

# Earnings Release 3Q20

## Investor Relations

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## Novo Mercado

Ticker: LCAM3  
Total shares: 508,729,411  
Free-float: 324,412,975 (63.8%)

## Results Conference Call

Tuesday, October 27th, 2020  
1 p.m. (Brasília time)  
12 p.m. (Nova York time)

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Access Code: **Unidas**

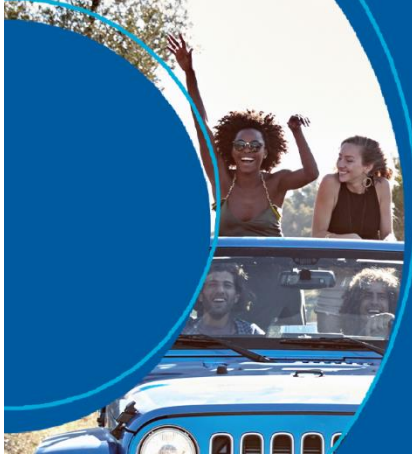
Webcast: [ri.unidas.com.br/en/](http://ri.unidas.com.br/en/)



Estimated reading time:  
**20 minutes**







## RECORD RESULTS IN NET REVENUE, EBITDA AND NET INCOME, WITH THE LARGEST ROIC SPREAD FOR THE DEBT COST IN THE COMPANY'S HISTORY

### QUARTER HIGHLIGHTS

- Expansion of demand in all segments resulted in a new record of **Consolidated Net Revenue** of **R\$1.76 billion (+39.6% YoY)**;
- Strong operational leverage generation allowed us to reach a record of **R\$368.8 million** in **EBITDA** and **EBITDA Margin<sup>1</sup>** expansion of **3.7 p.p.**, to **63.6%**;
- Record EBITDA, adequate depreciation and financial expenses under control: record **Net Income** of **R\$124.2 million (+44.4% YoY)** and **Net Margin<sup>1</sup>** of **21.4% (+5.7 p.p. YoY)**;
- Record EBIT generated double-digit **ROIC (10.2%)**, with a record of **7.3 p.p.** of **Spread** and **3.59x** of **ROIC/Debt Cost** ratio;
- Robust **Cash** generation to **R\$2.4 billion** and reduction of **Debt Leverage** to **2.02x**;
- Fleet Management**: heated demand and absolute record in **New Contracts (+263.4% YoY** in Global Value - **R\$557.0 million** - and **+130.4% YoY** in number of vehicles - **9.0 thousand**)
- Used Cars Sales**: High demand generated records for **Vehicles Sold (28.7 thousand)** and **Average Selling Price (R\$41.0 thousand)**, with an **EBITDA Margin<sup>1</sup>** expansion to **4.5% (+3.1 p.p. YoY)**;
- Rent a Car**: Accelerated demand resulted in an Occupancy Rate of **79.7%**, above pre-COVID levels.

Quarter Highlights	3Q20	3Q19	Var. 3Q20 vs 3Q19
<b>Financial Highlights</b>			
Consolidated Net Revenue (R\$ million)	1,756.5	1,258.1	39.6%
EBITDA (R\$ million)	368.8	327.4	12.6%
EBITDA Margin (%)	63.6%	59.8%	3.7 p.p.
Net Income (R\$ million)	124.2	86.0	44.4%
Net Margin (%)	21.4%	15.7%	5.7 p.p.
ROIC (%)*	10.2%	11.3%	(1.1) p.p.
Cost of Debt after Taxes (%)*	2.8%	5.0%	(2.2) p.p.
Spread	7.3 p.p.	6.3 p.p.	1.0 p.p.
ROIC / Cost of Debt	3.59x	2.27x	1.33x
Cash Balance	2,366.2	895.1	164.4%
Net Debt/Recurring EBITDA Annualized	2.02x	2.65x	(0.63)x
<b>Operating Highlights</b>			
<b>Fleet Management</b> - New Contracts: Vehicles Hired	8,996	3,904	130.4%
<b>Fleet Management</b> - New Contracts: Global Value (R\$ million)	557.0	153.3	263.4%
<b>Used Cars</b> - Vehicles Sold	28,717	17,905	60.4%
<b>Used Cars</b> - Average Selling Price (R\$ thousand)	41.0	39.8	3.2%
<b>Used Cars</b> - EBITDA Margin	4.5%	1.5%	3.1 p.p.
<b>Rent a Car</b> - Occupancy Rate (%)	79.7%	75.7%	4.0 p.p.

\*Data with Annualized 3Q20 vs 2019

## MESSAGE FROM THE MANAGEMENT

Welcome to the results of the third quarter of 2020.

We are happy that everything we predicted and believed that would happen is happening now. We know how to operate the business. There are more than 35 years of experience renting vehicles and demobilizing assets (used cars) in the midst of the most varied types of crisis that support Management's decisions in directing the Company in both good and bad times. We used the worst moment of the pandemic in our favor to strengthen our stores chains and prepare our vehicles for the resumption of both rental and vehicle sales demand, and so we kept the execution of our long-term plan intact, believing in the sector's reaction power. As a result, we emerged from the worst crisis in the history of our industry, in Brazil and in the world, with record results, much stronger and prepared for future cycles of profitability, with greater potential for growth and margins expansion.

Among the various achievements in the quarter, I would like to highlight:

- **RAC** resumption concluded even with the economy in recession: occupancy rates at the end of the quarter already stabilized at levels above pre-COVID. The prospects for full margin recovery in the short term remain intact;
- **Fleet Management** continues with heated commercial activity, with new quarterly records for new contracts and an even stronger pipeline for 4Q20;
- In **Used Cars Sales**, the demand returned stronger than before the pandemic, allowing us to reach absolute records in volume and price, reinforcing our belief that selling cars at a discount in 2Q20 would not be the best strategy given the certain impacts that the restriction of supply of brand-new vehicles and an increase in their respective prices would bring to this segment;
- Margins in all divisions had results above expectations and are mainly due to having a fleet ready to rent and a stock of used cars ready to be sold since the beginning of the businesses resumptions;
- The strong cash position of R\$2.4 billion and the reduction in debt leverage gave us comfort to strongly resume vehicle purchases in order to increase its offer and meet the strong rental demand in this and the coming quarters; and
- AAA rating maintained, while the outlook for the Company were upgraded by both S&P and Fitch;

In addition to these important achievements, I would like to emphasize that the Company did not give up of also following the plan to make its operations more sustainable, and from October it started an important partnership with EDP to offer the rental of electrified vehicles for both corporate customers and individuals. With just 100 vehicles, it will be possible to reduce the emission of 574 tons of CO<sub>2</sub> into the atmosphere in one year, which would be possible only if no less than 3,518 trees were planted. For those who do not rent electric cars with us, rest assured, as we continue to neutralize 100% of the CO<sub>2</sub> emissions of our entire fleet through our Carbon Zero program.

The quarter was also marked by recognition in awards that attest to the Company's excellence work on several fronts with our stakeholders:

- We were winners, for another consecutive year, of the **100+ Innovative in the Use of IT** award from **IT Media and PwC**, being recognized for the digitalization of customer service project, the most relevant in the field of technological innovation among Brazilian companies in the Miscellaneous Services sector in 2020;
- Unidas was considered the **40th most valuable brand in Brazil** by **Exame Magazine**. The ranking is the result of a study conducted by the British consultancy Brand Finance, which analyzed around 5,000 brands from around the world;
- In its 24th edition of the "**The 150 Best Companies to Work for in Brazil**" ranking, **Great Place to Work**, in partnership with **Época Negócios Magazine**, ranked Unidas in **34th place** among the Large Companies in the Country;
- Finally, Unidas was considered, for the second consecutive year, the **Best Car Rental Company** in the **MESC** ranking of the Rent a Car segment. To survey the ranking of the **Best Companies in Customer Satisfaction**, the **MESC Institute** interviewed 2,055,277 customers through a questionnaire with different questions and in compliance with the International Privacy Shield. This questionnaire was applied between March 2019 and March 2020, with more than 6,500 companies being cited by customers.

As already informed on September 22, Unidas announced, together with Localiza, the intention to unite the businesses, which will still depend on the approval of our shareholders at the Extraordinary General Meeting, to be held on November 12, as well as by CADE (Brazilian anti-trust agency).

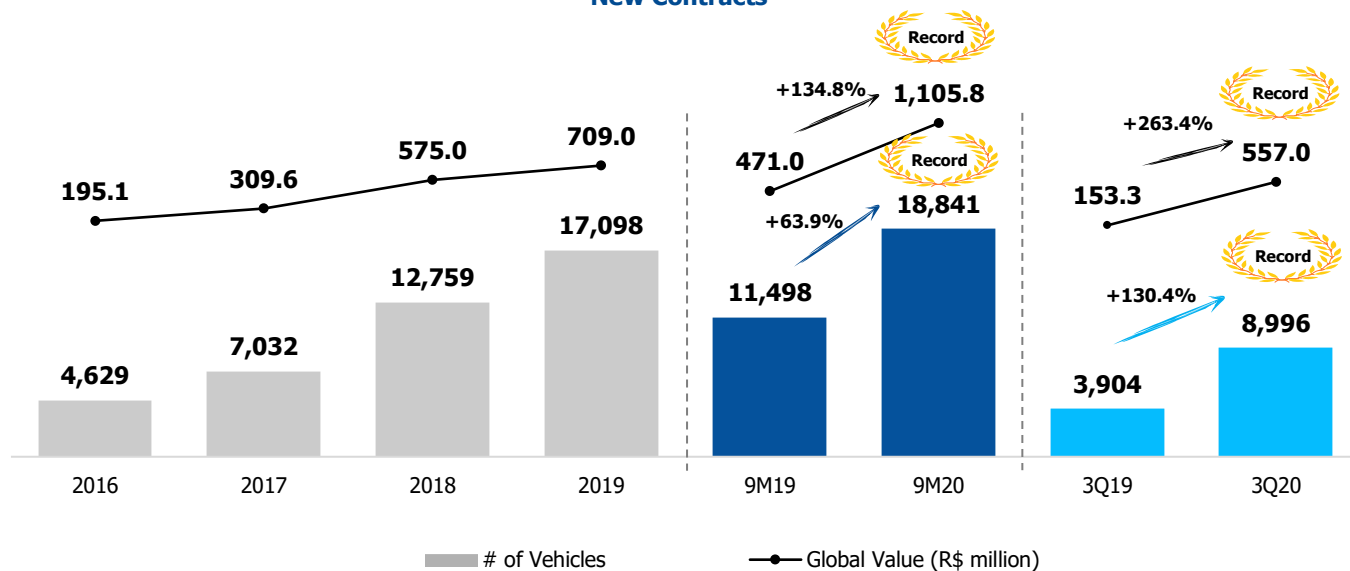
I would like to thank our 4,003 employees for allowing us to have another quarter of great achievements. We are a high performance team that delivers quick results in the midst of any adversity, seeing opportunities on all possible fronts. We are convinced that 3Q20 is just the beginning of something much bigger.

