions proposed by the accounting standard. As of December 31, 2025, short-term lease expenses amounted to BRL 47,553 in Individual and BRL 54,655 in Consolidated (BRL 55,674 in Individual and BRL 62,852 in Consolidated as of December 31, 2024).

In measuring and remeasuring its lease liability and right-of-use asset, the Company applied the discounted cash flow method without considering projected future inflation in the cash flows to be discounted, pursuant to CPC 06 (R2)/IFRS 16 – Leases. In accordance with the guidance of Circular Letter CVM/SNC/SEP No. 02/2019, and to supplement this disclosure, the comparative balances are presented by applying projected inflation to the lease liability and right-of-use asset for the year ended December 31, 2025:

	12/31/25					
	<u>Individual</u>			<u>Consolidated</u>		
	<u>CPC 06 (R2)/IFRS 16</u>	<u>Projected inflation</u>	<u>%</u>	<u>CPC 06 (R2)/IFRS 16</u>	<u>Projected inflation</u>	<u>%</u>
Right-of-use asset, net	1,308,186	1,597,573	22.1%	1,142,450	1,348,510	18.0%
Lease liability	1,535,677	1,825,064	18.8%	1,304,950	1,511,010	15.8%

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19. OTHER CURRENT AND NON-CURRENT LIABILITIES

	Individual		Consolidated	
	12/31/25	12/31/24	12/31/25	12/31/24
Unearned income (a)	8,394	4,890	9,462	16,581
Federal taxes from third parties	6,891	8,678	52,897	34,217
Municipal tax liabilities	13,416	15,816	16,741	24,678
Advances from customers	538,085	465,185	625,499	576,650
Insurance premiums for transfer (b)	133,327	156,365	139,483	159,183
Amounts payable for the acquisition of companies (c)	-	-	1,269	3,630
Other amounts payable to related parties (Note 11(a))	1,826	6,869	-	-
Other	93,320	78,578	101,552	85,823
Total other current liabilities	795,259	736,381	946,903	900,762
Unearned income (a)	13,405	13,131	15,578	21,926
Amounts payable for the acquisition of companies (c)	-	-	2,381	5,444
Restricted obligations (d)	-	-	61,537	58,572
Payroll taxes from long-term incentives	40,127	31,463	42,166	33,318
Other	76,189	49,250	85,968	56,646
Total other non-current liabilities	129,721	93,844	207,630	175,906

(a) Refers to the franchising adhesion fee and bank preference premium.

(b) 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.

(c) Amounts payable as follows: (i) current liabilities – related to the acquisition of Getrak in the amount of BRL 1,269 (BRL 1,392 and BRL 2,238 as of December 31, 2024, referring to the acquisition of Getrak and Voll S.A., respectively); and (ii) non-current liabilities: related to the acquisition of Getrak totaling BRL 2,381 (BRL 3,656 and BRL 1,788 as of December 31, 2024, related to Getrak and Voll S.A., respectively).

(d) The restricted obligations refer to the amounts retained from the purchase price owed to Car Rental Systems' sellers (escrow), which will be released to after compliance with specific provisions under the share purchase agreement. These obligations are secured by restricted cash deposits held in escrow accounts by the Company, to be released after settlements with the sellers and net of indemnifiable amounts, totaling BRL 58,314 and BRL 56,483 in the consolidated financial statements as of December 31, 2025, and December 31, 2024, respectively (Note 9). The consolidated balances of these restricted obligations, net of deposits, amounted to BRL 3,223 and BRL 2,089 as of December 31, 2025 and December 31, 2024, respectively.

20. PROVISIONS FOR RISKS AND ESCROW DEPOSITS

(a) Provisions for risks

The Company and its subsidiaries recognize provisions for present obligations arising from past events, when the amount of the obligation can be reliably estimated and its settlement is probable, or arising from a legal obligation to pay. Provisions are measured at present value and represent the best estimate of the disbursements required to settle the obligation at the end of each year, considering the risks and uncertainties related to the obligation. Actual results could differ from those estimated as presented in the financial statements. The increase in the provision due to the time elapsed is accreted as a financial expense.

Localiza and its subsidiaries are legally contesting certain tax, social security, labor, and civil claims, for which provisions have been recognized. The timing of any potential payments is uncertain, and there are probable risks of loss, as estimated by Management, under the advice of its legal counsel, are as below.

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The balance of provisions for probable risk of loss is as follows:

	Individual		Consolidated	
	12/31/25	12/31/24	12/31/25	12/31/24
Tax and social security	318,541	17,269	323,758	316,613
Labor	57,642	31,367	63,257	53,717
Civil	156,470	72,477	187,917	182,406
Total	532,653	121,113	574,932	552,736

During 2025 and 2024, the changes in the balance of provisions as shown below:

	Individual			
	Tax and social security	Labor	Civil	Total
As of December 31, 2024	17,269	31,367	72,477	121,113
Opening balance of the merged company	58,742	15,015	42,239	115,996
Transfer by merger – net fair value adjustment (gain/loss) (Note 10.3)	240,868	2,225	46,873	289,966
Provision	11,146	36,085	93,402	140,633
Reversal	(21,883)	(9,809)	(44,181)	(75,873)
Transfer for payment	-	(20,257)	(58,452)	(78,709)
Interest accruals, net of reversals	12,399	3,016	4,112	19,527
As of December 31, 2025	318,541	57,642	156,470	532,653

	Individual			
	Tax and social security	Labor	Civil	Total
As of December 31, 2023	42,156	31,100	68,375	141,631
Provision	3,809	20,459	42,175	66,443
Reversal	(27,470)	(11,751)	(6,561)	(45,782)
Transfer for payment	(1,905)	(10,790)	(33,721)	(46,416)
Interest accruals, net of reversals	679	2,349	2,209	5,237
As of December 31, 2024	17,269	31,367	72,477	121,113

	Consolidated			
	Tax and social security	Labor	Civil	Total
As of December 31, 2024	316,613	53,717	182,406	552,736
Provision	16,094	46,092	118,886	181,072
Reversal	(23,396)	(16,592)	(53,285)	(93,273)
Transfer for payment	-	(22,099)	(72,357)	(94,456)
Interest accruals, net of reversals	14,522	3,621	18,501	36,644
Impairment loss amortization	(75)	(1,482)	(6,234)	(7,791)
As of December 31, 2025	323,758	63,257	187,917	574,932

	Consolidated			
	Tax and social security	Labor	Civil	Total
As of December 31, 2023	366,764	60,686	176,835	604,285
Provision	7,707	25,472	56,379	89,558
Reversal	(55,583)	(19,094)	(18,989)	(93,666)
Transfer for payment	(1,905)	(12,572)	(40,258)	(54,735)
Interest accruals, net of reversals	3,050	2,191	18,937	24,178
Impairment loss amortization	(3,420)	(2,966)	(10,498)	(16,884)
As of December 31, 2024	316,613	53,717	182,406	552,736

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(b) Escrow deposits

Localiza and its subsidiaries have escrow deposits linked to lawsuits. The changes in balances segregated by nature, were as follows:

	Individual		Consolidated	
	12/31/25	12/31/24	12/31/25	12/31/24
Tax and social security	199,569	68,224	229,323	196,134
Labor	4,624	16,741	5,066	22,341
Civil	7,530	18,894	7,580	22,763
Total	211,723	103,859	241,969	241,238

(c) Additional information on provisions for risks

	Individual				Consolidated			
	12/31/25		12/31/24		12/31/25		12/31/24	
	Number of lawsuits	Accrued amount	Escrow deposits	Bank guarantee / warranty insurance linked	Number of lawsuits	Accrued amount	Escrow deposits	Bank guarantee / warranty insurance linked
Tax and social security	236	318,541	47,915	127,003	19	17,269	1,639	139,845
Labor	622	57,642	4,272	27,981	362	31,367	6,368	15,907
Civil	3,045	156,470	5,503	36,384	2,026	72,477	5,126	2,356
Total	3,903	532,653	57,690	191,368	2,407	121,113	13,133	158,108
	Individual				Consolidated			
	12/31/25		12/31/24		12/31/25		12/31/24	
	Number of lawsuits	Accrued amount	Escrow deposits	Bank guarantee / warranty insurance linked	Number of lawsuits	Accrued amount	Escrow deposits	Bank guarantee / warranty insurance linked
Tax and social security	245	323,758	48,049	127,003	245	316,613	44,566	139,845
Labor	663	63,257	4,769	34,577	558	53,717	7,497	23,341
Civil	3,458	187,917	5,503	36,686	2,684	182,406	5,168	2,590
Total	4,366	574,932	58,321	198,266	3,487	552,736	57,231	165,776

• **Tax and social security**

The Company and its subsidiaries do not have material contingencies arising from tax uncertainties related to income taxes. Nonetheless, the Company and its subsidiaries are parties to administrative and judicial proceedings of a tax and social security nature, which predominantly relate to:

ICMS

The Company and its subsidiaries have lawsuits related to ICMS that refer to taxes arising on the sale of vehicles decommissioned for fleet renewal.

On July 7, 2006, the Brazil Finance Policy Council (CONFAZ) issued ICMS Agreement 64/06, which established the incidence of ICMS on the sale of vehicles within a period of less than 12 months from the acquisition. This Agreement (Convênio 64/06) was ratified by the States of the Federation, except São Paulo, which issued Normative Decision CAT No. 02/06 with similar regulations. The Federal Supreme Court, when ruling on Extraordinary Appeal No. 1025986 under the general repercussion system, deemed the incidence of ICMS on the sale of vehicles with less than 12 months of acquisition from the manufacturer, carried out by car rental companies, to be constitutional.

In 2020, based on this ruling, the Company's legal advisors recommended the likelihood of loss in the lawsuits challenging the requirement of ICMS on sales made within less than 12 months, be classified as a probable. Thus, a

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provision was recognized, which as of December 31, 2025, amounts to BRL 12,495 in Individual and BRL 12,835 in Consolidated (BRL 11,921 in Individual and BRL 24,582 in Consolidated as of December 31, 2024).

PIS and COFINS

These refer to decisions handed down by the STJ concluding that revenues earned from leasing operations of movable property chattels, under Supplementary Law No. 70/91, are taxable for purposes of PIS and COFINS. In September 2010, the Federal Government initiated a Tax Enforcement action to collect amounts from the subsidiary Locamerica Rent a Car S.A., which was merged in 2023. Escrow deposits were made to suspend the enforceability of the credits and allow for the filing of objections. Due to the jurisprudential and recent case law, management classified the claim as a probable loss, recording a provision of BRL 25,589 in both the Individual and Consolidated financial statements as of December 31, 2025 (BRL 24,201 in Consolidated as of December 31, 2024).

• **Labor**

Localiza and its subsidiaries are party to labor lawsuits mainly related to overtime payments, moral damages, and recognition of an employment relationship that self-employed service contractors or similar may claim in court. There is no uniformity in case law on these matters.

• **Civil**

Localiza and its subsidiaries are party to civil proceedings related to: (i) indemnity claims arising from damages caused to third parties in traffic accidents by customers driving cars rented from the Company (although it is not responsible for the accidents, the Company is often sued for being the owner of the car); and (ii) claims arising from consumer relationships. Provision are recorded for probable loss indemnities to third parties, resulting from accidents caused by rented cars, in amounts exceeding the limits contracted through the insurance company, under the advice of legal advisors.

(d) Contingencies classified as possible risk of losses

The proceedings classified as possible losses, as assisted by the Group's legal advisors, are of a tax, social security, labor, and civil nature, for which no provisions are recognized.

For the possible loss contingencies from the business combination with Locamerica, a portion of these amounts was recognized at the acquisition date as an adjustment to the fair value of the acquired net assets (negative goodwill), in accordance with CPC 15 / IFRS 3 – Business Combinations, and is recorded in the balance sheet as a reduction of the investment, without affecting the statement of income.

In the consolidated balance sheet, these amounts are recorded as a provision for risks since the date of the business combination. Upon completion of the merger of Locamerica, these amounts are now reflected in the Company's Individual balance sheet; accounting treatment originally applied in Consolidated remains unchanged.