Thank you very much and "let's go together"!  
**Luis Fernando Porto**  
CEO

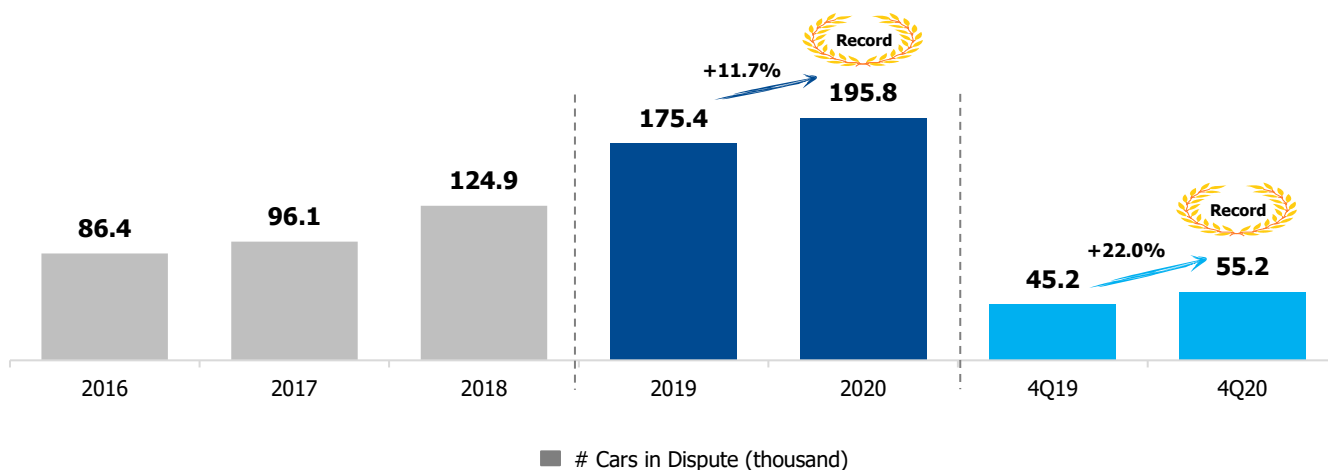
## Commercial Activity

- Strong resumption of Fleet Management demand proven by records of new contracts. The amounts accumulated only in 9M20, in addition of being Company's absolute records in this time span, also represented 156% and 110% of the global value and the total of vehicles contracted, respectively, throughout the full year of 2019.
- For 4Q20, demand will remain heated, given the new record of cars in dispute by the Company.

### New Contracts<sup>1</sup>



### Commercial Pipeline

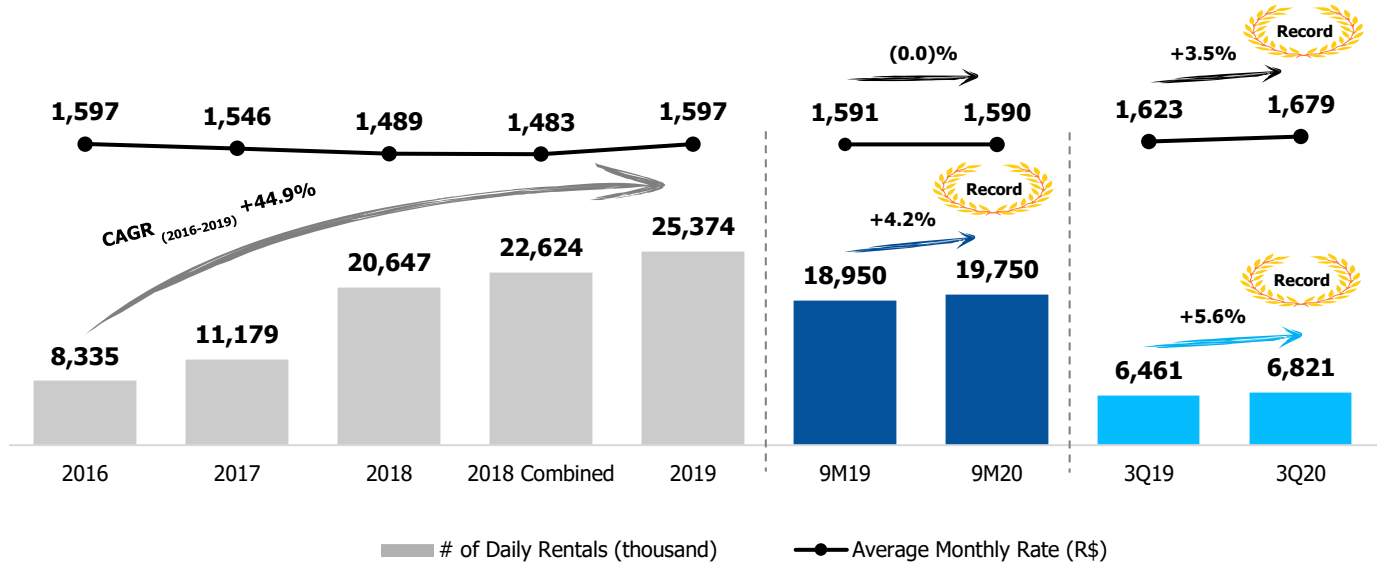


(1) For New Contracts, contract renewals are not being considered.

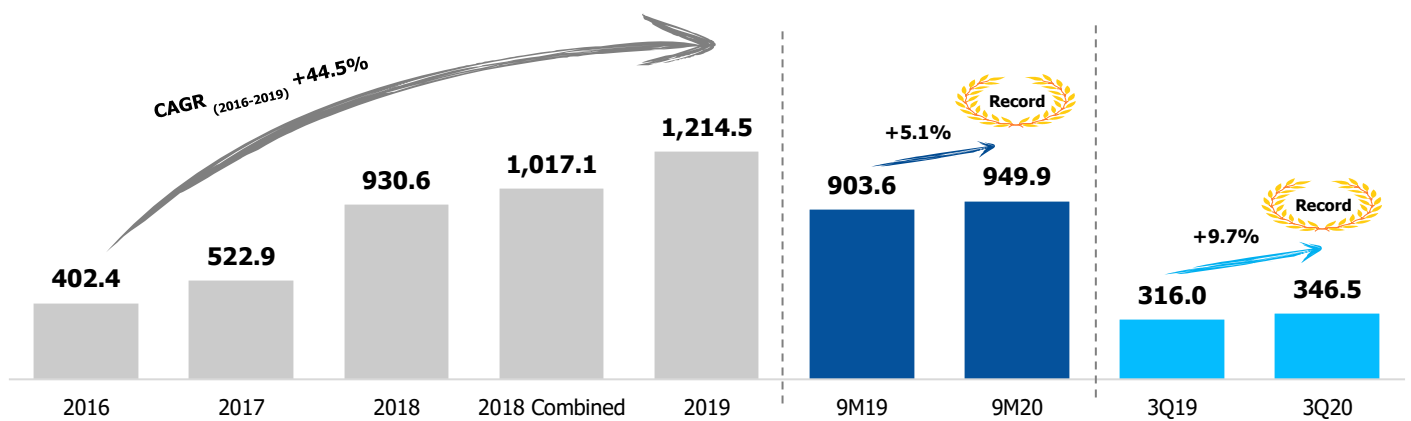
## Performance in the Period

- Highest net revenue ever recorded by the Company sustained by volume and average tariff records.

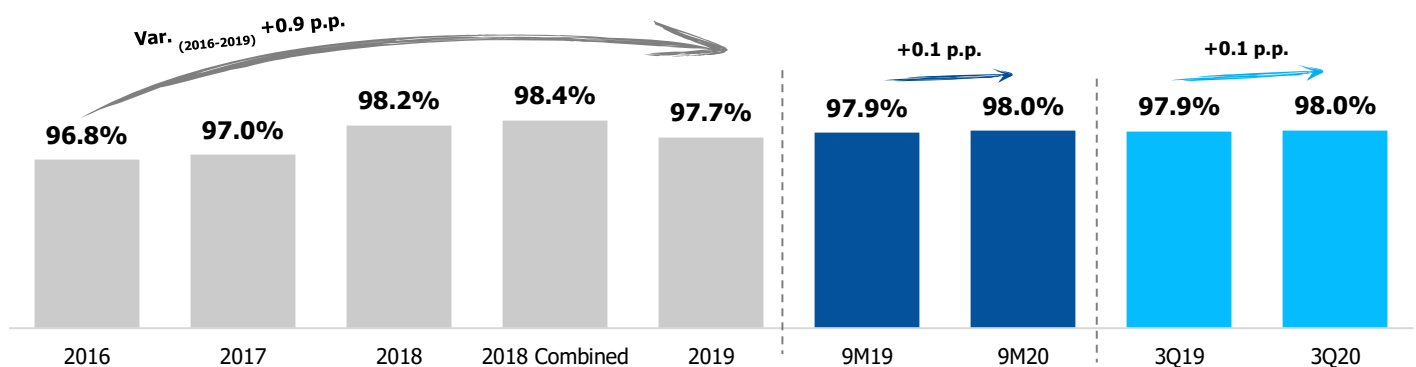
**Number of Daily Rentals (Thousand) and Average Monthly Rate (R\$)**



**Net Revenue from Fleet Management (R\$ Million)**

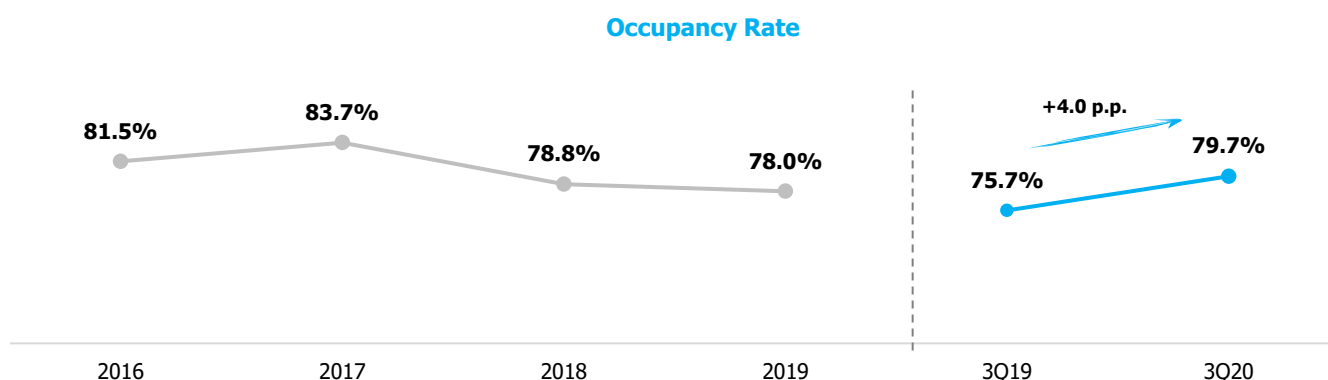
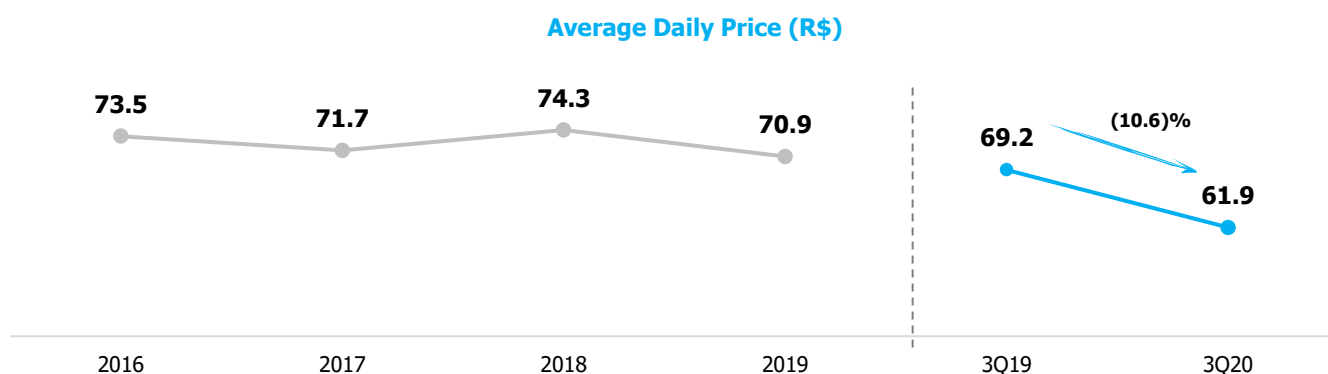
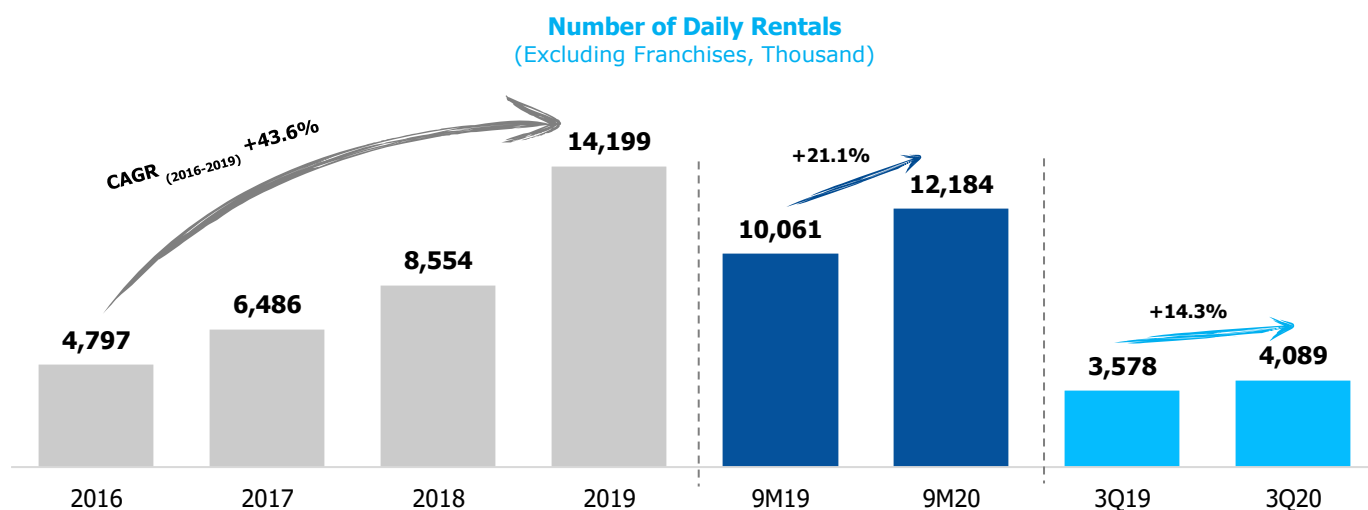


**Average Occupancy Rate**

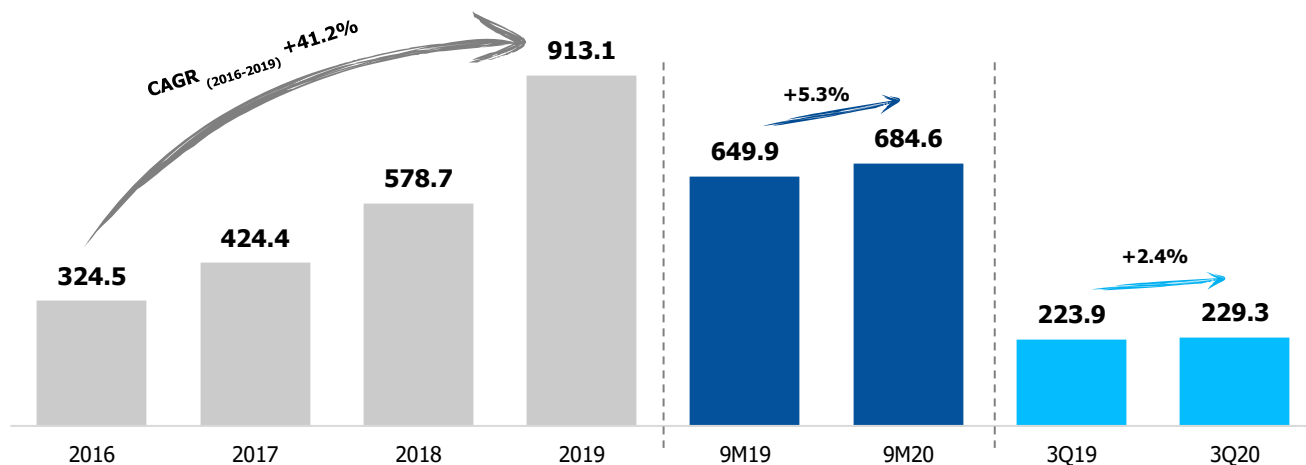


### Performance in the Period

- The occupancy rate reached the highest level since 1Q19. At the end of September, the occupancy rate was already operating above 80% and we believe that this will be the new level of occupation for the short and medium terms.
- At the end of 3Q20, all tariffs per channel were already higher than or equal to pre-COVID. The annual reduction in the average tariff in 3Q20 reflects the change in the rental mix, with greater exposure to monthly rentals. With the continuous resumption of daily rentals verified by the Company, especially for individuals, the average tariff should naturally return to pre-COVID levels.



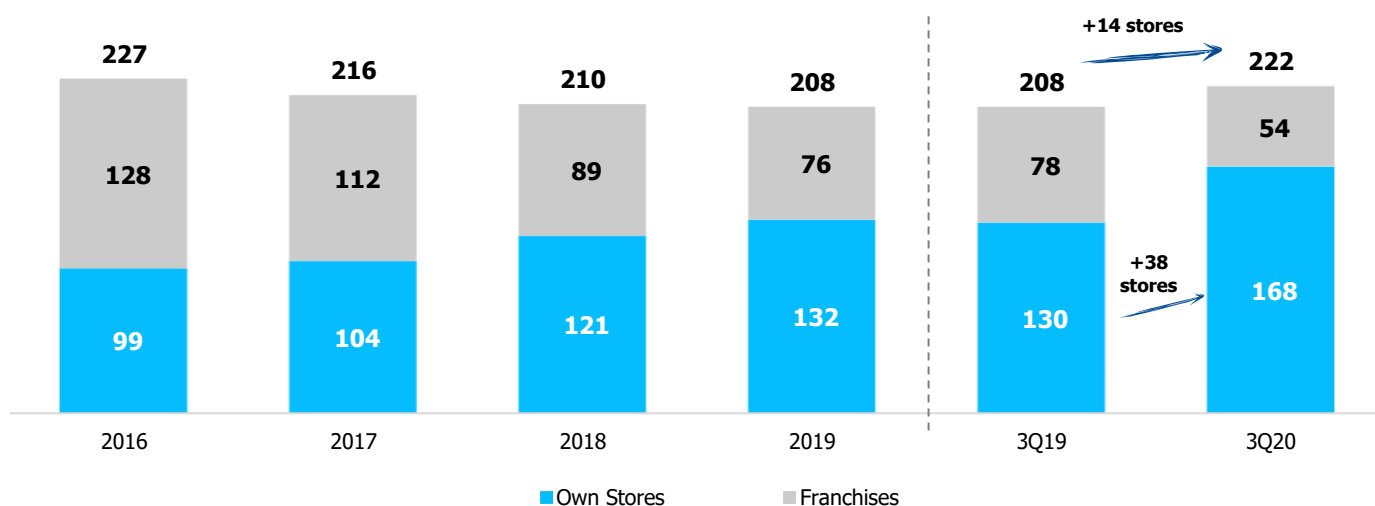
### Net Revenue from Rent a Car (Excluding Franchises, R\$ Million)



### Customer Service Network

- The Company kept intact the execution of its plan to expand the RAC operation throughout the country, which reinforces our commitment to advancing the long-term strategy. Since its inception, stores have been opened in every quarter, including during the most critical period of the pandemic.

### Number of Stores – Rent a Car

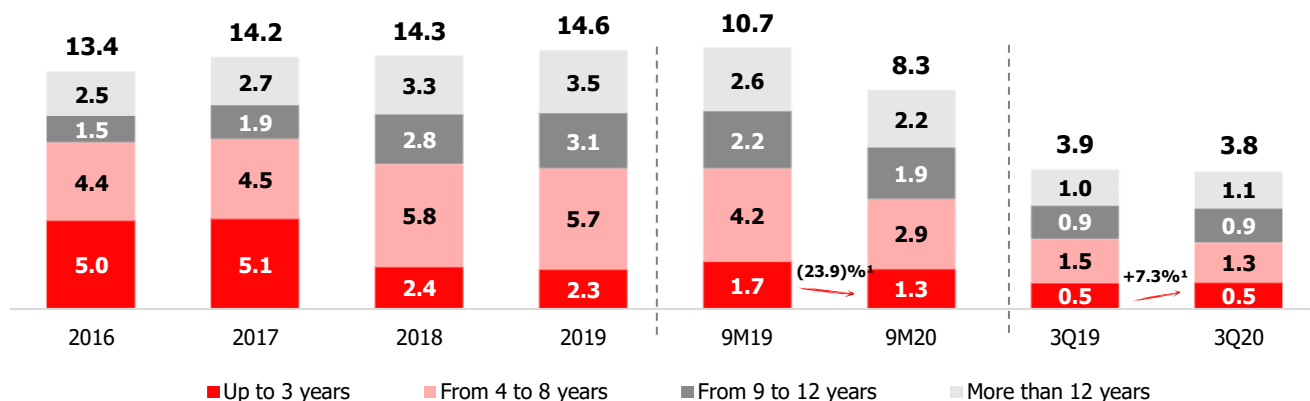


### III – USED CARS

#### Sectorial Scenario

- The up-to-three-years used car sales market more than recovered from the critical period of the pandemic, increasing its representation in the overall used cars sales market in the country in 3Q20.