	Individual							
	12/31/25				12/31/24			
	Number of lawsuits	Discussed amount	Escrow deposits	Bank guarantee / warranty insurance	Number of lawsuits	Discussed amount	Escrow deposits	Bank guarantee / warranty insurance
Tax and social security	922	1,886,050	151,654	839,379	477	1,358,239	66,585	416,246
Labor	1,013	207,360	352	888	1,011	132,036	10,373	9,324
Civil	5,488	428,079	2,027	4,482	3,530	250,932	13,768	6,792
Total	7,423	2,521,489	154,033	844,749	5,018	1,741,207	90,726	432,362

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	Consolidated							
	12/31/25				12/31/24			
	Number of lawsuits	Discussed amount	Escrow deposits	Bank guarantee / warranty insurance	Number of lawsuits	Discussed amount	Escrow deposits	Bank guarantee / warranty insurance
Tax and social security	1,058	2,174,942	181,274	1,059,385	1,078	1,926,748	151,568	536,391
Labor	1,092	225,852	297	933	1,246	181,069	14,844	11,623
Civil	6,301	676,482	2,077	4,985	5,122	433,584	17,595	9,610
Total	8,451	3,077,276	183,648	1,065,303	7,446	2,541,401	184,007	557,624

• **Tax and social security**

Social Integration Program (PIS) / Social Contribution on Revenues (COFINS)

Localiza and its subsidiaries are involved in discussions regarding PIS/COFINS assets arising from the acquisition of goods and services used as inputs in their operations, in accordance with Article 3, II, of Laws No. 10,637/2002 and No. 10,833/2003. In addition, they are discussing tax credit assets related to software maintenance, vehicle insurance, advertising, maintenance, intercompany subleasing, and commissions paid to agencies.

The Company and its subsidiaries claim PIS/COFINS credits related to the depreciation of vehicles used for rental, based on Article 3, VI, and Article 15 of Law No. 10,833/03, using the fraction of 1/48 per month, in place of the general rule of 1/60 per month, considering the full amount of the credits. Based on case law, Management, under the advice of legal counsel have assess the loss of the lawsuits as a possible loss. The Company and its subsidiaries estimate that the present value of the contingency as of December 31, 2025, amounts to BRL 471,641 in Individual and BRL 531,841 in Consolidated (BRL 184,608 in Individual and BRL 491,990 in Consolidated as of December 31, 2024). As of December 31, 2025, the balance of negative goodwill related to this contingency, arising from the initial recognition in the context of the business combination, amounts to BRL 206,904 in both the Individual and Consolidated statements (BRL 206,904 in Consolidated as of December 31, 2024).

Furthermore, the Company and its subsidiaries are still seeking judicial recognition of their clear and undisputed right to appropriate PIS and COFINS credits corresponding to amounts incurred with non-recoverable IPI, based on the consolidated jurisprudence of the STJ and STF. They argue that Normative Instruction IN 2,121/22 (amended by IN 2,152/2023) conflicts with the principles of tax legality, non-cumulativity, and equality, and disregards the fact that, for end consumers, the non-recoverable IPI effectively forms part of the transaction price of the acquired goods, both for accounting and tax purposes. Management, under the advice of legal counsel have assess the loss as a possible risk. The Company and its subsidiaries estimate that the present value of the contingency as of December 31, 2025, amounts to BRL 172,568 in Individual and BRL 121,838 in Consolidated (BRL 60,342 in Individual and BRL 116,157 in Consolidated as of December 31, 2024).

ICMS

The Company and its subsidiaries have claims that: (i) charges made by States where the Company already has a final judgment decision for ICMS on sales due under 12 months to be unconstitutional, not affected by the general repercussion decisions in Themes 881 and 885 of the STF, which established the limits of *res judicata* in tax matters; (ii) charges related to sales over 12 months; (iii) calculations of penalties are provided in Agreement 64/06; (iv) mixed cases, where the Company was unable to segregate sales made under and over 12 months; and (v) charges of ICMS and fines where the discussion does not involve vehicle sales.

These disputes involve, as of December 31, 2025, amounts of BRL 660,750 in Individual and BRL 769,963 in Consolidated (BRL 540,624 and BRL 696,529 in Individual and Consolidated, respectively, as of December 31, 2024). As of December 31, 2025, the balance of negative goodwill related to this contingency, arising from the initial recognition in the context of the business combination, amounts to BRL 7,832 in Individual and BRL 7,970 in Consolidated (BRL 7,970 in Consolidated as of December 31, 2024).

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Vehicle Ownership Tax (IPVA)

The Company and its subsidiaries are party to several administrative and judicial proceedings in which the IPVA for the State of São Paulo is discussed, based on State Law No. 13.296/08, regarding the vehicles they own and which are made available for lease in that State. The Company and its subsidiaries are tax domiciled in Belo Horizonte/MG, which is why they pay IPVA to the State of Minas Gerais, in line with the understanding of the STF signed specified in Theme 708 of the General Repercussion. No provision is recognized for these claims, as Management, under the advice of legal counsel, have assess the loss as a possible risk based on the legal and constitutional provisions governing IPVA (Articles 155, III and 158, III of the Brazilian Constitution, Articles 120 of the Traffic Code, 75, IV and §1 of the Civil Code, and Articles 110 and 127 of the Federal Tax Code). The Company and its subsidiaries estimate a total contingency of BRL 131,218 in Individual and BRL 174,328 in Consolidated as of December 31, 2025 (BRL 80,586 and BRL 157,876 in Individual and Consolidated, respectively, as of December 31, 2024). As of December 31, 2025, the balance of negative goodwill related to this contingency, arising from the initial recognition in the context of the business combination, amounts to BRL 9,881 in both the Individual and Consolidated financial statements (BRL 9,941 in Consolidated as of December 31, 2024).

- **Civil**

The Company is a party to an indemnity lawsuit filed by a former franchisee, which involves alleged losses and damages arising from the termination of a franchise agreement in 2017. In the third quarter of 2025, the case was decided unfavorably for the Company and is currently under appeal, with no consistent judicial interpretation regarding the matters in dispute. The Company, together with its legal advisors, classifies the claim partly as a probable loss, for which a provision of BRL 20,534 has been recognized, and partly as a possible loss, estimated at BRL 202,799 in the Consolidated financial statements.

21. TAXES ON INCOME – INCOME TAX AND SOCIAL CONTRIBUTION**(a) Deferred income tax and social contribution – assets and liabilities**

The Company and its subsidiaries recognize deferred income tax and social contribution credits on temporary differences between the carrying amounts of assets and liabilities reported in the financial statements and their corresponding tax bases used to calculate taxable profit, as well as from tax loss carryforwards, when applicable. The recovery of the balance of deferred tax assets is reviewed at the end of each year; when it is no longer likely that future taxable income will be available to allow the recovery of all or part of the asset, the balance of the asset is adjusted by the amount that is expected to be recovered.

Subsidiaries that calculate income tax and social contribution based on the resumed tax regime do not constitute deferred tax assets. The deferred tax assets and liabilities are presented on a net basis by company.

The deferred income tax and social contribution balance is comprised as follows:

	Individual		Consolidated	
	12/31/25	12/31/24	12/31/25	12/31/24
Judicial and other provisions	81,679	39,822	103,703	76,794
Allowance for doubtful debts	103,320	51,702	138,549	154,749
Provision for payment of services in progress and other	205,232	177,090	234,405	260,680
Tax loss and social contribution carryforwards	4,827,710	2,991,235	6,076,133	5,237,597
Fair value increment on property and equipment	162,365	173,862	162,365	173,862
Fair value increment on intangible assets	7,451	5,713	7,451	5,713
Fair value increment on acquisitions by investees	55	-	1,422	-
Fair value increment on assets held for sale	38,525	42,027	38,525	42,027
Derivative financial instruments	-	12,143	16,151	19,997
Lease	522,130	526,625	594,477	598,710
Other	-	-	399	102
Total deferred income tax and social contribution – assets	5,948,467	4,020,219	7,373,580	6,570,231
Vehicle depreciation (a)	(4,494,215)	(2,657,284)	(8,114,276)	(6,762,994)
Derivative financial instruments	(363,729)	(501,840)	(411,204)	(589,484)
Goodwill tax amortization	(257,166)	(7,506)	(279,567)	(110,569)
Impairment loss on acquisitions by investees	-	-	(6,463)	(11,237)
Impairment loss from contingencies	(30,984)	(31,286)	(30,984)	(31,286)
Lease	(444,783)	(460,648)	(511,926)	(525,926)
Other	-	-	(32,977)	(29,167)
Total deferred income tax and social contribution – liabilities	(5,590,877)	(3,658,564)	(9,387,397)	(8,060,663)
Total deferred income tax and social contribution, net	357,590	361,655	(2,013,817)	(1,490,432)
Non-current assets	357,590	361,655	479,148	457,490
Non-current liabilities	-	-	(2,492,965)	(1,947,922)

(a) Refers to the temporary difference arising from the calculation of accounting depreciation (Note 12) in relation to the tax base. Localiza and its subsidiaries calculate vehicle depreciation expenses for tax purposes in accordance with the criteria established by Law 4,506/64, combined with the annual rates set forth in Normative Instruction 1,700/17, or based on a technical report (Note 8).

As of December 31, 2025, the Company and its subsidiaries have a deferred tax asset arising from carryforward income tax losses and social contribution negative bases of BRL 4,827,710 in Individual and BRL 6,076,133 in Consolidated (BRL 2,991,235 and BRL 5,237,597, respectively, on December 31, 2024), based on the expectation of generating future taxable income. The right of offset does not prescribe, but is limited to 30% of annual taxable income, pursuant to current legislation.

Annually, the Company reviews the recoverability of the balances of deferred assets. This assessment is supported by a technical report prepared by specialists who evaluate the projection of future taxable profits. The deferred tax asset in Individual and Consolidated is estimated to be realized as follows:

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	<u>Individual</u>	<u>Consolidated</u>
2026	416,823	997,442
2027	126,382	643,422
2028	409,590	545,205
2029 onwards	4,995,672	5,187,511
Total	<u>5,948,467</u>	<u>7,373,580</u>

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The balance of deferred tax is as follows:

	Individual							Total	
	Provisions	Tax loss carryforwards	Gains and losses	Derivative instruments	Vehicle depreciation	Lease	Goodwill tax amortization		
Assets and liabilities - deferred taxes:									
As of December 31, 2024	268,614	2,991,235	190,316	(489,697)	(2,657,284)	65,977	(7,506)	361,655	
Opening balance of the merged company	163,076	-	57	(24,545)	(866,411)	158	(99,550)	(827,215)	
Credited (charged) to the statement of income	(41,459)	1,836,475	(12,961)	(159,520)	(970,520)	11,212	(150,110)	513,117	
Credited (charged) to other comprehensive income	-	-	-	310,033	-	-	-	310,033	
As of December 31, 2025	390,231	4,827,710	177,412	(363,729)	(4,494,215)	77,347	(257,166)	357,590	
As of December 31, 2023	203,709	1,620,301	204,480	(34,365)	(2,104,026)	49,948	-	(59,953)	
Credited (charged) to the statement of income	64,905	1,370,934	(14,164)	(64,795)	(553,258)	16,029	(7,506)	812,145	
Credited (charged) to other comprehensive income	-	-	-	(390,537)	-	-	-	(390,537)	
As of December 31, 2024	268,614	2,991,235	190,316	(489,697)	(2,657,284)	65,977	(7,506)	361,655	
	Consolidated								
	Provisions	Tax loss carryforwards	Gains and losses	Derivative instruments	Vehicle depreciation	Lease	Goodwill tax amortization	Other	Total
Assets and liabilities - deferred taxes:									
As of December 31, 2024	492,223	5,237,597	179,079	(569,487)	(6,762,994)	72,784	(110,569)	(29,065)	(1,490,432)
Credited (charged) to the statement of income	(15,511)	834,617	(7,985)	(181,187)	(1,350,981)	9,969	(168,998)	(3,513)	(883,589)
Credited (charged) to other comprehensive income	-	-	-	355,621	-	-	-	-	355,621
Cumulative translation adjustments of investees abroad	267	3,919	-	-	(301)	(202)	-	-	3,683
Liabilities related to non-current assets held for sale (Note 30)	(322)	-	1,222	-	-	-	-	-	900
As of December 31, 2025	476,657	6,076,133	172,316	(395,053)	(8,114,276)	82,551	(279,567)	(32,578)	(2,013,817)
As of December 31, 2023	400,346	3,670,986	189,316	(81,415)	(5,819,196)	56,418	(52,401)	(26,431)	(1,662,377)
Credited (charged) to the statement of income	91,745	1,565,911	(10,237)	10,052	(943,422)	16,078	(58,168)	(2,634)	669,325
Credited (charged) to other comprehensive income	-	-	-	(498,124)	-	-	-	-	(498,124)
Cumulative translation adjustments of investees abroad	132	700	-	-	(376)	288	-	-	744
As of December 31, 2024	492,223	5,237,597	179,079	(569,487)	(6,762,994)	72,784	(110,569)	(29,065)	(1,490,432)

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

The Company and its subsidiaries calculate the provision for income tax and social contribution based on taxable income for the year. Taxable income differs from profit presented in the statement of income because it excludes taxable or deductible income or expenses from prior years, as well as non-taxable or non-deductible items, pursuant to current legislation. The provision for income tax and social contribution is calculated individually by each company under taxable accounting profit or under the presumed tax regime, at the current rates.