**Used Cars Sales by Age in Brazil**  
(Millions of units)

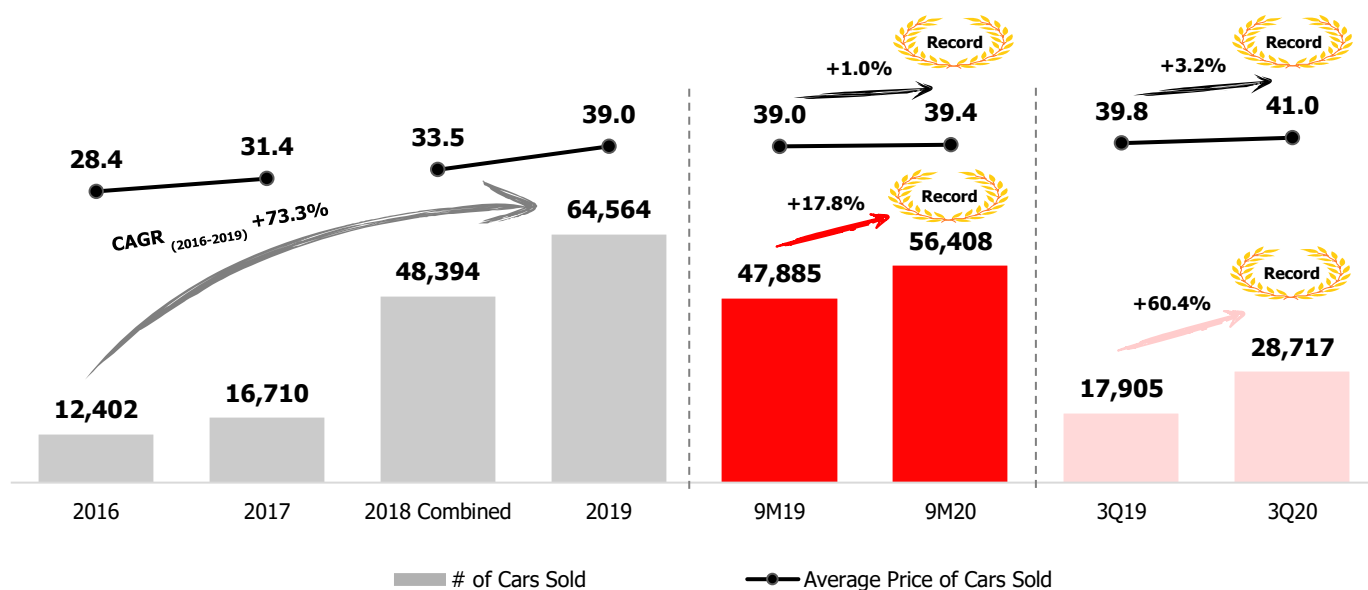


Source: FENAUTO. Considers the sale of Vehicles, Light and Heavy Commercials, Motorcycles and Others.

#### Performance in the Period

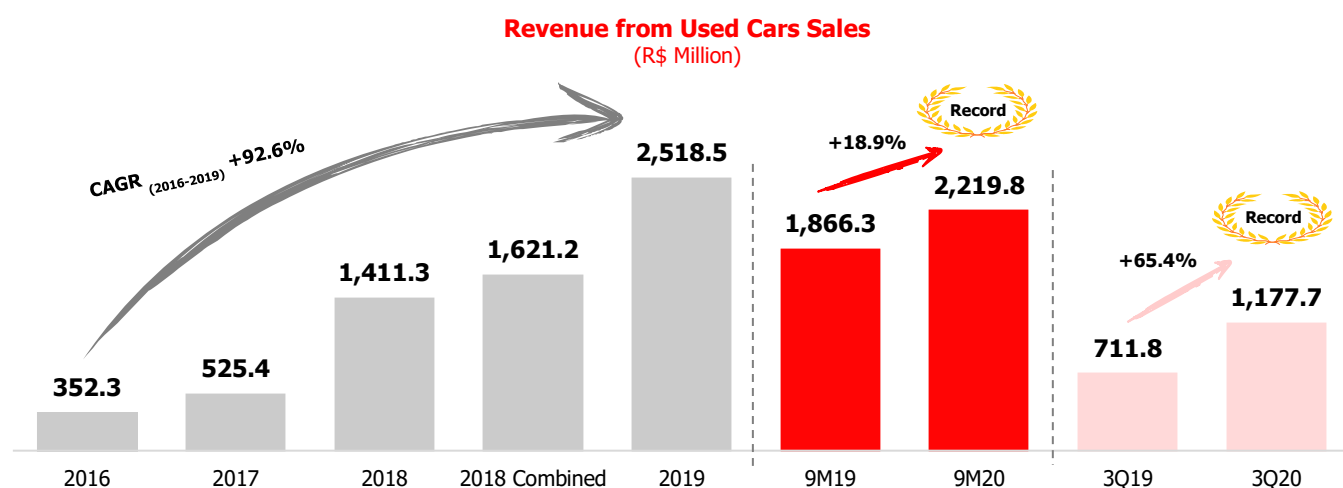
- Management was assertive in believing that sales of used cars would return strongly in the very short term, only accelerating sales at the right time, when there was an appreciation of used cars. As a result, we reached an absolute record of 28,717 vehicles sold, 60.4% higher than in 3Q19.

**Number of Cars Sold and Average Selling Price (R\$ Thousand/Car)**





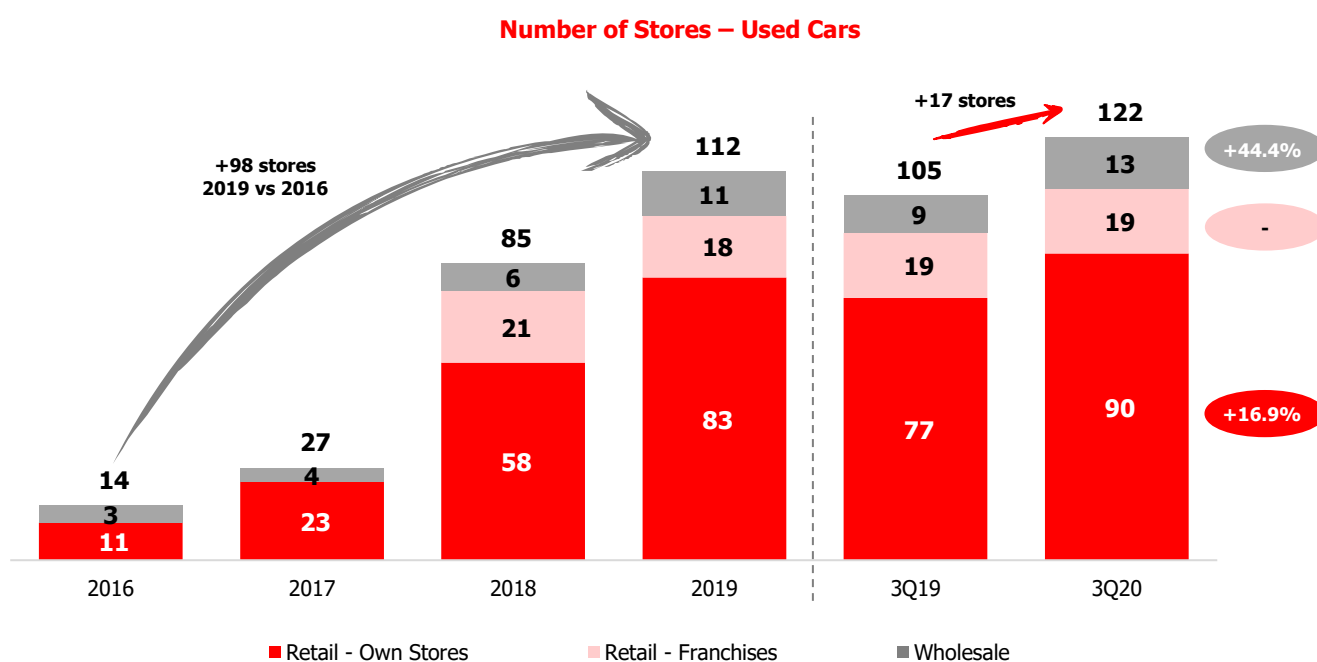
### III – USED CARS



Used Car Sales Results (R\$ million)	3Q20	3Q19	Var. 3Q20 vs 3Q19	9M20	9M19	Var. 9M20 vs 9M19
(+) Used Cars Sales Net Revenues	1,176.4	711.0	65.5%	2,216.7	1,864.0	18.9%
(-) Cost of Cars Sold	(1,087.8)	(662.0)	64.3%	(2,056.6)	(1,727.9)	19.0%
<b>= Used Cars Sales Results</b>	<b>88.5</b>	<b>49.0</b>	<b>80.9%</b>	<b>160.1</b>	<b>136.1</b>	<b>17.6%</b>
% Used Cars Sales Gross Margin	7.5%	6.9%	0.5 p.p.	7.2%	7.3%	(0.1) p.p.