The reconciliation between the statutory and effective rates for the years ended December 31, 2025 and 2024 is as follows:

	Individual		Consolidated	
	2025	2024	2025	2024
Profit before income taxes	1,357,174	999,526	3,197,868	1,866,538
Statutory rate	34%	34%	34%	34%
Nominal expense	(461,439)	(339,839)	(1,087,275)	(634,623)
Adjustments:				
Equity in earnings of investees	286,640	593,420	-	-
Benefit from payment of interest on equity	714,591	570,452	714,591	570,452
Write-off of tax loss and carryforwards (a)	-	-	(930,503)	-
Income tax and social contribution due by subsidiaries (presumed tax regime)	-	-	394	1,314
Other, net	(21,493)	(9,932)	(24,605)	9,629
Income tax and social contribution	518,299	814,101	(1,327,398)	(53,228)
Current income tax and social contribution	5,182	1,956	(443,809)	(722,553)
Deferred income tax and social contribution	513,117	812,145	(883,589)	669,325
Effective rate	38%	81%	(42%)	(3%)

(a) Refers substantially to the write-off of Locamerica's carryforward tax losses, which are no longer eligible for offset following its merger into the Company, approved and completed on August 1, 2025. In accordance with current tax legislation, tax losses and negative CSLL (Social Contribution) bases cannot be utilized in the event of the extinction of a merged legal entity, pursuant to Article 585 of the RIR/2018 and Article 33 of Decree-Law No. 2,341/1987. The totals write-off, net of tax offsets, applied subsequently, was BRL 918,357, charged to income under 'Deferred Income Tax and Social Contribution Expense' in the consolidated statement of income.

Global Minimum Tax – Pillar Two

In December 2021, the Organization for Economic Co-operation and Development ("OECD") issued the Global Anti-Base Erosion Rules ("GloBE Rules"), known as Pillar Two, to introduce a minimum effective tax rate of 15% on the profits of multinational groups with consolidated annual revenues of EUR 750 million or more in at least two of the four preceding years.

In Brazil, Law No. 15,079/2024 was enacted, regulated by RFB Normative Instruction No. 2,228/2024, establishing the Qualified Domestic Minimum Top-up Tax ("QDMTT") as an additional social contribution charge, as part of the process of aligning Brazilian legislation with the GloBE Rules.

Based on the analyses conducted for the years 2024 and 2025, the Group qualified for the Transitional Safe Harbor under the GloBE Rules, through the "Routine Profit" test, in the jurisdictions where it has significant operations (Brazil and Mexico).

Accordingly, no impacts from the application of the Pillar Two rules are expected on the financial statements for the year ended December 31, 2025.

In accordance with the amendments introduced in CPC 32 – Income Taxes, the Company applies the temporary exception regarding the recognition of deferred tax assets and liabilities related to Pillar Two taxes.

Management will continue to monitor regulatory developments in the jurisdictions in which it operates and assess any potential future impacts.

22. EQUITY

(a) Capital

As of December 31, 2025, the Company's share capital amounted to BRL 19,973,526, divided into 1,082,620,720 common shares and 41,638,625 preferred shares (BRL 17,908,250, consisting of 1,082,620,720 common shares as of December 31, 2024).

(i) Capital increase

On December 5, 2025, the Company filed with B3 a request for the admission of its preferred shares for trading in the Novo Mercado segment. On December 17, 2025, B3 granted an exceptional waiver of the obligation set forth in Article 8 of the Novo Mercado Regulations, considering the transitional nature of the preferred shares and their compatibility with the principles underlying the segment. The new preferred shares are traded under the ticker "RENT4".

At the Extraordinary General Meeting held on December 29, 2025 ("EGM"), the Company approved the creation of registered, book-entry, no-par-value preferred shares, with voting rights, convertible into common shares. The preferred shares have, among other features, the following characteristics: voting rights; equal participation with common shares in the distribution of dividends and other distributions; 100% tag-along rights in the event of a change of control; priority in the return of capital (without a premium); the possibility of redemption by resolution of the Board of Directors; and a transitional nature. Preferred shares not redeemed will be automatically converted into common shares at a 1:1 ratio by December 31, 2028, on a date to be determined by the Board of Directors, and will be automatically extinguished upon their conversion or redemption.

The conversion of preferred shares into common shares does not create a contractual obligation for the Company to deliver cash, and is settled through the issuance of the Company's common shares. For operational purposes, the Company may satisfy the delivery of common shares resulting from the conversion using treasury shares, in accordance with applicable legal, regulatory, and statutory provisions.

Additionally, the Bylaws provide that the Board of Directors may, at any time, resolve to redeem preferred shares, in which case the resolution will specify the payment date and redemption amount. Shareholders may, under the terms and conditions set by the Board of Directors, elect to convert their shares in lieu of redemption, in whole or in part.

At the same EGM, the Company approved a capital increase of BRL 2,065,276 through the capitalization of its retained earnings, by issuing bonus shares in the form of preferred shares, as a primarily transitional instrument. Hence, 41,638,625 new preferred shares were issued and distributed to shareholders, proportionally to their holdings, as bonus shares, in accordance with Article 169 of Law No. 6,404/76. The Company's share capital increased from BRL 17,908,250 to BRL 19,973,526.

(ii) Authorized Capital

Pursuant to Article 6 of the Bylaws, approved at the Annual General Meeting held on December 29, 2025, the Company is authorized to increase its share capital up to a limit of 2,000,000,000 registered common shares, without requiring prior amendment to the Bylaws, allowing for the issuance of an additional 917,379,280 registered common shares.

(iii) American Depositary Receipts ("ADR") Program

The Company has operated a Level I American Depositary Receipts ("ADR") program since its approval by the Brazilian Securities Commission (CVM) on May 22, 2012, with trading beginning on the U.S. market on June 5, 2012. As

of December 31, 2025, 2,640,510 ADRs were outstanding (1,833,744 ADRs as of December 31, 2024). Each ADR represents one (1) share of the Company.

(b) Treasury shares

Changes in treasury shares are shown below:

	Number of shares			Amount	Average unit price (in BRL)
	Common shares	Preferred shares	Total		
As of December 31, 2023	10,530,456	-	10,530,456	447,225	42.47
Exercise of long-term incentive programs	(779,408)	-	(779,408)	(32,581)	41.80
Sold to employees eligible to the Matching Program	(54,416)	-	(54,416)	(2,277)	41.84
Repurchase of shares	19,172,900	-	19,172,900	795,635	41.50
As of December 31, 2024	28,869,532	-	28,869,532	1,208,002	41.84
Exercise of long-term incentive programs	(686,361)	-	(686,361)	(28,719)	41.84
Sold to employees eligible to the Matching Program	(46,846)	-	(46,846)	(1,960)	41.84
Share Bonus – Preferred Shares – Note 22(a)(i)	-	1,082,149	1,082,149	-	-
As of December 31, 2025	28,136,325	1,082,149	29,218,474	1,177,323	40.29

As of December 31, 2025, the market value of treasury common shares was BRL 1,225,900 – at a price of BRL 43.57 per share – and the market value of treasury preferred shares was BRL 44,909 – at a price of BRL 41.50 per share.

(i) Exercise of long-term incentive programs

The treasury shares used to exercise the Stock Option Programs are shown in Note 22(c)(ii).

(ii) Sold to employees eligible to the Matching Program

In 2025, 46,846 common treasury shares were sold for a total of BRL 1,960 (54,416 shares for BRL 2,277 in 2024) to employees eligible under the second share purchase and Matching plan, approved at the Extraordinary General Meeting held on April 26, 2022. The premium on the sale of these shares was BRL 59 during the year (BRL 391 in 2024).

(iii) Repurchase of shares

As of December 31, 2025 and December 31, 2024, the following Localiza Share Buyback Programs were in effect:

Share Buyback Program	Approved by the Board of Directors	Repurchase period	Maximum authorized
16th	07/19/24	07/23/24 to 01/19/26	87,000,000
17th	12/12/25	01/20/26 to 07/21/27	72,000,000

The repurchase program aims to maximize the generation of value for shareholders or settle the share purchase programs within the scope of the Company's long-term incentive plans.

In 2024, the Company repurchased its own common shares, as shown below:

2024				
Repurchase Program	Period	Number of common shares	Amount	Average cost (*)
16th	08/14/2024	7,500,000	300,094	40.01
16th	08/16/2024	425,000	18,056	42.48
16th	08/22/2024	4,240,000	179,710	42.38
16th	10/21/2024	772,300	32,822	42.50
16th	10/22/2024	1,242,200	52,581	42.33
16th	10/23/2024	2,150,000	91,141	42.39
16th	10/24/2024	743,400	31,793	42.77
16th	10/25/2024	2,100,000	89,438	42.59
		19,172,900	795,635	41.50

(*) The average cost of acquiring treasury shares includes negotiation costs.

No shares issued by the Company were repurchased in 2025.

(c) Capital reserves

Capital reserves consist of the capital reserve arising from the merger of Locamerica, amounting to BRL 3,827,562, as well as amounts related to stock option grants recognized and share issuance premium, as below.

Capital reserves may only be used in the circumstances provided for in Article 200 of Law No. 6,404/76.

(i) Stock options granted

Reserve allocated for the recognition of long-term incentive plans, duly approved in Shareholder Meetings, which grant options to purchase Localiza stock options or shares by certain executives and eligible employees. The purpose of these plans is to attract, motivate and retain these officers and employees, as well as align their interests with those of the Company and its shareholders.

Currently, the long-term incentive plans maintained by the Company are the following:

- **4th Stock Option Plan ("4th Option Plan", comprising the Programs from 2017 to 2022):** Approved at the Extraordinary General Meeting held on July 12, 2017, the plan establishes the general conditions of long-term incentive through the grant of stock options issued by the Company, pursuant to article 168, paragraph 3 of Law 6,404/76, to certain officers, at the discretion of the Board of Directors. Adhesion to it is voluntary. For each invested share, the Company shall grant to the Participant 3 options. The program will have three tranches annually from the due date and the vesting period for those eligible to acquire the right to exercise is 1/3 of the options every year and, at the end of three years, 100% of the options will be available for exercise and those eligible will have another three years to exercise.
- **5th Stock Option Plan:** Approved at the Extraordinary General Meeting held on April 26, 2022 and amended at the Extraordinary General Meeting on June 27, 2022, the plan establishes the general conditions of the long-term incentive through the granting of options to purchase shares issued by the Company, pursuant to Article 168, paragraph 3 of Law 6,404/76, to certain executives, at the discretion of the Board of Directors, whose adhesion is voluntary. The plan is valid for five years from the first grant. For each invested share, the Company shall grant to the Participant four options. The total grace period is at least 3 (years), subject to all other conditions provided for in the plan, programs, and option contracts, and the options may become exercisable in stages over the grace period.