### Customer Service Network

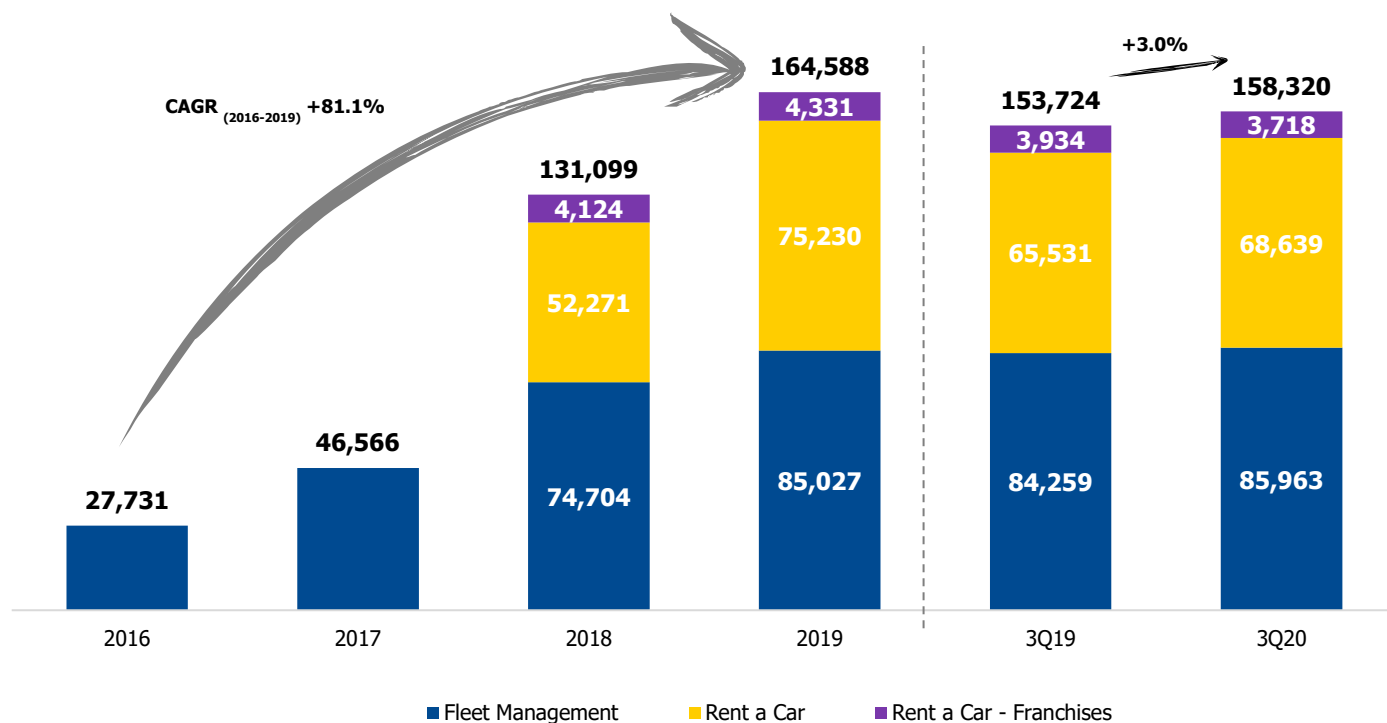
- The record performance was also directly benefited by the robust investments in expanding the store chain over the past two years, proving Management's assertiveness in preparing for the long term.



## IV – FLEET

- The total fleet (end of the period) showed annual growth in both rental segments.

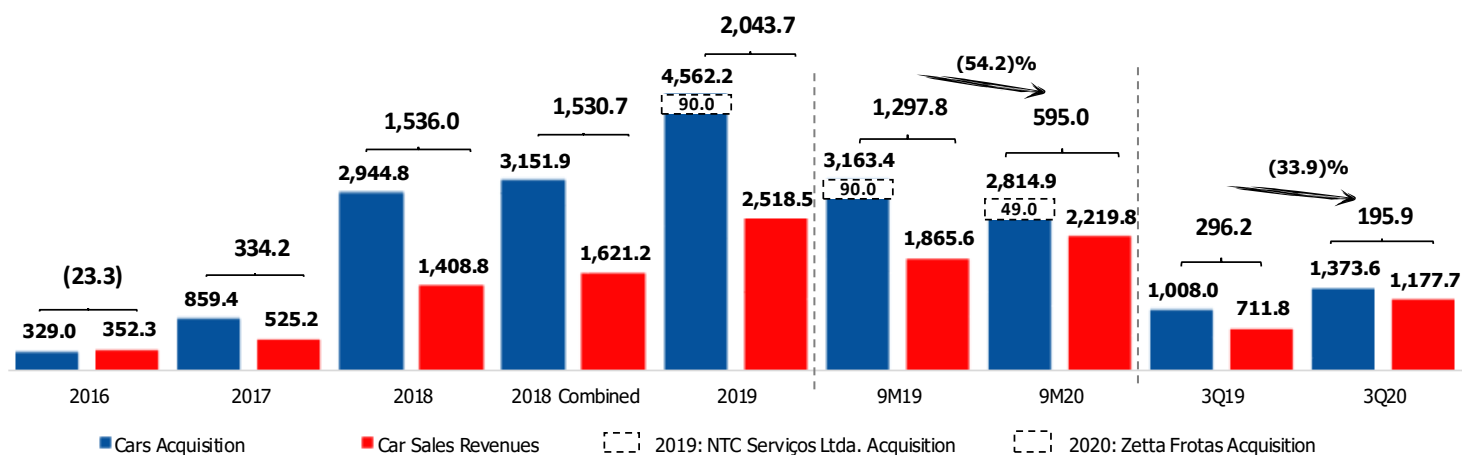
### Opening of the Final Fleet – Consolidated



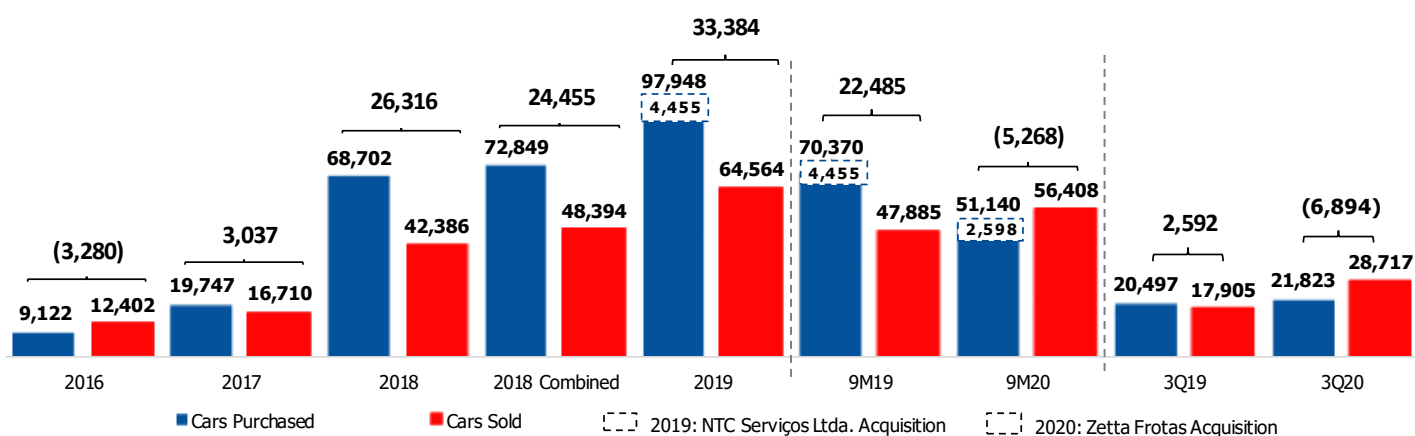
## Investments in Fleet

- Since the demand for rental and used cars recovered, in 3Q20 the Company quickly resumed vehicle purchases, mainly for the RAC segment, resulting in a 6.5% increase in the volume of vehicles purchased in relation to the 3Q19.

**Net Fleet Investment**  
(R\$ Million)



**Net Fleet Investment**  
(# of Vehicles)

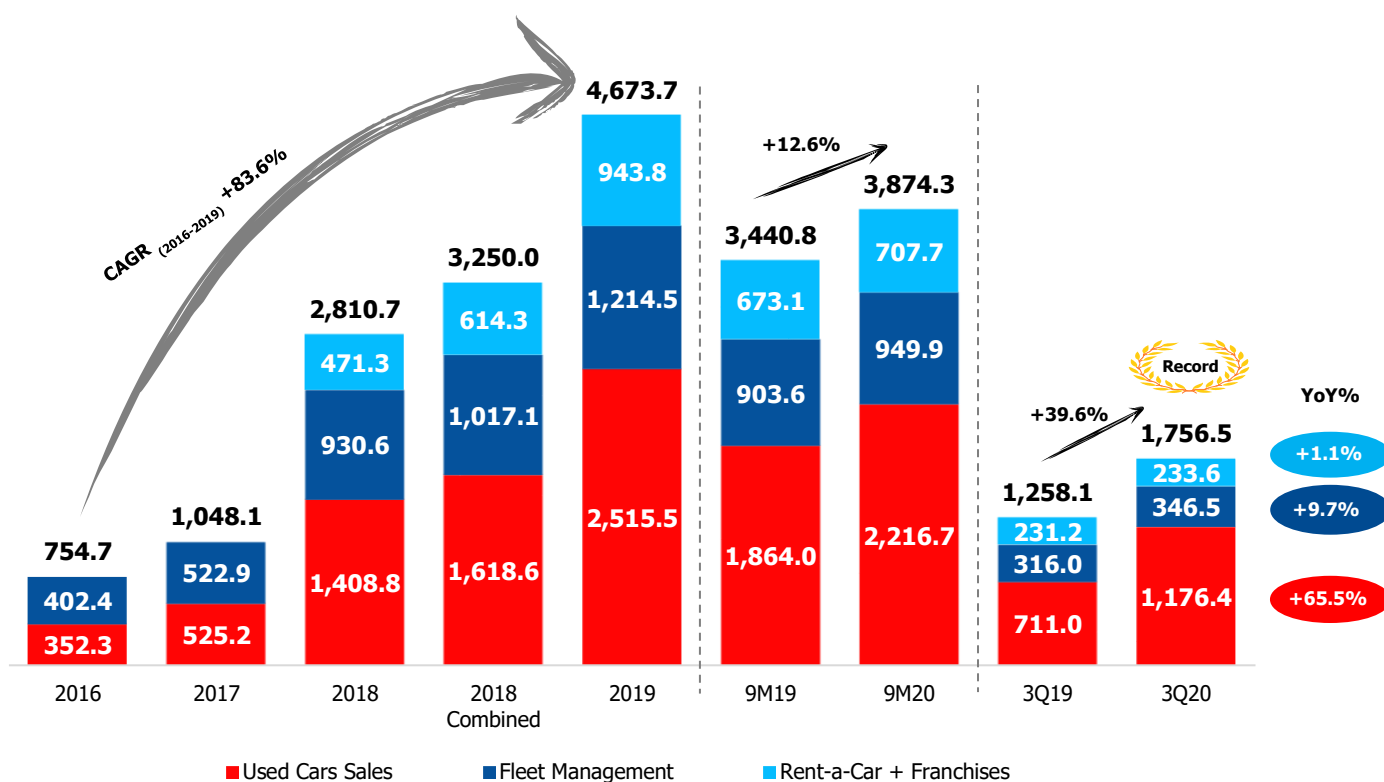


## Consolidated Net Revenue

Revenue <sup>1</sup> (R\$ million)	3Q20	3Q19	Var. 3Q20 vs 3Q19	9M20	9M19	Var. 9M20 vs 9M19
(+) Gross Rental Revenue	639.2	604.5	5.7%	1,823.6	1,741.0	4.7%
(+) Gross Used Cars Sales	1,177.7	711.8	65.4%	2,219.8	1,866.3	18.9%
(-) Taxes	(60.4)	(58.2)	3.7%	(169.2)	(166.6)	1.6%
<b>= Total Net Revenue</b>	<b>1,756.5</b>	<b>1,258.1</b>	<b>39.6%</b>	<b>3,874.3</b>	<b>3,440.8</b>	<b>12.6%</b>
Net Rental Revenue	580.2	547.2	6.0%	1,657.6	1,576.7	5.1%
Used Car Sales Revenue	1,176.4	711.0	65.5%	2,216.7	1,864.0	18.9%

- The highest turnover in the history of the Company in a single quarter of R \$ 1.76 billion was achieved by the expansion of revenue in all of its operating segments, resulting in a growth of 39.6% in 12 months.