- **1st Stock Options and Matching Shares Plan ("1st Matching Plan", comprising the Programs from 2017 to 2022):** Approved at the Extraordinary General Meeting held on July 12, 2017, the plan sets the general terms and conditions for the long-term incentive plan by means of the purchase of stocks and matching stocks to certain executives, who will voluntarily adhere to the plan. The term "Matching Share" means the onerous right to receive 1 share on a certain future date, strictly in accordance with the terms and conditions established in the plan. The Company will sell to the participant, who shall purchase from it, in a commercial purchase and sale transaction, using the treasury shares, the number of shares equivalent to the number of share baskets acquired, and, for each 1 share, the Company shall sell jointly to the participant two matching shares, if the requirements provided for in this plan are complied with. The program will have a single tranche from the due date, and the vesting period for the eligible person to acquire the right to exercise them is three years.
- **2nd Stock Option and Matching Stock Plan (2nd Matching Plan):** Approved at the Extraordinary General Meeting held on April 26, 2022 and amended at the Extraordinary General Meeting on June 27, 2022, the plan sets the general terms and conditions for the long-term incentive plan by means of the purchase of stocks and matching stocks to certain executives, who will voluntarily adhere to the plan. The plan is valid for five years from the first grant. The term "Matching Share" means the onerous right to receive 1 share on a certain future date, strictly in accordance with the terms and conditions established in the plan. The Company will sell to the participant who shall purchase from it, in a commercial purchase and sale transaction, using the treasury shares, the number of shares equivalent to the number of share baskets acquired, and, for each 1 share, the Company shall sell jointly to the participant 3 Matching Shares, if the requirements provided for in this plan are complied with. The total grace period is at least 3 (three) years from the grant date, during which the participant must remain a manager or employee of the Company, subject to all other conditions provided for in the plan, programs and contracts of option, with the possibility of settling the matching shares in a phased manner over the grace period.
- **1st Deferred Shares Bonus Plan ("1st Deferred Plan", comprising the Programs from 2017 to 2022):** Approved at the Extraordinary General Meeting held on July 12, 2017, the plan sets the general terms and conditions for the long-term incentive plan by granting Deferred Shares issued by the Company to eligible employees. Each deferred share grants to its holder the right to receive 1 common share issued by the Company on a certain future date, strictly in accordance with the terms and conditions established in this plan, as a bonus (share bonus). The program will have a single tranche from the due date, and the vesting period for the eligible person to acquire the right to exercise them is three years.
- **2nd Deferred Shares Bonus Plan ("2nd Deferred Plan"):** Approved at the Extraordinary General Meeting held on April 26, 2022 and amended at the Extraordinary General Meeting on June 27, 2022, the plan sets the general terms and conditions for the long-term incentive plan by granting Deferred Shares issued by the Company to eligible employees. The plan is valid for five years from the first grant. Each deferred share grants to its holder the right to receive 1 common share issued by the Company on a certain future date, strictly in accordance with the terms and conditions established in this plan, as a bonus (share bonus). The total grace period is at least 3 (three) years from the grant date, during which the participant must remain a manager or employee of the Company, subject to all other conditions provided for in the plan, programs and contracts of option, with the possibility of settling the shares in a phased manner over the grace period.

Migration of Locamerica long-term incentive plans: Considering the Company's obligation, provided for in the Merger of Shares Agreement entered into within the scope of the operation with Locamerica, the Board of Directors approved, at a meeting held on September 23, 2022: (a) the 1st Deferred Shares Bonus Program; (b) the Company's 2nd Deferred Shares Bonus Program; (c) the Company's 3rd Deferred Shares Bonus Program; and (d) the Cash Settlement Share-Based Payment Program – Virtual Shares of the Company. The approvals above occurred in the context of the merger of shares issued by Locamerica by the Company on July 1, 2022, so that the plans for granting restricted and matching shares of Locamerica was cancelled, which is why the participants of these plans now have their incentives replaced by economically equivalent incentives granted by the Company. The programs above aim to substantially preserve the same economic parameters as those included in the grants made to their respective participants under the Cancelled Plans of Locamerica.

- **Special Retention and Alignment Plan for the Creation of a Reference Managing Shareholder ("Reference Shareholder"):** At the Ordinary and Extraordinary Shareholders' Meeting held on April 27, 2021, the Special Retention and Alignment Plan for the Creation of a Reference Shareholder Administrator was approved. The plan provides for the granting of up to 2.5% of the total number of shares issued by the Company on December 31, 2020, corresponding to 18,961,666.75 shares, which may be adjusted as defined in the plan. The plan is valid for 20 years, with the possibility of annual grants, to a select group of managers carefully selected and appointed by the Board of Directors as "Reference Shareholder Managers". Those elected will represent the mindset of the Founders and investors and will be recognized within the Company and by the market as the long-term sustaining axis, leading the Company through important achievements and challenging situations, aiming to transform Localiza into their life project, just as the Founders did. The vesting period, to have the total availability of the shares granted, is ten years of each grant.

The costs of the plans for the Company are measured at their fair value on the grant date for each tranche of each program separately. In the case of stock options, fair value is estimated based on the model known as Black & Scholes. The number of options/stocks granted is adjusted based on the expected turnover, since if the beneficiary leaves the Company or its subsidiaries before the vesting period, they lose the right to exercise the options. This expectation is revised to reflect any significant changes that may occur during the term of the plans.

For all share and option plans, the Company adopts the procedure of recognizing the costs on a straight-line basis during the vesting period, from the grant date to the date on which the employee has the right to receive the share or exercise the option, with a corresponding increase in (i) equity, under the line item "Stock options granted recognized", in "capital reserves", and (ii) in the statement of income, under "costs", "selling expenses", and "general, administrative and other expenses", according to the position of the employees.

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The long-term incentive plans outstanding as of December 31, 2025, considering any bonus issuances/stock splits that occurred, have the following characteristics:

Plan	Program	Number of eligible participants	Number of stocks/options granted	Number of annual tranches	Number of stocks/options by tranche	Exercise year of 1st tranche	Limit date for exercise of options
4th Options Plan	2022	48	266,924	3	88,974	2023	May/28
	2021	41	212,684	3	70,894	2022	May/27
	2020	42	375,975	3	125,325	2021	May/26
5th Options Plan	2023	51	181,959	3	60,653	2024	May/29
2nd Matching Plan	2025	64	628,235	2	314,117	2028	May/29
	2024	62	486,273	2	243,136	2027	May/28
	2023	53	123,940	1	123,940	2026	May/26
2nd Deferred Plan	2025	40	359,977	(a)	(a)	2028	May/29
	2024	57	467,980	(a)	(a)	2027	May/28
	2023	73	487,925	(b)	(b)	2026	May/29
	2022	45	1,180,334	(c)	(d)	2022	Apr/28
Reference Shareholder	2024	3	6,777,636	4	(e)	2027	May/34
	2021	2	3,332,092	4	(e)	2024	May/31

(a) The shares will be exercised in two formats: 1st – 50% after 3 years and 50% after 4 years; 2nd – 100% after 4 years.

(b) The shares will be exercised in two tranches, with different quantities, according to their vesting period.

(c) It is made up of three programs – the 1st deferred program has 5 annual tranches, the 2nd program has 2 tranches, the first for 4 years and the second after 6 years from the grant date, and the 3rd single tranche program has 4 years after the grant date.

(d) The original vesting was maintained of the long-term incentive plans of Locamerica, pursuant to the Merger of Shares Agreement.

(e) The shares will be exercised in 4 tranches, as follows: 10% after 3 years; 15% after 5 years; 20% after 7 years and 55% after 10 years.

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Changes, in number of eligible shares, in long-term incentive plans and their respective programs until the end of the reporting periods, are as follows:

Plan	Program	12/31/2024		Grants		Cancellations		Exercises		Bonuses	12/31/2025	
		Eligible	Shares/options	Eligible	Granted	Eligible	Cancelled	Eligible	Exercised		Eligible	Shares/options
4th Options Plan	2019	14	158,407	-	-	-	-	(14)	(158,407)	-	-	-
	2020	25	284,085	-	-	(1)	(900)	-	-	10,881	24	294,066
	2021	33	183,061	-	-	(1)	(2,118)	-	-	6,944	32	187,887
	2022	38	211,754	-	-	(3)	(8,916)	-	-	7,787	35	210,625
5th Options Plan	2023	46	165,696	-	-	(4)	(8,094)	-	-	6,039	42	163,641
1st Matching Plan	2022	42	148,082	-	-	(2)	(43,519)	(40)	(104,563)	-	-	-
2nd Matching Plan	2023	48	113,264	-	-	(5)	(7,186)	-	-	4,058	43	110,136
	2024	60	464,689	-	-	(7)	(20,607)	-	-	17,054	53	461,136
	2025	-	-	64	605,203	(2)	(5,512)	-	-	23,032	62	622,723
1st Deferred Plan	2022	61	352,572	-	-	(1)	(111,036)	(60)	(241,536)	-	-	-
2nd Deferred Plan	2019	1	49,041	-	-	-	(13,486)	(1)	(35,555)	-	-	-
	2020	3	78,470	-	-	-	(14,765)	(1)	(38,930)	952	2	25,727
	2021	12	161,167	-	-	(1)	(42,278)	(4)	(95,074)	914	7	24,729
	2022	6	343,062	-	-	(1)	(43,652)	-	(1,101)	11,467	5	309,776
	2023	68	439,831	-	-	(8)	(50,146)	-	(6,290)	14,718	60	398,113
	2024	57	422,045	-	-	(4)	(42,469)	-	(4,905)	14,387	53	389,058
	2025	-	-	40	346,663	-	-	-	-	13,314	40	359,977
Reference Shareholders	2021	2	2,898,550	-	-	-	-	-	-	111,482	2	3,010,032
	2024	3	6,526,615	-	-	-	-	-	-	251,021	3	6,777,636
Total		519	13,000,391	104	951,866	(40)	(414,684)	(120)	(686,361)	494,050	463	13,345,262

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Plan	Program	12/31/2023		Grants		Cancellations		Exercises		12/31/2024	
		Eligible	Shares / options	Eligible	Granted	Eligible	Cancelled	Eligible	Exercised	Eligible	Shares / options
4th Options Plan	2018	8	79,347	-	-	-	-	(8)	(79,347)	-	-
	2019	14	158,407	-	-	-	-	-	-	14	158,407
	2020	27	287,075	-	-	(1)	(2,330)	(1)	(660)	25	284,085
	2021	34	185,521	-	-	(1)	(2,460)	-	-	33	183,061
	2022	40	217,787	-	-	(2)	(4,949)	-	(1,084)	38	211,754
5th Options Plan	2023	50	173,817	-	-	(4)	(8,121)	-	-	46	165,696
1st Matching Plan	2021	37	124,310	-	-	(1)	(33,860)	(36)	(90,450)	-	-
	2022	44	152,352	-	-	(2)	(4,270)	-	-	42	148,082
2nd Matching Plan	2023	52	118,480	-	-	(4)	(5,216)	-	-	48	113,264
	2024	-	-	62	469,219	(2)	(4,530)	-	-	60	464,689
1st Deferred Plan	2021	46	270,388	-	-	(2)	(75,520)	(44)	(194,868)	-	-
	2022	68	378,610	-	-	(7)	(26,038)	-	-	61	352,572
2nd Deferred Plan	2019	2	68,460	-	-	-	(5,340)	(1)	(14,079)	1	49,041
	2020	5	231,447	-	-	-	(44,738)	(2)	(108,239)	3	78,470
	2021	20	245,210	-	-	(8)	(56,598)	-	(27,445)	12	161,167
	2022	6	354,214	-	-	-	(10,051)	-	(1,101)	6	343,062
	2023	73	473,207	-	-	(5)	(17,224)	-	(16,152)	68	439,831
	2024	-	-	57	453,593	-	(19,060)	-	(12,488)	57	422,045
Reference Shareholders	2021	2	3,220,610	-	-	-	(88,565)	-	(233,495)	2	2,898,550
	2024	-	-	3	6,526,615	-	-	-	-	3	6,526,615
Total		528	6,739,242	122	7,449,427	(39)	(408,870)	(92)	(779,408)	519	13,000,391

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As of December 31, 2025, the following weighted-average assumptions, reflecting the effects of the stock bonus issuance, were used to calculate the fair value of each tranche of the stock option and share programs outstanding:

Plan	Program	Exercise price (a)	Risk-free rate per tranche	Expected annualized volatility (b)	Expected dividends	Maximum duration of the plan (in years)	Option fair value on grant date (BRL/share)
4th Options Plan	2022	51.77	12.37%	52.43%	0.45%	3.0	17.83
	2021	63.44	6.57%	52.68%	0.46%	3.0	19.29
	2020	40.74	4.01%	48.78%	0.48%	3.0	7.84
	2019	26.37	7.18%	35.05%	0.49%	3.0	13.25
5th Options Plan	2023	55.77	12.13%	40.79%	0.46%	3.0	16.48
1st Matching Plan	2022	-	11.93%	52.43%	-	3.0	51.47
2nd Matching Plan	2025	-	13.32%	37.48%	-	4.0	43.10
	2024	-	10.94%	33.42%	-	4.0	49.03
	2023	-	11.75%	40.79%	-	3.0	55.79
1st Deferred Plan	2022	-	11.93%	52.43%	-	3.0	51.47
2nd Deferred Plan	2025	-	13.32%	37.48%	-	4.0	43.02
	2024	-	10.94%	33.42%	-	4.0	49.03
	2023	-	12.14%	40.79%	-	6.0	55.79
	2022	-	7.40%	52.61%	-	6.0	61.09
Reference Shareholders	2024	-	-	33.42%	-	10.0	49.03
	2021	-	-	52.68%	-	10.0	62.74

(a) The value of the share to be acquired by participants by exercising the option was calculated based on the average price of RENT3 shares, weighted by the volume traded at the close of the last 40 trading sessions on B3 prior to the profit-sharing payment date.

(b) Volatility based on the share history of the last three years prior to the grant date.

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In 2025, the expense arising from these Programs amounted to BRL 107,664 in Individual and BRL 111,524 in Consolidated (BRL 96,720 in Individual and BRL 104,528 in Consolidated in 2024).

As the Company holds in treasury enough shares to meet the exercise of the share-based long-term incentive plans, no dilution of share capital is expected as a result of these plans.

(ii) Shares and options exercised in 2025

The weighted average exercise price of the shares exercised in 2025, as well as the weighted average market value of Localiza shares on the exercise date, including the effects of bonus issues, were as follows:

Plan	Program	Number of stocks/options exercised	Fair value (in BRL)	Weighted average exercise price (in BRL)	Weighted average market price (in BRL)
4th Options Plan	2019	158,407	13.25	26.37	40.18
1st Matching Plan	2022	104,563	51.47	51.47	41.05
1st Deferred Plan	2022	241,536	51.47	51.47	40.66
2nd Deferred Plan	2019	35,555	61.09	61.09	37.00
	2020	38,930	61.09	61.09	37.00
	2021	95,074	61.09	61.09	37.93
	2022	1,101	61.09	61.09	34.03
	2023	6,290	55.79	55.79	38.84
	2024	4,905	49.03	49.03	38.84
Total		686,361			

All these options/shares were exercised using common shares held in treasury in the amount of BRL 28,719 (BRL 32,581 in 2024) and, therefore, there was no need to issue new common shares. The discount generated on the options/shares exercised amounted to BRL 3,362 in 2025 (a premium of BRL 1,997 in 2024). In 2025, the amount realized from the exercise of these options/stocks, totaling BRL 21,0425 (BRL 40,540 in 2024), was recognized in capital reserves under "Stock Options Granted Recognized."

(iii) Share premium

The shares and stock options were exercised using common shares held in treasury, measured at the weighted-average cost incurred to acquire them. The difference between the exercise price paid by the eligible employee and the carrying amount of the common shares held in treasury is recorded in the share premium reserve.

The premium on share subscription for the years ended December 31, 2024 and 2024, originates from:

	12/31/25	12/31/24
Subscription of common shares	48,174	48,174
In the long-term incentive programs with treasury shares (exercise and sale)	68,902	72,205
At the sale of treasury shares	11,735	11,735
Total	128,811	132,114

(iv) Share-based payment program with cash settlement – virtual shares

The Share-Based Payment Program with Cash Settlement - Virtual Shares was approved at a meeting of the Company's Board of Directors held on September 23, 2022. Due to the Merger of Shares and the cancellation of all restricted shares granted, the participant who was a beneficiary of the Locamerica's discontinued Incentive Plans is now entitled to the grant, by Localiza, of an incentive under the same economic conditions as the incentive previously held by the Participant under the Locamerica's Restricted Shares Plan, as provided for in the Merger of Shares Agreement entered into in connection with the operation with Locamerica.

As of December 31, 2024, the liability related to the virtual shares was settled. In 2024, expenses related to the program totaled BRL 576 in Individual and BRL 1,662 in Consolidated.

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(d) Earnings reserves

(i) Legal reserve

A reserve established in accordance with corporate law is formed by appropriation of 5% of net income for the year, limited to 20% of the paid-in capital. Pursuant to Article 193, paragraph 1 of Law 6,404/76, the Company is not required to constitute the legal reserve in the year in which the balance of this reserve, plus the amount of capital reserves referred to in paragraph 1 of Article 182 of Law 6,404 /76, exceeds 30% of the share capital. The legal reserve aims to preserve share capital and can only be used to offset losses or increase capital.

As of December 31, 2025 and 2024, BRL 93,774 and BRL 90,681, respectively, were allocated to the legal reserve. The balance of this reserve as of December 31, 2025 is BRL 742,105 (BRL 648,331 as of December 31, 2024).

(ii) Statutory reserve

According to item (f), paragraph 2 of Article 26 of Localiza's Bylaws, up to 100% of the profit for the year after legal and statutory deductions may be allocated to the "reserve for investments", which is intended to preserve resources to finance investments for renewal and expansion of the Company's and its subsidiaries' fleets.

As of December 31, 2025, Management proposed to the Annual Shareholders' Meeting the use of a portion of the statutory reserve, in the amount of BRL 320,039, to settle the interest on equity distributed during the year, in accordance with the provisions of Corporate Law No. 6,404/76, using available retained earnings reserves.

At the Extraordinary Shareholders' Meeting held on December 29, 2025, the use of a portion of retained earnings reserves, in the amount of BRL 2,065,276, was approved (Note 22(a)(ii))to increase the Company's share capital by capitalization of this retained earnings reserve, followed by the issuance of bonus shares in the form of preferred shares, as a primarily transitional instrument, without creating governance imbalances.

(e) Allocation of income

The Company records interest on equity distributed to shareholders, calculated pursuant to Law 9249/95, by reducing retained earnings, in a manner similar to a dividend. The amounts paid to shareholders as interest on equity, net of withholding income tax, are deducted from the minimum mandatory dividend, pursuant to Article 9, paragraph 7 of Law No. 9,249/95 and based on paragraph 5 of Article 26 of Localiza's Bylaws.

The Company distributes mandatory minimum dividend equivalent to 25% of the profit for the year, adjusted for: (i) appropriations to the legal reserve; (ii) any equity reserve for contingencies; and (iii) reversal of the unrealized earnings reserve formed in previous years, pursuant to Article 202, item II of Law 6,404/76.

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Interest on equity and dividends were calculated as follows:

	Individual	
	2025	2024
Net income for the year	1,875,473	1,813,627
Legal reserve (5%)	(93,774)	(90,681)
Net income for the year, basis for dividend proposal	1,781,699	1,722,946
Minimum dividends (25%)	445,425	430,737
Interest on equity proposed/distributed:		
Interest on equity distributed	2,101,738	1,679,976
Withholding income tax on interest on equity	(245,725)	(185,502)
Total distributed interest on equity, net	1,856,013	1,494,474
Percentage of net Income for the year deducted from the legal reserve	104.2%	86.7%
Gross interest on equity per share, net of treasury shares at the end of the year (in BRL)	R\$1.919	R\$1.594

As of December 31, 2025, Management proposed to the Annual Shareholders' Meeting not to distribute additional dividends, since the amount paid as interest on equity during the year met the mandatory minimum dividend required under the Company's Bylaws. The amount distributed exceeded the net income base for distribution, and the difference was supported by retained earnings reserves, as disclosed in the statutory reserve note (Note 22(d)).

The Board of Directors meetings approved interest on equity as follows:

2025				
Approval date	Total amount approved	Amount per share (in BRL)	Shareholding position date	Payment date
03/21/2025	480,916	0.45638	03/26/2025	05/16/2025
06/24/2025	533,818	0.50619	06/27/2025	08/19/2025
09/22/2025	543,441	0.51537	09/25/2025	11/18/2025
12/12/2025	543,563	0.51548	12/17/2025	02/06/2026
Total	2,101,738			

2024				
Approval date	Total amount approved	Amount per share (in BRL)	Shareholding position date	Payment date
03/26/2024	407,093	0.38355	04/01/2024	05/23/2024
06/21/2024	422,670	0.39798	06/26/2024	08/19/2024
09/20/2024	423,769	0.39953	09/25/2024	11/14/2024
12/12/2024	426,444	0.40469	12/17/2024	02/07/2025
Total	1,679,976			

The changes in dividends and interest on equity were as follows:

	Individual and Consolidated	
	2025	2024
Balance at the beginning of the year	380,064	357,380
Interest on equity proposed in the year	2,101,738	1,679,976
Interest on equity settled during the year	(1,755,556)	(1,294,383)
Capitalization of interest on equity	-	(177,407)
Provision for withholding income tax on interest on equity	(245,725)	(185,502)
Balance at the end of the year	480,521	380,064

23. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing net income for the year attributable to holders of common shares in the parent company by the weighted average of common shares outstanding during the year, excluding treasury shares.

Diluted earnings per share is calculated by adding the weighted average number of common shares that would be issued upon the assumption of the exercise of option plans and the vesting of matching and deferred share plans to the basic earnings per share. For stock options and vesting of other plans, a calculation is made to determine the number of shares that could have been acquired at fair value (determined as the average annual market price of the Company's stock), based on the monetary value of the subscription rights linked to outstanding stock options and their vesting. The number of shares calculated as described earlier is compared with the number of shares outstanding, assuming the exercise of stock options and the vesting of outstanding shares.

The table below presents the data and number of shares used in the calculation of basic and diluted earnings per share for each of the years presented in the statement of income:

	<u>2025</u>	<u>2024</u>
Net income for the year attributed to the Parent Company's shareholders	1,875,473	1,813,627
Basic earnings per share:		
Weighted-average number of common and preferred shares outstanding (units)	1,054,466,547	1,058,359,828
Basic earnings per share (in BRL)	<u>1,77860</u>	<u>1.71362</u>
Diluted earnings per share:		
Weighted-average number of common and preferred shares outstanding (units)	1,054,466,547	1,058,359,828
Adjustment for stock options and vesting of outstanding shares (units)	12,489,043	12,349,943
Total shares subject to dilution (units)	<u>1,066,955,590</u>	<u>1,070,709,771</u>
Diluted earnings per share (in BRL)	<u>1.75778</u>	<u>1.69385</u>

24. SEGMENT INFORMATION

An operating segment 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 to the segment and for performance evaluation; and (iii) for which individual financial information is available. The Board of Directors evaluates the performance of the operating segments based on return on invested capital (ROIC).

The Company has defined two operating segments, which are managed separately, based on the reports used for strategic decision-making by the Board of Directors. The accounting practices of these operating segments are the same described in note 2 or in the explanatory notes of these line items.

- **Car Rental:** Division responsible for renting cars, arranging car insurance, and handling car claims for insurers. Rentals are contracted by legal entities and individuals, in locations inside and outside airports, and in some cases through distribution channels. As a result of the need to renew the fleet, the Company sells vehicles that have been decommissioned. To reduce sales intermediation costs, part of the decommissioned vehicles is sold directly to end consumers. In this way, the Company optimizes the recovery value of these assets, since the sales expense of the own network of stores is lower than the discount required by resellers, in addition to avoiding being totally dependent on third parties to carry out these sales.

The Car Rental Division is responsible for management and franchising 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 in Brazil and in foreign countries is managed directly by Localiza.

Fleet rental: This division is responsible for the rental of fleets and long-term rentals for individuals and legal entities. Localiza Meoo offers a long-term subscription car solution, aimed at individuals and SMEs. The Group also offers heavy vehicle solutions, primarily focused on the transportation, industrial, commercial, and services sectors, with strong growth potential. The vehicles in this division are acquired after the execution of contracts, in accordance with the

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needs and requests of its clients; therefore, the fleet is more diversified in terms of models and brands. Decommissioned light and heavy vehicles are sold at the end of signed contracts, directly to end consumers or resellers.

(a) Operating segment financial reporting

(i) Consolidated assets and liabilities by operating segment

12/31/2025	Brazil		Mexico	Unallocated balances	Eliminations / Reclassifications	Consolidated
	Car rental	Fleet rental				
Assets						
Cash and cash equivalents	-	-	-	1,705,451	-	1,705,451
Short-term investments (*)	-	-	-	10,130,028	-	10,130,028
Trade receivables	1,919,948	2,135,033	36,856	-	(80,455)	4,011,382
Cars decommissioned for fleet renewal	2,268,144	1,163,455	13,352	-	(101)	3,444,850
Property and equipment	26,380,226	27,362,122	347,801	37,659	(395,967)	53,731,841
Other assets	5,185,962	6,491,243	243,817	1,131,827	(509,825)	12,543,024
Liabilities						
Suppliers	(4,627,985)	(4,792,100)	(8,269)	-	85,721	(9,342,633)
Loans, financing, and debt securities	-	-	-	(43,595,338)	-	(43,595,338)
Other liabilities	(1,903,577)	(5,453,324)	(127,808)	(423,730)	818,846	(7,089,593)
Total net invested assets (liabilities)	29,222,718	26,906,429	505,749	(31,014,103)	(81,781)	25,539,012

12/31/2024	Brazil		Mexico	Unallocated balances	Eliminations / Reclassifications	Consolidated
	Car rental	Fleet rental				
Assets						
Cash and cash equivalents	-	-	-	3,568,636	-	3,568,636
Short-term investments (*)	-	-	-	9,073,855	-	9,073,855
Trade receivables	2,408,247	1,730,357	13,852	-	(97,675)	4,054,781
Cars decommissioned for fleet renewal	2,255,421	1,209,772	-	-	(1,595)	3,463,598
Property and equipment	27,251,062	26,718,681	293,077	24,747	(445,201)	53,842,366
Other assets	3,036,461	8,062,123	150,905	2,164,427	(173,545)	13,240,371
Liabilities						
Suppliers	(7,657,281)	(2,468,677)	(4,357)	-	103,921	(10,026,394)
Loans, financing, and debt securities	-	-	-	(44,766,537)	-	(44,766,537)
Other liabilities	(3,218,050)	(3,071,533)	(120,173)	(104,267)	406,061	(6,107,962)
Total net invested assets (liabilities)	24,075,860	32,180,723	333,304	(30,039,139)	(208,034)	26,342,714

(*) Adjustment to present value (Note 6) is included under "Other Assets".