### Consolidated Net Revenue per Segment (R\$ Million)



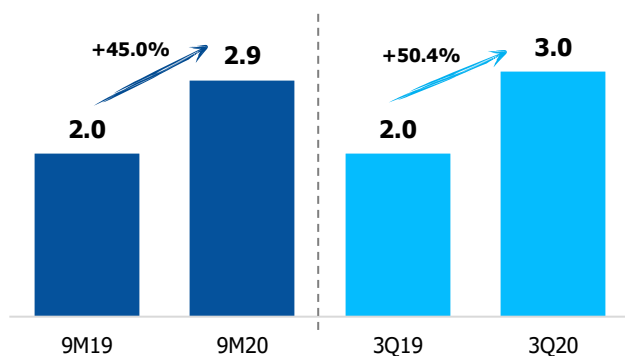


## Custos Operacionais

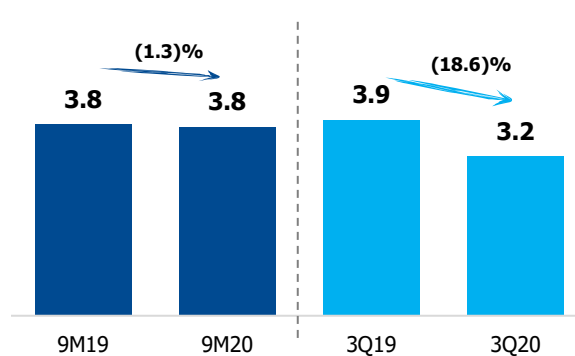
Operating Costs <sup>1</sup> (R\$ million)	3Q20	3Q19	Var. 3Q20 vs 3Q19	9M20	9M19	Var. 9M20 vs 9M19
(-) Maintenance Cost and Others	(181.1)	(164.6)	10.0%	(545.0)	(476.1)	14.5%
(-) Personnel Costs	(28.9)	(23.3)	24.3%	(81.9)	(70.1)	16.7%
(+) PIS/COFINS Credits Recovery	43.7	41.2	6.1%	121.9	122.6	(0.6)%
(-) Recurring Other Operational Costs	(14.8)	(14.7)	1.0%	(48.1)	(39.7)	21.3%
<b>= Cash Cost from Rental Activities</b>	<b>(181.2)</b>	<b>(161.4)</b>	<b>12.3%</b>	<b>(553.1)</b>	<b>(463.3)</b>	<b>19.4%</b>
(-) Depreciation of Vehicles and Other Assets	(112.6)	(109.3)	3.1%	(370.2)	(304.3)	21.7%
<b>= Total Cost from Rental Activities</b>	<b>(293.8)</b>	<b>(270.6)</b>	<b>8.6%</b>	<b>(923.3)</b>	<b>(767.5)</b>	<b>20.3%</b>
Cash Cost as a % of Net Rental Revenues	31.2%	29.5%	1.7 p.p.	33.4%	29.4%	4.0 p.p.
Cash Cost as a % of Total Net Revenues	10.3%	12.8%	(2.5) p.p.	14.3%	13.5%	0.8 p.p.
Depreciation Cost as a % of Net Rental Revenues	19.4%	20.0%	(0.6) p.p.	22.3%	19.3%	3.0 p.p.
Depreciation Cost as a % of Total Net Revenues	6.4%	8.7%	(2.3) p.p.	9.6%	8.8%	0.7 p.p.
Total Cost as a % of Net Rental Revenues	50.6%	49.5%	1.2 p.p.	55.7%	48.7%	7.0 p.p.
Total Cost as a % of Total Net Revenues	16.7%	21.5%	(4.8) p.p.	23.8%	22.3%	1.5 p.p.
<b>(+) Extraordinary Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(24.5)</b>	<b>-</b>	<b>-</b>
<b>= Total Accounting Operating Costs</b>	<b>(293.8)</b>	<b>(270.6)</b>	<b>8.6%</b>	<b>(947.8)</b>	<b>(767.5)</b>	<b>23.5%</b>

- The increase in the representativeness of the cash cost in relation to the rental revenue is mainly explained by the higher costs of preparing vehicles for rental, given the greater volume of purchases, and for the record sale of used cars.
- In 3Q20, there was a reduction in the annual depreciation per car in the Fleet Management segment, since its EBITDA margin for Used Cars Sales has been performing results above expectations. This decision is based on Management's view that the current positive sales context for Used Cars Sales is sustained for the long term.
- Management opted for the decision to keep the level of depreciation of RAC vehicles stable in this quarter in relation to what was presented throughout the year 2020.

**Depreciation per Operating Vehicle**  
**Rent a Car + Franchises**  
(R\$ thousand / Car)



**Depreciation per Operating Vehicle**  
**Fleet Management**  
(R\$ thousand / Car)



The depreciation of vehicles is calculated by the difference between the purchase price of the car and the Company's estimate for its sale price at the end of the rental periods, after deducting the provision for expenses of sales.

## V – FINANCIAL RESULTS

### Operating Expenses (SG&A)

SG&A Expenses <sup>1</sup> (R\$ million)	3Q20	3Q19	Var. 3Q20 vs 3Q19	9M20	9M19	Var. 9M20 vs 9M19
(-) Selling Expenses	(66.0)	(73.0)	-9.6%	(229.4)	(209.8)	9.3%
(-) Recurring General and Administrative	(52.8)	(34.5)	53.3%	(144.6)	(106.2)	36.1%
(-) Other (Expenses) Operational Revenue	0.1	0.2	(61.2)%	(0.0)	0.3	-
<b>= Total Operating Expenses (ex-depreciation)</b>	<b>(118.8)</b>	<b>(107.3)</b>	<b>10.6%</b>	<b>(374.0)</b>	<b>(315.7)</b>	<b>18.5%</b>
(-) Depreciation and Amortization of Other Assets	(22.1)	(15.4)	43.1%	(54.7)	(44.9)	21.8%
<b>= Total Operating Expenses</b>	<b>(140.8)</b>	<b>(122.8)</b>	<b>14.7%</b>	<b>(428.7)</b>	<b>(360.6)</b>	<b>18.9%</b>
Operating Expenses (ex-depreciation) as % Net Revenue	6.8%	8.5%	-1.8 p.p.	9.7%	9.2%	0.5 p.p.
Operating Expenses as % Net Revenue	8.0%	9.8%	-1.7 p.p.	11.1%	10.5%	0.6 p.p.

- The representativeness of operating expenses ex-depreciation in relation to net revenue reached its lowest historical level due to the strong operating leverage generated in the quarter.

### Operating Result

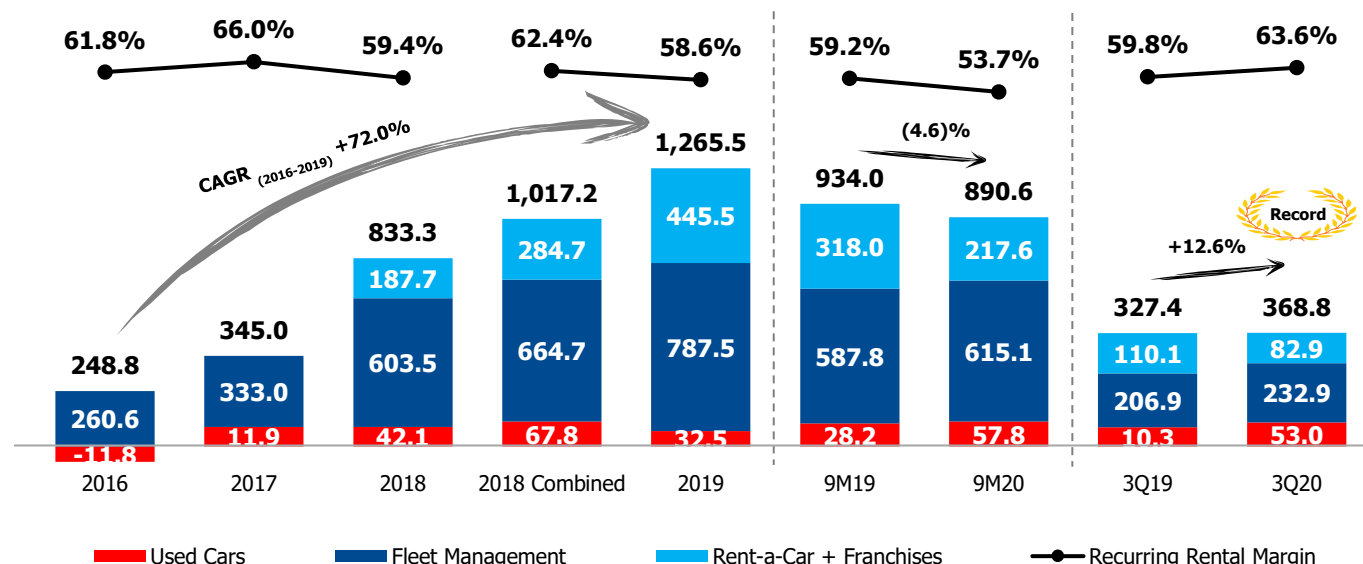
EBITDA and EBIT (R\$ million)	3Q20	3Q19	Var. 3Q20 vs 3Q19	9M20	9M19	Var. 9M20 vs 9M19
(+) Accounting Net Income	123.5	86.5	42.8%	188.5	242.1	(22.1)%
(-/+ ) Equity Method	0.7	(0.5)	-	5.6	(2.9)	-
(+) Income Taxes	40.0	25.2	58.6%	35.4	63.3	(44.0)%
(+) Recurring Financial Result	69.9	91.5	(23.7)%	211.5	266.0	(20.5)%
(+) Extraordinary Financial Items	-	-	-	24.5	16.2	51.9%
(+) Depreciation	134.7	124.7	8.1%	424.9	349.3	21.6%
<b>= EBITDA</b>	<b>368.8</b>	<b>327.4</b>	<b>12.6%</b>	<b>890.6</b>	<b>934.0</b>	<b>(4.6)%</b>
EBITDA Margin <sup>1</sup>	63.6%	59.8%	3.7 p.p.	53.7%	59.2%	(5.5) p.p.
<b>= EBIT</b>	<b>234.1</b>	<b>202.7</b>	<b>15.5%</b>	<b>465.8</b>	<b>584.8</b>	<b>(20.4)%</b>
EBIT Margin <sup>1</sup>	40.3%	37.0%	3.3 p.p.	28.1%	37.1%	(9.0) p.p.

(1) Margins calculated over Net Rental Revenue.