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(ii) Consolidated statement of income by operating segment

2025	Brazil			Reclassifications	Consolidated
	Car rental	Fleet rental	Mexico		
Net revenues	24,303,235	17,255,449	222,904	-	41,781,588
Costs	(18,390,384)	(11,962,973)	(294,844)	(3,412)	(30,651,613)
Gross profit (loss)	5,912,851	5,292,476	(71,940)	(3,412)	11,129,975
Operating expenses:					
Selling	(1,521,661)	(882,011)	(37,235)	3,042	(2,437,865)
General, administrative, and other expenses	(430,561)	(373,660)	(76,603)	370	(880,454)
Earnings before financial income and expenses					
finance costs, net	3,960,629	4,036,805	(185,778)	-	7,811,656
Financial income (expenses)					(4,613,788)
Profit before income tax and social contribution					3,197,868
Income tax and social contribution					(1,327,398)
Net income for the year					1,870,470

2024	Brazil			Reclassifications	Consolidated
	Car rental	Fleet rental	Mexico		
Net revenues	21,928,275	15,236,273	107,010	-	37,271,558
Costs	(17,351,675)	(10,959,889)	(202,581)	(4,551)	(28,518,696)
Gross profit (loss)	4,576,600	4,276,384	(95,571)	(4,551)	8,752,862
Operating expenses:					
Selling	(1,424,719)	(712,659)	(22,354)	4,034	(2,155,698)
General, administrative, and other expenses	(324,046)	(428,028)	(40,438)	517	(791,995)
Earnings before financial income and expenses					
finance costs, net	2,827,835	3,135,697	(158,363)	-	5,805,169
Financial income (expenses)					(3,938,631)
Profit before income tax and social contribution					1,866,538
Income tax and social contribution					(53,228)
Net income for the year					1,813,310

(iii) Consolidated depreciation and amortization expenses by operating segment

	Consolidated	
	2025	2024
Car Rental Brazil		
Vehicle depreciation	2,723,982	2,954,815
Depreciation of other property and equipment and amortization of intangible assets	413,545	373,449
Car Rental Mexico		
Vehicle depreciation	28,176	33,649
Depreciation of other property and equipment and amortization of intangible assets	29,391	35,973
Fleet rental		
Vehicle depreciation	2,612,148	2,590,337
Depreciation of other property and equipment and amortization of intangible assets	134,507	121,325
Total	5,941,749	6,109,548

25. NET REVENUES

Net revenue is measured at the amount of the consideration received or receivable, deducted from discounts, deductions and taxes on sales, and recognized to the extent that it is probable that the Company will generate economic benefits and when it can be measured reliably. The breakdown for each category of these revenues is as follows:

- **Car Rental:** Car rental revenues are recognized on a daily basis in accordance with the rental agreements with customers. Proceeds from claims regulation, as well as proceeds from contracting insurance with the insurer, on account and option of the customers at the time of rental of the cars, are recognized monthly and are presented together under the line item "Car rental revenues", as they are ancillary revenues to car rental. Revenue from the sale of vehicles retired for fleet renewal is recognized when control of the vehicles is transferred to the buyer, which normally occurs upon delivery of the asset, when substantially all the risks and rewards associated with ownership are transferred.
- **Fleet rental:** Fleet rental revenues are recognized monthly over the lease period and include fleet and maintenance management services when the customer opts for the reimbursement model. Revenue from the sale of vehicles retired for fleet renewal is recognized when control of the vehicles is transferred to the buyer, which normally occurs upon delivery of the asset, when substantially all the risks and rewards associated with ownership are transferred.

Net revenue is comprised as follows in the statement of income:

	Individual		Consolidated	
	2025	2024	2025	2024
Revenues	27,359,465	22,232,089	43,984,442	39,301,888
Discounts and cancellations	(30,023)	(14,073)	(162,838)	(133,649)
Taxes (a)	(1,178,408)	(1,015,629)	(2,040,016)	(1,896,681)
Net revenues	26,151,034	21,202,387	41,781,588	37,271,558
Car rental	10,653,094	9,922,083	10,501,226	9,694,874
Fleet rental	919,874	-	8,861,499	8,168,968
Cars sold for fleet renewal	14,549,553	11,246,727	22,183,237	19,185,014
Resale of cars	-	-	79	4,560
Royalties abroad	28,513	33,577	28,513	33,577
Products sold and services provided	-	-	207,034	184,565
Net revenues	26,151,034	21,202,387	41,781,588	37,271,558

(a) Substantially: (i) ISSQN – Tax on Services of Any Nature; and (ii) PIS – Social Integration Program and COFINS – Contribution for Social Security Financing.

Minimum contracted revenue from Fleet Rental

As required by CPC 47 / IFRS 15 – Revenue from Contracts with Customers, the Group expects to recognize as revenue related to performance obligations that were not satisfied as of December 31, 2025:

Year	Revenues
2026	7,765,103
2027	4,818,332
2028	2,220,129
2029	563,465
2030 onwards	18,307
Total	15,385,336

Fleet rental contracts may be terminated upon prior notice, the term of which is previously agreed between the parties, including penalties that vary according to the customer category.

LOCALIZA RENT A CAR S.A.

MANAGEMENT'S NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2025

(in BRL thousand, unless otherwise stated)

26. OPERATING COSTS AND EXPENSES BY NATURE

Costs and expenses are recorded in the statement of income when incurred, on an accrual basis. The nature of operating costs and expenses recognized in the statement of income is as follows:

	Individual					
	Cost of car rental and sale		Sale, general, administrative, and other expenses		Total	
	2025	2024	2025	2024	2025	2024
Cost of cars sold	(13,862,253)	(10,621,374)	-	-	(13,862,253)	(10,621,374)
Provision for adjustments to the recoverable value of assets and impairment (a)	(107,616)	(128,673)	-	-	(107,616)	(128,673)
Car maintenance, IPVA and others	(2,008,529)	(1,976,593)	-	-	(2,008,529)	(1,976,593)
Salary, payroll taxes, and benefits (b)	(929,774)	(798,557)	(846,836)	(750,627)	(1,776,610)	(1,549,184)
Profit sharing	(102,376)	(91,412)	(107,562)	(103,503)	(209,938)	(194,915)
Allowances and write-off of uncollectible amounts	-	-	(141,698)	(122,365)	(141,698)	(122,365)
Depreciation and amortization of other property and equipment and intangible assets	(329,136)	(293,666)	(125,732)	(102,667)	(454,868)	(396,333)
Vehicle depreciation	(3,028,646)	(2,890,240)	-	-	(3,028,646)	(2,890,240)
Commission	-	-	(167,931)	(158,835)	(167,931)	(158,835)
Real estate lease	(114,512)	(126,094)	(23,618)	(8,655)	(138,130)	(134,749)
Advertising	-	-	(226,837)	(166,212)	(226,837)	(166,212)
Occupancy costs and expenses	(25,672)	(24,564)	(11,500)	(9,735)	(37,172)	(34,299)
Third-party services and travel	(566,521)	(526,603)	(396,862)	(333,023)	(963,383)	(859,626)
PIS and COFINS credits, net (Note 8 (a))	1,327,217	993,114	-	-	1,327,217	993,114
Other	(253,509)	(488,118)	(42,159)	(47,308)	(295,668)	(535,426)
Total	(20,001,327)	(16,972,780)	(2,090,735)	(1,802,930)	(22,092,062)	(18,775,710)

	Consolidated					
	Cost of car rental and sale		Sale, general, administrative, and other expenses		Total	
	2025	2024	2025	2024	2025	2024
Cost of cars sold	(20,847,332)	(17,749,797)	-	-	(20,847,332)	(17,749,797)
Resale cost of used vehicles	-	(5,709)	-	-	-	(5,709)
Cost of services/products sold	(39,120)	(23,796)	-	-	(39,120)	(23,796)
Provision for adjustments to the recoverable value of assets and impairment (a)	(134,608)	(344,570)	-	-	(134,608)	(344,570)
Car maintenance, IPVA and others	(3,309,280)	(3,516,982)	-	-	(3,309,280)	(3,516,982)
Salary, payroll taxes, and benefits (b)	(1,302,344)	(1,181,889)	(1,328,280)	(1,200,628)	(2,630,624)	(2,382,517)
Profit sharing	(142,142)	(137,341)	(172,452)	(177,092)	(314,594)	(314,433)
Allowances and write-off of uncollectible amounts	-	-	(343,566)	(271,276)	(343,566)	(271,276)
Depreciation and amortization of other property and equipment and intangible assets	(424,593)	(388,183)	(152,850)	(142,564)	(577,443)	(530,747)
Vehicle depreciation	(5,364,306)	(5,578,801)	-	-	(5,364,306)	(5,578,801)
Commission	-	-	(223,596)	(210,146)	(223,596)	(210,146)
Real estate lease	(159,304)	(167,470)	(37,537)	(15,323)	(196,841)	(182,793)
Advertising	-	-	(306,159)	(238,701)	(306,159)	(238,701)
Occupancy costs and expenses	(31,488)	(55,045)	(19,577)	(20,122)	(51,065)	(75,167)
Third-party services and travel	(799,820)	(761,915)	(636,173)	(549,092)	(1,435,993)	(1,311,007)
PIS and COFINS credits, net (Note 8 (a))	2,091,837	1,713,697	-	-	2,091,837	1,713,697
Other	(189,113)	(320,895)	(98,129)	(122,749)	(287,242)	(443,644)
Total	(30,651,613)	(28,518,696)	(3,318,319)	(2,947,693)	(33,969,932)	(31,466,389)

(a) As of December 31, 2025, the Company recognized additional costs and expenses related to the events disclosed and quantified in Note 1.2. In the comparative year, the provision for recoverable amount adjustment and impairment was related to the events disclosed and quantified in Note 1.4.

(b) As of December 31, 2025, the Company recognized costs and expenses of BRL 132,745 and BRL 137,955, in Individual and Consolidated, respectively, related to long-term incentive programs (BRL 105,126 in Individual and BRL 110,227 Consolidated as of December 31, 2024).

27. FINANCIAL INCOME (EXPENSES)

Financial income and expenses are recognized on an accrual basis to reflect the time elapsed and the use of the effective interest rate method.

Finance income (expenses) recognized in the statement of income is as follows:

	Individual		Consolidated	
	2025	2024	2025	2024
Interest on short-term investments	848,049	875,517	1,682,492	1,447,220
Adjustment to present value of short-term investments (Note 6)	92,126	92,441	92,126	92,441
PIS and COFINS on financial income	(42,050)	(40,794)	(82,822)	(72,852)
Foreign exchange gains and other, net	2,398	8,538	15,626	23,950
Total financial income	900,523	935,702	1,707,422	1,490,759
Interest expense on loans, financing, debt securities and derivative financial instruments	(4,265,933)	(3,966,937)	(6,049,337)	(5,214,444)
Lease interest expenses (Note 18)	(171,576)	(153,749)	(150,100)	(133,447)
Foreign exchange losses and other, net	(46,795)	(29,178)	(121,773)	(81,499)
Total financial expenses	(4,484,304)	(4,149,864)	(6,321,210)	(5,429,390)
Total financial income (expenses)	(3,583,781)	(3,214,162)	(4,613,788)	(3,938,631)

28. SUPPLEMENTARY PENSION PLAN

The Company offers its employees a supplementary retirement benefit plan (supplementary pension plan), a defined contribution plan managed by an independent management company.

For this plan, there are no actuarial and investment risks assumed by the Company as a sponsor; therefore, actuarial valuations are not required. The employer matches the employee's contribution, which varies according to a scale based on salary ranges of 1% to 8% of the employee's compensation.

In 2025, the amounts recognized by the Company totaled BRL 4,842 in Individual and BRL 8,055 in Consolidated (BRL 6,147 in Individual and BRL 9,352 in Consolidated in 2024), and were allocated to "cost", "selling expenses", and "general and administrative expenses", as applicable.

29. SUPPLEMENTARY INFORMATION ON CASH FLOWS**Non-cash transactions**

	Note	Individual		Consolidated	
		2025	2024	2025	2024
Assignment of financial instruments (swaps) between companies within the Group	4.1	-	(113,582)	-	-
Right-of-use leased assets	12	248,123	408,042	281,208	363,585
Acquisition of vehicles (variation in the balance of automakers)	14	(661,387)	(1,924,796)	632,942	(1,085,685)
Debt assignment between group companies	17	-	(2,481,647)	-	-
Consideration payable - Lease liability	18	(6,392)	(6,204)	-	-
Capitalization of interest on equity		-	(177,407)	-	(177,407)

LOCALIZA RENT A CAR S.A.

MANAGEMENT'S NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2025

(in BRL thousand, unless otherwise stated)

30. ASSETS AND LIABILITIES HELD FOR SALE

As described in Note 1.3, on November 13, 2025, Localiza Fleet S.A., a subsidiary of the Company, entered into an agreement for the full disposal of its 64.6% equity interest in Voll. Management concluded that, as of December 31, 2025, the criteria established by CPC 31 / IFRS 5 were met to classify such assets and liabilities as held for sale. As shown below:

	<u>12/31/2025</u>
Assets	
Cash and cash equivalents	10,158
Trade receivables	5,490
Recoverable taxes	1,859
Reimbursement to be invoiced	72,427
Deferred income tax and social contribution	322
Property and equipment	4,010
Intangible assets	10
Other assets	2,714
Assets arising from the business combination	
Goodwill arising from the business combination	27,371
Goodwill	10,516
Total non-current assets held for sale	<u>134,877</u>
Liabilities	
Suppliers	58,865
Payroll and related taxes	11,528
Loans, financing, and debt securities	18,370
Lease liability	1,009
Other liabilities	6,305
Payable balance for the acquisition of Voll	6,853
Deferred income tax and social contribution – goodwill	1,222
Total liabilities related to non-current assets held for sale	<u>104,152</u>
Carrying amounts, net	<u><u>30,725</u></u>

Voll's losses for the years ended December 31, 2025 and 2024, are presented below:

	<u>2025</u>	<u>2024</u>
Net revenues	109,856	73,383
Expenses	(117,387)	(73,208)
Financial income (expenses)	(2,997)	(458)
Loss before income tax and social contribution	<u>(10,528)</u>	<u>(283)</u>
Income tax and social contribution:		
Current	(23)	(612)
Deferred	322	-
	<u>299</u>	<u>(612)</u>
Loss for the year	<u><u>(10,229)</u></u>	<u><u>(895)</u></u>

LOCALIZA RENT A CAR S.A.

MANAGEMENT'S NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2025

(in BRL thousand, unless otherwise stated)

31. SUBSEQUENT EVENTS

(i) Sale of investment in Voll

On January 8, 2026, Localiza Fleet completed the sale of its entire 64.6% equity interest in Voll (Notes 1.3 and 30). On that date, control of the investee was transferred, and the first installment of the purchase price, amounting to BRL 173 million, was received.

Upon completion of the transaction, the Company recognized a gain from the sale, which will be fully recorded in 2026, when the investment and the assets and liabilities classified as held for sale will also be derecognized.

(ii) Prepayment

On January 3, 2026, Localiza early redeemed the full balance of all debentures from its 21st issuance, originally issued on July 15, 2022. The transaction resulted in the full derecognition of the corresponding financial liability, amounting to BRL 727,196.

(A free translation of the original in Portuguese)

MANAGEMENT'S DECLARATION ON THE FINANCIAL STATEMENTS

The CEO and the CFO/Investor Relations Officer of Localiza Rent a Car S.A. ("Localiza"), a publicly-held company registered at Avenida Bernardo de Vasconcelos, 377, Cachoeirinha, in the city of Belo Horizonte, State of Minas Gerais, Corporate Taxpayer No. 16.670.085/0001-55, in conformity with subsection VI, paragraph 1, article 27 of CVM Resolution 80/22, hereby declare that they have:

- I. Reviewed, discussed, and agreed upon the Individual and Consolidated Financial Statements of Localiza as at and for the year ended December 31, 2025.

Belo Horizonte, February 26, 2026.

Bruno Sebastian Lasansky

CEO

Rodrigo Tavares Gonçalves de Sousa

CFO and Investor Relations Officer

(A free translation of the original in Portuguese)

MANAGEMENT'S DECLARATION ON THE INDEPENDENT AUDITOR'S REPORT

The CEO and CFO/Investor Relations Officer of Localiza Rent a Car S.A. ("Localiza"), a publicly-held company registered at Avenida Bernardo de Vasconcelos, 377, Cachoeirinha, in the city of Belo Horizonte, State of Minas Gerais, Corporate Taxpayer No. 16.670.085/0001-55, in conformity with subsection V, paragraph 1, of article 27 of CVM Resolution 80/22, hereby declare that they have:

- I. Reviewed, discussed, and agreed with the opinions expressed in the report of PricewaterhouseCoopers Auditores Independentes Ltda. on the Individual and Consolidated Financial Statements of Localiza as at and for the year ended December 31, 2025.

Belo Horizonte, February 26, 2026.

Bruno Sebastian Lasansky

CEO

Rodrigo Tavares Gonçalves de Sousa

CFO and Investor Relations Officer

(A free translation of the original in Portuguese)

OPINION OF THE FISCAL COUNCIL

The Fiscal Council of Localiza Rent a Car S.A. (“Company”), a publicly held corporation registered at Avenida Bernardo de Vasconcelos, 377, Cachoeirinha, Belo Horizonte, Minas Gerais, under CNPJ (Brazilian National Registry of Legal Entities) No. 16.670.085/0001-55, in the exercise of its legal and statutory duties, examined: (i) the Company’s Individual and Consolidated Financial Statements and the Annual Management Report for the year ended December 31, 2025; and (ii) the Proposal for Allocation of Net Income for the year ended December 31, 2025, including interest on equity approved on March 21, 2025, June 24, 2025, September 22, 2025, and December 12, 2025, as part of the mandatory minimum dividend requirement.

Based on the reviews conducted, and further considering the unqualified report of the independent auditors PricewaterhouseCoopers Auditores Independentes Ltda., dated February 26, 2026, as well as the information and clarifications provided by Management during the year, the members of the Fiscal Council unanimously conclude that the aforementioned documents and proposals are suitable to be submitted for consideration by the General Shareholders’ Meeting.

Belo Horizonte, February 26, 2026

Antônio de Pádua Soares Pelicarmo

Chair of the Fiscal Council

Carla Alessandra Trematore

Fiscal Council Member

Guilherme Bottrel Pereira Tostes

Fiscal Council Member

(A free translation of the original in Portuguese)



LOCALIZA RENT A CAR S.A.
PUBLICLY-HELD COMPANY
CNPJ 16.670.085/0001-55
Company Registry (NIRE) No. 3130001144-5

Part of Minutes of the Fiscal Council Meeting
Started on February 24, 2026, and
ended February 26, 2026

Date, Time, and Place: Started on February 24, 2026, at 5:30 p.m., held pursuant to item 4 of the Internal Rules of the Fiscal Council of Localiza Rent a Car S.A., in a virtual meeting via the Microsoft Teams platform, and ended on February 26, 2026.

Attendance: All the undersigned sitting members of the Fiscal Council were present, as well as Mr. Rodrigo Tavares and Mrs. Myrian Aires, among other invitees according to the agenda.

Bureau: Antônio de Pádua Soares Pelicarmo, Chair; Maria Inês Ferreira Pinto Coelho, Secretary.

Agenda: **(1)** To meet with Management regarding the Management Report and the Financial Statements for the year ended December 31, 2025; **(2)** To review the proposal for allocation of net income for the year ended December 31, 2025, with allocation of the interest on equity declared on March 21, 2025, June 24, 2025, September 22, 2025, and December 12, 2025, as part of the mandatory minimum dividend; and **(3)** To meet with the independent auditors regarding the Financial Statements for the year ended December 31, 2025.

(1) Management Report and Financial Statements as of December 31, 2025. Mrs. Myrian Aires, Controller, and Mrs. Maria Inês Coelho, Reporting and Investor Relations Manager, presented an overview and the main points regarding the Financial Statements for the year ended December 31, 2025, which had been previously reviewed by the Fiscal Council, and provided the requested clarifications. After discussion, the members of the Fiscal Council unanimously and without reservations concluded that the Management Report and the Financial Statements for the year ended December 31, 2025 are fit to be submitted for approval by the General Shareholders' Meeting.

(2) Proposal for allocation of net income for the year ended December 31, 2025. Mrs. Myrian Aires presented the proposal for allocation of net income for the year ended December 31, 2025, in the amount of BRL 1,875,473,437.40 (one billion, eight hundred seventy-five million, four hundred seventy-three thousand, four hundred thirty-seven Reais and forty cents).

Management's proposal comprises the allocation of net income for the year ended December 31, 2025, as follows: (i) BRL 93,773,671.87 (ninety-three million, seven hundred and seventy-three thousand, six hundred and seventy-one Reais and eighty-seven cents) to the Legal Reserve; (ii) BRL 2,101,739,205.40 (two billion, one hundred and one million, seven hundred and thirty-nine thousand, two hundred five Reais and forty cents) to shareholder remuneration, distributed in advance as interest on equity and allocated to the mandatory minimum dividend; and (iii) use of part of the Investment Reserve in the amount of BRL 320,039,439.87 (three hundred and twenty million, thirty-nine thousand, four hundred and thirty-nine Reais and eighty-seven cents) to absorb the amount distributed that exceeded the income determined for the year.

Considering that the amount already distributed to shareholders throughout year 2025 as interest on equity, allocated to the mandatory dividend, totaled BRL 1,856,012,554.78 (one billion, eight hundred and fifty-six million, twelve thousand, five hundred and fifty-four Reais and seventy-eight cents), net of income tax, corresponding to 104.2% (one

hundred four point two percent) of the net income for year 2025, after allocation to the legal reserve, Management's proposal does not include any additional dividend distribution.

(3) Independent Auditors' Report on the Financial Statements as of December 31, 2025. The independent auditors of Localiza Rent a Car S.A., PricewaterhouseCoopers Auditores Independentes Ltda., represented by Partner Mr. Guilherme Campos and Senior Manager Mr. Daniel Zappalá, presented the audit work performed on the Financial Statements for the year ended December 31, 2025, as well as the draft version of the Independent Auditors' Report, which will be issued without qualifications. Additionally, the auditors reported that there were no: (i) material disagreements in judgment between the auditors and Management; (ii) difficulties encountered in the performance of the audit; or (iii) discussions regarding alternative accounting treatments.

Adjournment of the proceedings: The meeting was adjourned until February 26, 2026, at 8:30 a.m., for an update regarding the approval of the Financial Statements for the year ended December 31, 2025 by the Board of Directors.

Remarks from the Fiscal Council: After resuming the meeting, the members of the Fiscal Council unanimously issued the attached Opinion with their conclusions regarding the topics discussed on the agenda.

Adjournment and Drafting of the Minutes: With no further comments, the proceedings were adjourned for the time necessary to draft these minutes for subsequent approval by the participants.

The full minutes of the Fiscal Council meeting, started on February 24, 2026, and ended on February 26, 2026, are filed at the Company's headquarters.

Antônio de Pádua Soares Pelicarp
Chair

Maria Inês Ferreira Pinto Coelho
Secretary

Carla Alessandra Trematore

Guilherme Bottrel Pereira Tostes

(A free translation of the original in Portuguese)

SUMMARY OF THE AUDIT, RISK MANAGEMENT, AND COMPLIANCE COMMITTEE REPORT

1. Introduction

At a meeting of the Board of Directors held on February 29, 2024, the current version of the Internal Regulations of the Company's Advisory Committees ("Regulations") was approved, which defines the specific responsibilities of the Committees, supplementing the provisions set forth in the Company's Bylaws ("Bylaws"), the Internal Rules of the Board of Directors ("Board Regulations"), and applicable law. Among the Advisory Committees to the Board provided for in the Regulation is the Audit, Risk Management, and Compliance Committee.

The Audit, Risk Management, and Compliance Committee ("Committee") is a statutory advisory body to Localiza's Board of Directors ("Board") and has operational independence and its own budget, which is approved by the Board of Directors.

2. Members

As of December 31, 2025, the Audit, Risk Management and Compliance Committee was composed of three members elected by the Board of Directors, with no decision-making or management authority. Two of the members were independent, and one qualified as an expert, with recognized experience in corporate accounting matters.