## EBITDA

- Consolidated recurring EBITDA in 3Q20 showed double-digit annual growth, supported by the strong expansions of Used Car Sales and Fleet Management EBITDAs, in addition to the considerable recovery presented in RAC in relation to 2Q20.
- The consolidated EBITDA margin of 63.6% in 3Q20 is the highest ever achieved by the Company since entering the RAC segment.

**Recurring EBITDA and EBITDA Margin<sup>1</sup>**  
(R\$ Million)



To simplify the analysis of investors and demonstrate the actual comparison of EBITDA margins, the table below shows the comparison by segment.

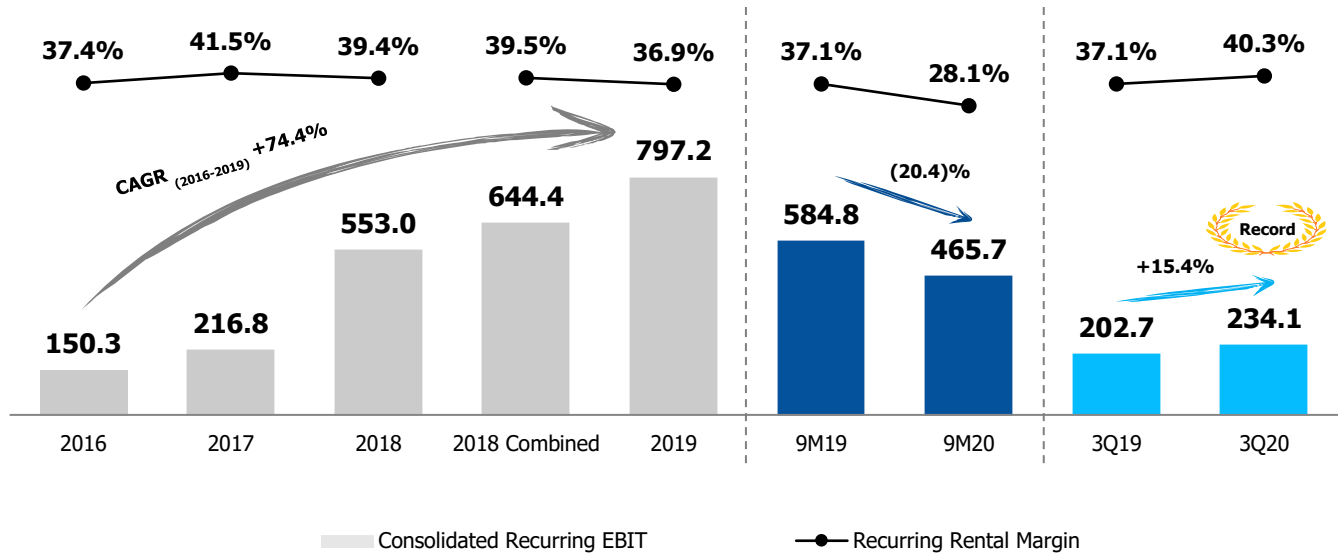
Recurring EBITDA	2016	2017	2018	2018 Combined	2019	Var.	3Q20	3Q19	Var.	9M20	9M19	Var.
Fleet Management <sup>1</sup>	64.8%	63.7%	64.8%	65.4%	64.8%	(0.5) p.p.	67.2%	65.5%	1.7 p.p.	64.7%	65.0%	(0.3) p.p.
Rent-a-Car + Franchises <sup>1</sup>	-	-	39.8%	46.3%	47.2%	0.8 p.p.	35.5%	47.6%	(12.2) p.p.	30.8%	47.2%	(16.5) p.p.
Rental <sup>1</sup>	64.8%	63.7%	56.4%	58.2%	57.1%	(1.1) p.p.	54.4%	57.9%	(3.5) p.p.	50.2%	57.4%	(7.2) p.p.
Used Cars Sales <sup>2</sup>	(3.3)%	2.3%	3.0%	4.2%	1.3%	(2.9) p.p.	4.5%	1.5%	3.1 p.p.	2.6%	1.5%	1.2 p.p.
= Consolidated EBITDA <sup>1</sup>	61.8%	66.0%	59.4%	62.4%	58.6%	(3.7) p.p.	63.6%	59.9%	3.6 p.p.	53.7%	59.2%	(5.5) p.p.

(1) Margins calculated over Net Rental Revenue.

(2) Margins calculated over Net Used Car Sales Revenue.

## EBIT

### Recurring Consolidated EBIT and EBIT Margin<sup>1</sup> (R\$ Million)



Recurring EBIT	2016	2017	2018	2018 Combined	2019	Var.	3Q20	3Q19	Var.	9M20	9M19	Var.
Fleet Management <sup>1</sup>	37.4%	41.5%	43.9%	44.4%	41.8%	(2.7) p.p.	51.2%	42.2%	8.9 p.p.	41.9%	41.6%	0.3 p.p.
Rent-a-Car + Franchises <sup>1</sup>	-	-	30.7%	31.3%	30.7%	(0.6) p.p.	24.3%	30.0%	(5.7) p.p.	9.5%	31.0%	(21.5) p.p.
= Consolidated EBIT <sup>1</sup>	37.4%	41.5%	39.4%	39.5%	36.9%	(2.5) p.p.	40.3%	37.1%	3.3 p.p.	28.1%	37.1%	(9.0) p.p.

(1) Margins calculated over Net Rental Revenue.



## V – FINANCIAL RESULTS

### Net Financial Expenses

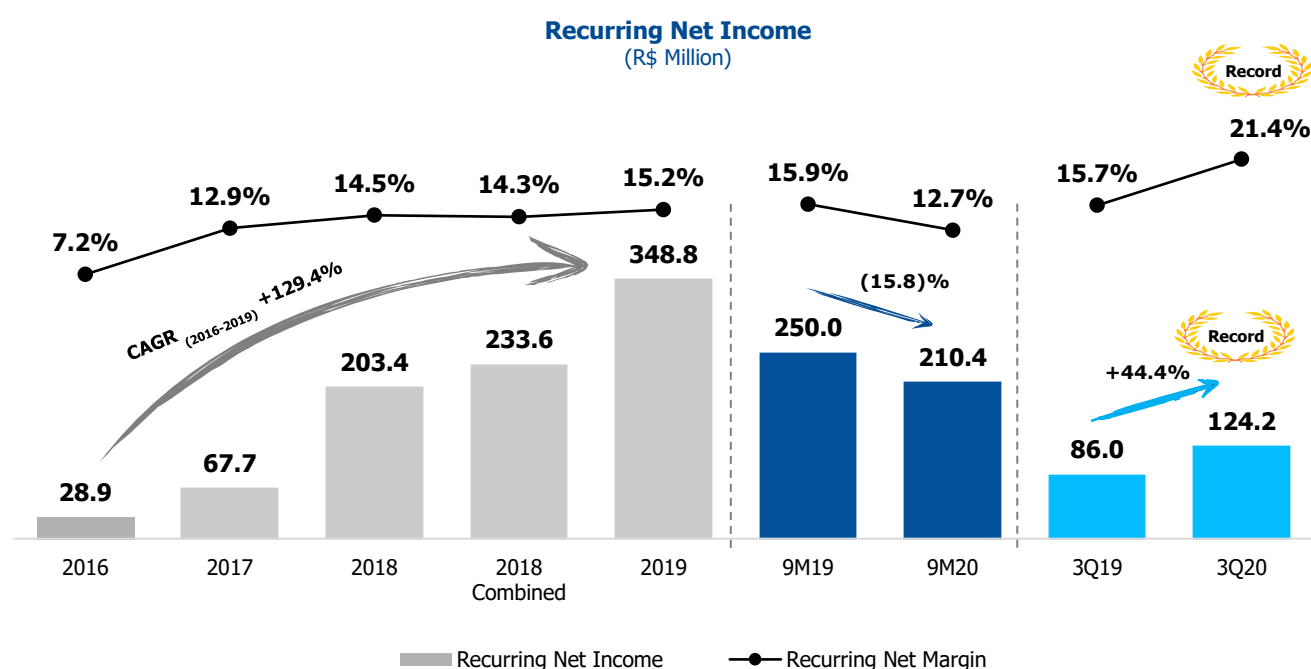
Net Financial Expenses (R\$ million)	3Q20	3Q19	Var. 3Q20 vs 3Q19	9M20	9M19	Var. 9M20 vs 9M19
(-) Recurring Financial Expenses	(83.8)	(105.2)	(20.4)%	(247.6)	(308.1)	(19.6)%
(+) Recurring Financial Income	14.0	13.7	1.9%	36.1	42.1	(14.4)%
<b>= Recurring Financial Result</b>	<b>(69.9)</b>	<b>(91.5)</b>	<b>(23.7)%</b>	<b>(211.5)</b>	<b>(266.0)</b>	<b>(20.5)%</b>
Recurring Financial Result as % of Net Revenues <sup>1</sup>	12.0%	16.7%	(4.7) p.p.	12.8%	16.9%	(4.1) p.p.
(+/-) Extraordinary Items	-	-	-	-	(16.2)	-
<b>= Accounting Financial Result</b>	<b>(69.9)</b>	<b>(91.5)</b>	<b>(23.7)%</b>	<b>(211.5)</b>	<b>(282.1)</b>	<b>(25.0)%</b>
Accounting Financial Result as % of Net Revenues <sup>1</sup>	12.0%	16.7%	(4.7) p.p.	12.8%	17.9%	(5.1) p.p.

- The representativeness of the recurring net financial expense in relation to the net revenue decreased by 27.5% in 12 months, benefited by the important advances of the Company in the reduction of the practiced spreads and the lower basic interest rate.

### Net Income

Net Income (R\$ million)	3Q20	3Q19	Var. 3Q20 vs 3Q19	9M20	9M19	Var. 9M20 vs 9M19
(+) Accounting Net Income	123.5	86.5	42.8%	188.5	242.1	(22.1)%
(-/+ ) Equity Method	0.7	(0.5)	-	5.6	(2.9)	-
(+) Extraordinary Items, net of Taxes	-	-	-	16.2	10.7	51.4%
<b>= Recurring Net Income</b>	<b>124.2</b>	<b>86.0</b>	<b>44.4%</b>	<b>210.4</b>	<b>250.0</b>	<b>(15.8)%</b>
Net Margin <sup>1</sup>	21.3%	15.8%	5.5 p.p.	11.4%	15.4%	(4.0) p.p.
Recurring Net Margin <sup>1</sup>	21.4%	15.7%	5.8 p.p.	12.7%	15.9%	(3.1) p.p.

- Net income and net margin in 3Q20 were the highest ever achieved in the Company's history for a quarter.
- The 44.4% annual expansion of profit in 3Q20 was greater than the growth presented by net revenue (+39.6%) in the same period, providing the highest net margin in history, of 21.4%.