Name	Position	Other positions/roles held
Estela Maris Vieira de Souza	Committee Coordinator and Sitting Member	Independent Member and Corporate Accounting Expert
Maria Letícia de Freitas Costa	Sitting Member	Independent Board Member
Paula Magalhães Cardoso Neves	Sitting Member	Independent Board Member

3. Responsibilities

The main responsibilities of the Audit, Risk Management, and Compliance Committee, under the terms of its Internal Regulations, are:

- To recommend the hiring or dismissal of the firm providing independent audit services and to issue an opinion on the engagement of any other services to be rendered by the independent auditor, ensuring compliance with the Company's Policy for Contracting Extra-Audit Services, as well as the auditors' impartiality and independence from Management;
- To monitor the effectiveness of the independent auditors' work, including the evaluation of the Annual Audit Plan, the execution of audit activities, independence, among other aspects, ensuring that the auditors report directly and promptly to the Board of Directors;
- To issue an opinion on the independent auditor's report regarding deficiencies in internal controls;
- To oversee the preparation and implementation of the annual plans for Internal Controls, Internal Audit, Risk Management and Compliance, as well as to ensure the adequacy of the organizational structures of the respective areas;
- To monitor and review the handling of reports received through the Confidential Channel, as well as the protection, anonymity, and non-retaliation of whistleblowers, in accordance with the Company's policies;
- To monitor the Company's exposure to risks and the adequacy of its risk management systems, internal controls, and integrity mechanisms;
- To monitor the preparation of, and review, the Management's Report, the Earnings Release, and the interim and annual financial statements, making any recommendations deemed necessary;

- To evaluate and monitor related-party transactions carried out by the Company; and
- To periodically review the policies, regulations, and procedures relevant to the Committee’s responsibilities.

4. Main topics discussed and recommendations

The main topics discussed, as well as the recommendations made to the Company’s Board of Directors, were the following:

4.1. Financial Statements

The Audit, Risk Management, and Compliance Committee, considering its responsibilities and legal duties, proceeded to examine the interim financial information of March 31, June 30, and September 30, 2025, as well as the corresponding Earnings Release and Independent Auditors’ Reports, and the individual and consolidated financial statements for the year ended December 31, 2025, the Independent Auditors’ Report and the Management Report, expressing its agreement with their approval by the Board of Directors.

Throughout the year, it held meetings with the finance and accounting departments to assess key accounting policies and practices, processes, and internal controls related to the preparation of financial statements, accounting estimates, and critical analyses identified by Management. It also reviewed major legal claims and their projected outcomes, including evaluations from the Legal Department and external legal advisors regarding the Company’s litigation matters.

4.2. Manuals for the 2025 Annual and Extraordinary Shareholders’ Meetings

The Audit, Risk Management and Compliance Committee reviewed and recommended that the Board of Directors approve the Manuals for the Annual and Extraordinary Shareholders’ Meetings, including, without limitation, the approval of the respective notices of meeting and the Management proposals regarding: (i) the examination of the accounts of the Managers and the approval of the Management Report and the Financial Statements for the year ended December 31, 2024, accompanied by the Independent Auditors’ Report; (ii) approval of Management’s proposal for the allocation of net income for the year ended December 31, 2024, and the distribution of dividends; (iii) approval of the acts and documents related to the merger of Localiza Franchising Brasil S.A. into the Company; (iv) approval of Management’s proposal for the merger of Companhia de Locação das Américas (“Locamerica”) into the Company; and (v) approval of the proposal to create registered, book-entry, no-par-value preferred shares with voting rights, convertible into common and redeemable shares by the Company (“Preferred Shares”), as well as the proposal to increase the Company’s share capital through the capitalization of a portion of its statutory retained earnings reserve, by means of a bonus issuance of Preferred Shares to its shareholders.

4.3. Reference Form

The Audit, Risk Management, and Compliance Committee analyzed the Company’s 2025 CVM Reference Form and recommended its approval by the Board of Directors.

4.4. “Adopt or Explain” Governance Report

The Audit, Risk Management, and Compliance Committee reviewed the 2025 Brazilian Governance Report of the Company, in conjunction with the Nominations, Governance, and Sustainability Committee.

4.5. Share Buyback Program

The Audit, Risk Management, and Compliance Committee reviewed the 17th Share Buyback Program of the Company, which authorized Management to acquire up to 72,000,000 (seventy-two million) shares issued by the Company, to be held in treasury for subsequent sale and/or cancellation, without a reduction in share capital. The program is intended to settle stock options granted under the long-term incentive plans or to enhance shareholder value, complementing the analysis conducted by the People and Compensation Committee.

4.6. Dividends and interest on equity

The Audit, Risk Management, and Compliance Committee reviewed the proposals for the distribution of interest on equity, to be offset against the minimum mandatory dividends for year 2025, in accordance with Article 9, paragraph 7, of Law 9,249/95 and pursuant to Article 27 of the Company's Bylaws, and recommended their approval by the Board of Directors.

5. Review of Policies, Code of Conduct, Regulations, and Procedures

In the year ended in 2025, the Committee analyzed and recommended to the Board of Directors the approval of the revision of the following policies:

- Anti-Money Laundering Policy (AML/CTF);
- Risk Management Policy;
- Board of Directors' Responsibility and Authority Policy;

6. Independent Auditors

The Committee monitored the process of hiring independent audit services and recommended to the Board of Directors the proposal to maintain PricewaterhouseCoopers Auditores Independentes Ltda. as the Company's independent auditor.

- Additionally, it monitored the work for planning and audit strategy of PricewaterhouseCoopers Auditores Independentes Ltda. for the 2025 year; the maintenance of a regular communication channel with the independent auditors and ensured direct contact with the Board of Directors; reviewed the key findings presented by the auditor in its quarterly review reports (ITRs) for March 31, June 30, and September 30, 2025, as well as the conclusion on the financial statements for the year ended December 31, 2025, and the Key Audit Matters (KAM) included in its report;
- Followed up on the improvement recommendations set forth in the internal controls report;
- Assessed regulatory compliance and the qualification criteria applicable to the independent audit firm PricewaterhouseCoopers Auditores Independentes Ltda., verifying full compliance with the requirements established by the Brazilian Securities Commission (CVM) and with the professional standards issued by the Federal Accounting Council (CFC).

7. Internal Controls, Risk Management, and Compliance

Regarding Internal Controls, Risk Management, and Compliance, the Committee carried out the following activities and reported to the Board the following:

- Monitored the methodology adopted for risk management, including process mapping and oversight of the effectiveness of the Company's internal controls;
- Evaluated and discussed the Company's priority risks, their impacts, and likelihood of occurrence, together with the corresponding mitigation plans;
- Reviewed the 2025 Annual Internal Controls Plan and monitored its implementation, including follow-up pm improvement initiatives.

8. Code of Conduct and Reporting Channel

With respect to the Code of Conduct and the Whistleblower Channel, it monitored reports received through the channels, the measures taken, and the communication and training initiatives related to the Code of Ethics and Conduct.

9. Internal Audit

- Regarding Internal Audit, it reviewed the 2025 Annual Internal Audit Plan and monitored its execution, promptly tracking the reports issued by Internal Audit, the identified findings, and the corresponding remediation plans.

(A free translation of the original in Portuguese)

OPINION OF THE AUDIT, RISK MANAGEMENT, AND COMPLIANCE COMMITTEE

The Audit, Risk Management, and Compliance Committee of Localiza Rent a Car S.A. ("Company"), a publicly-held corporation, registered at Avenida Bernardo de Vasconcelos, 377, Cachoeirinha, in the city of Belo Horizonte, State of Minas Gerais, enrolled with the Corporate Taxpayer's ID (CNPJ) No. 16.670.085/0001-55, in the exercise of its legal duties as set forth in its Internal Rules, reviewed and analyzed the Management Report and the Financial Statements for the year ended December 31, 2025, accompanied by the unqualified report of the independent auditors. Based on the information and clarifications provided by the Company's Management and by PricewaterhouseCoopers Auditores Independentes Ltda., the Committee recommended their approval by the Board of Directors.

Belo Horizonte, February 26, 2026

Estela Maris Vieira de Souza

Coordinator of the Audit, Risk Management, and Compliance Committee

Maria Letícia de Freitas Costa

Member of the Audit, Risk Management, and Compliance Committee

Paula Magalhães Cardoso Neves

Member of the Audit, Risk Management, and Compliance Committee

(A free translation of the original in Portuguese)



LOCALIZA RENT A CAR S.A.
PUBLICLY-HELD COMPANY
CNPJ 16.670.085/0001-55
Company Registry (NIRE) No. 3130001144-5

Part of Minutes of the Audit, Risk Management, and Compliance Committee Meeting
(Statutory Audit Committee)
Started on February 24, 2026, and
ended February 25, 2026

Date, Time, and Place: Started on February 24, 2026, at 9 a.m., held pursuant to item 5 of the Internal Rules of the Advisory Committees to the Board of Directors of Localiza Rent a Car S.A. ("Company"), held virtually, and ended on February 25, 2026.

Attendance: Attended by the members of the Audit, Risk Management, and Compliance Committee ("Committee"), namely: Estela Maris Vieira de Souza (Coordinator), Maria Letícia de Freitas Costa, and Paula Magalhães Cardoso Neves. Also present were Messrs. Eugênio Pacelli Mattar, Luis Fernando Porto, Bruno Lasansky, Rodrigo Tavares, and Ms. Myrian Buenos Aires, among other invitees in accordance with the agenda.

Bureau: Estela Maris Vieira de Souza, Chair; Maria Inês Ferreira Pinto Coelho, Secretary.

Agenda: To discuss and decide on the following: **(1)** 2025 Financial Statements and Management Report; **(2)** Independent Auditors' Report on the closing of the Financial Statements as of December 31, 2025; and **(3)** Allocation of 2025 Net Income.

After reviewing the matters on the agenda, the following resolution was recorded unanimously:

(1) 2025 Financial Statements and Management Report. In accordance with their duties established in its Internal Regulations, the members of the Audit, Risk Management, and Compliance Committee have reviewed and analyzed the Financial Statements for the year ended December 31, 2025, the Explanatory Notes and the Company's Management Report, Individual and Consolidated, accompanied by the Independent Auditors Preliminary Report on said Financial Statements, without qualifications. Considering the information provided by the Company's Management and by the partner from PricewaterhouseCoopers Auditores Independentes, the Committee recommends their approval by the Board of Directors. Additionally, they have reviewed the 2025 Earnings Release, also recommending its approval by the Board of Directors.

(2) Independent Auditors' Report on the Financial Statements for the year ended December 31, 2025. The independent auditors of Localiza Rent a Car S.A., PricewaterhouseCoopers, represented by Mr. Guilherme Campos, Partner, and Mr. Daniel Zappalá, Senior Audit Manager, reported on the results of their audit of the Company's financial statements for the year ended December 31, 2025. The corresponding Audit Report on the financial statements for the year ended December 31, 2025, will be issued without qualifications. Additionally, they reported that they reviewed the Management Report and the Earnings Release and identified no inconsistencies with the financial statements taken as a whole.

(3) Allocation of 2025 net income. Management presented the proposal for allocation of net income for the year ended December 31, 2025, in the amount of BRL 1,875,473,437.40 (one billion, eight hundred seventy-five million, four hundred seventy-three thousand, four hundred thirty-seven Reais and forty cents), pursuant to the Company's Bylaws and applicable corporate law. After the necessary clarifications, the Committee Members recommended approval by the Board of Directors, subject to ratification by the Shareholders' Meeting, as follows: (i) BRL 93,773,671.87 (ninety-three million, seven hundred seventy-three thousand, six hundred seventy-one Reais and eighty-seven cents) to the Legal

Reserve; (ii) BRL 2,101,739,205.40 (two billion, one hundred one million, seven hundred thirty-nine thousand, two hundred five Reais and forty cents) for shareholder remuneration, previously distributed as interest on equity allocated to the mandatory dividend; and (iii) use of a portion of the Investment Reserve in the amount of BRL 320,039,439.87 (three hundred twenty million, thirty-nine thousand, four hundred thirty-nine Reais and eighty-seven cents) to absorb the amount distributed in excess of the income for the year.

Considering that the total amount already distributed to shareholders during year 2025 as interest on equity, allocated to the mandatory dividend, totaled BRL 1,856,012,554.82 (one billion, eight hundred fifty-six million, twelve thousand, five hundred fifty-four Reais and seventy-eight cents), net of income tax, corresponding to 104.2% (one hundred four point two percent) of the net income for year 2025 after allocation to the Legal Reserve, Management's proposal does not include any additional dividend distribution.

The full minutes of the meeting of the Audit, Risk Management, and Compliance Committee, started on February 24, 2026, and ended on February 25, 2026, are filed at the Company's headquarters.

Belo Horizonte, February 25, 2026.

Maria Inês Ferreira Pinto Coelho

Secretary