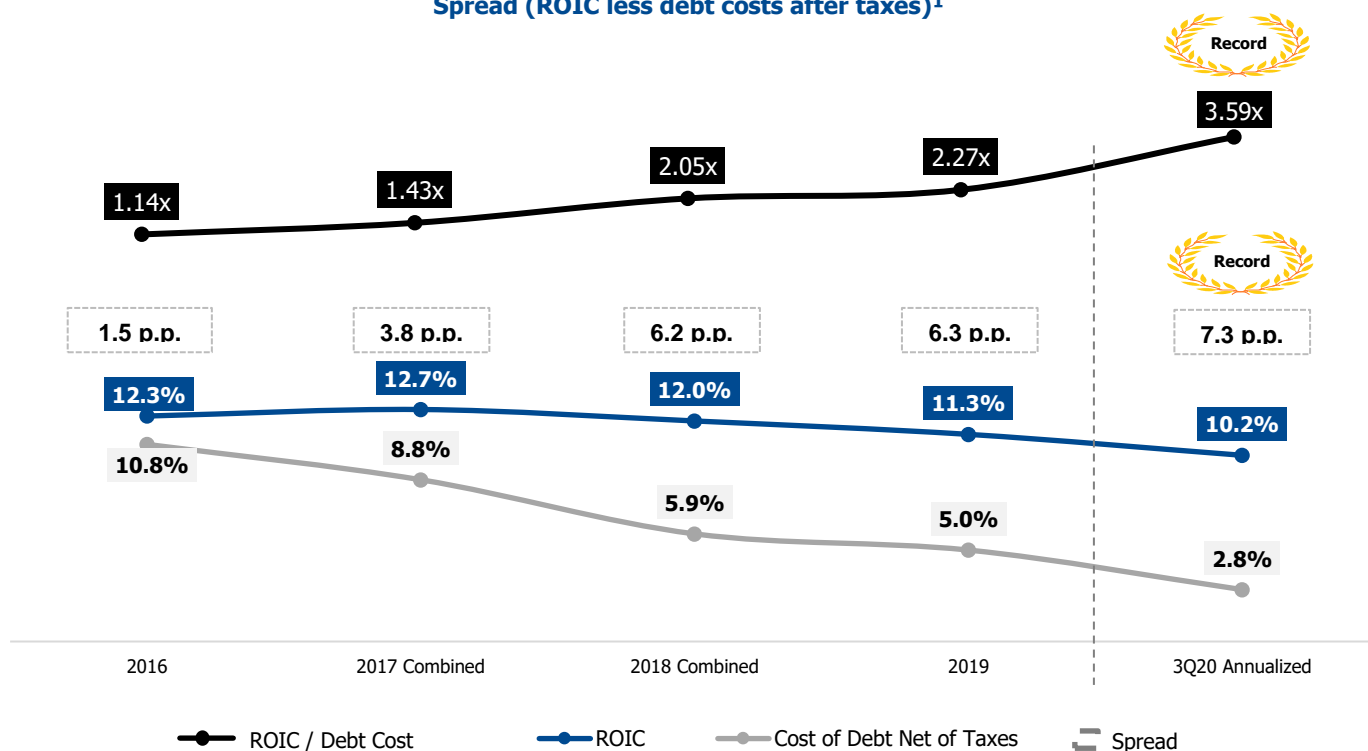


(1) Margins calculated over Net Rental Revenue.

### ROIC and Spread

- The Company's ability to generate double-digit ROIC and reduce its cost of debt, resulted in the largest spread and ROIC / Debt Cost ratio in its history.

Spread (ROIC less debt costs after taxes)<sup>1</sup>



(1) The **Annualized ROIC** considers recurring EBIT less the recurring effective tax rate (NOPAT), divided by the PP&E and the stock of cars less short and long term Receivables and trade accounts (Invested Capital).

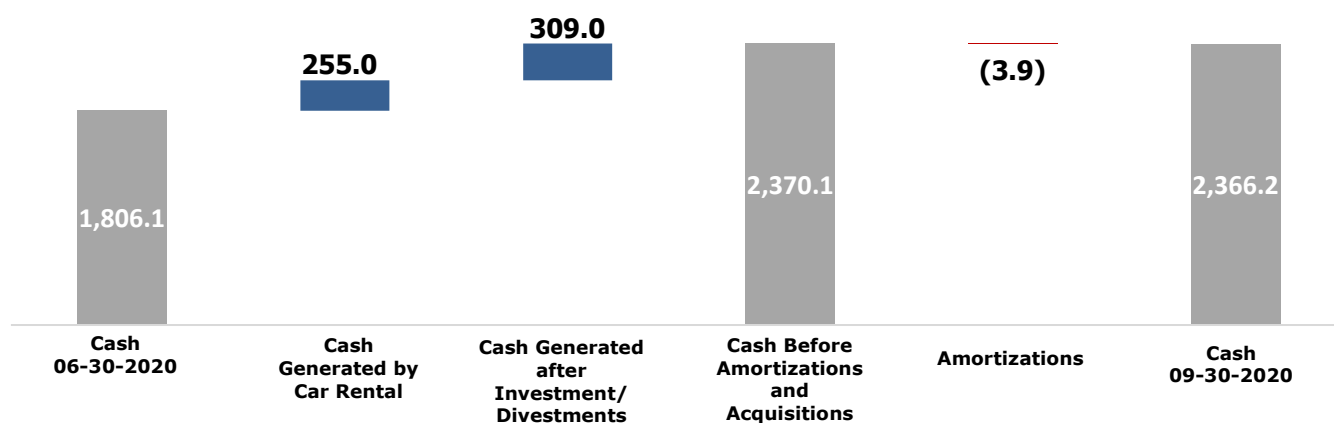
## V – FINANCIAL RESULTS

### Indebtedness

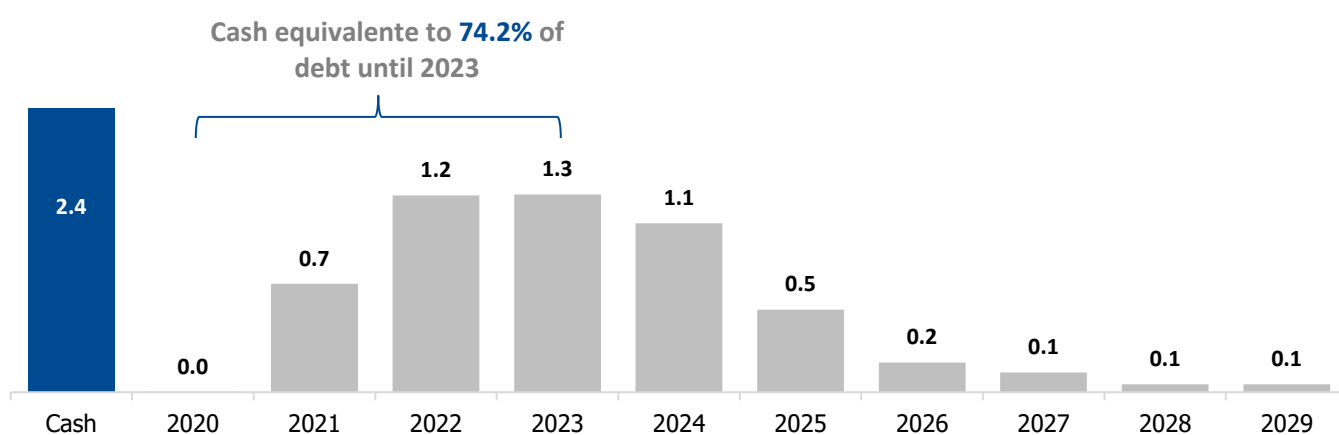
Debt (R\$ billion)	3Q20	3Q19	Var. 3Q20 vs 3Q19	2Q20	Var. 3Q20 vs 2Q20
Gross Debt	5.3	4.4	19.3%	5.3	(1.0)%
Short Term Debt (%)	12.1%	3.1%	9.0 p.p.	7.1%	5.0 p.p.
Long Term Debt (%)	87.9%	96.9%	(9.0) p.p.	92.9%	(5.0) p.p.
(-) Cash, Cash Equivalents and Bonds	2.4	0.9	164.4%	1.8	30.8%
(-) Derivative Financial Instruments	0.2	-	-	0.2	20.4%
Net Debt	2.7	3.5	(24.2)%	3.3	(19.6)%

- We reached the high amount of R\$2.4 billion in cash in 3Q20 due to the record performance of the Company's EBITDA and the Management's ability to manage its assets. As a result, net debt decreased by two digits in 12 months.

#### 3Q20 Cash Generation (R\$ Million)



#### Amortization Schedule of Debt Principal in 09/30/2020 (R\$ Billion)



## V – FINANCIAL RESULTS

### Consolidated Leverage Ratios

- Given the comfortable cash position, it was possible to reduce the leverage measured by the Net Debt on Recurring Annualized EBITDA by 0.63 times in 12 months, reaching the also comfortable level of 2.02 times.

Ratios	2016	2017	2018	2019	3Q19	3Q20
Net Debt / Fleet Value	66.3%	63.1%	37.4%	39.8%	57.0%	39.6%
Net Debt /Annualized Recurring EBITDA	2.52x	2.51x	3.04x	2.19x	2.65x	2.02x
Net Debt / Equity	2.05x	2.09x	0.79x	0.74x	1.40x	0.77x
Recurring EBITDA Annualized / Net Financial Expenses Annualized	2.17x	2.68x	3.04x	3.48x	3.76x	5.31x

### Debt Composition

In the following table we present the main information on the Company's outstanding debt at the end of 3Q20:

Debt (09/30/2020)	Issuance Date	Average Cost	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total
<b>Unidas</b>													
13th debentures – 2nd series	08/28/2017	CDI + 1.40%	-	125.0	125.0	-	-	-	-	-	-	-	250.0
15th debentures – 1st series	02/19/2018	CDI + 1.40%	-	137.1	137.1	137.1	-	-	-	-	-	-	411.4
15th debentures – 2nd series	02/19/2018	CDI + 1.15%	-	88.6	-	-	-	-	-	-	-	-	88.6
16th debentures – single series	04/27/2018	119% of CDI	-	-	116.7	116.7	116.7	-	-	-	-	-	350.0
17th debentures – single series	09/27/2018	113% of CDI	-	-	200.0	200.0	-	-	-	-	-	-	400.0
18th debentures – single series	09/20/2019	108% of CDI	-	-	-	-	200.0	-	-	-	-	-	200.0
2nd promissory notes – single series	11/29/2017	CDI + 1.40%	-	118.0	-	-	-	-	-	-	-	-	118.0
Working Capital	04/15/2020	CDI + 3.00%	-	-	-	300.0	-	-	-	-	-	-	300.0
<b>Unidas S.A.</b>													
10th debentures – 2nd series	09/29/2017	CDI + 1.60%	-	210.0	210.0	-	-	-	-	-	-	-	420.0
11th debentures – single series	03/29/2018	117.5% of CDI	-	-	250.0	250.0	-	-	-	-	-	-	500.0
12th debentures – 1st series	09/15/2018	110.6% of CDI	-	-	75.0	75.0	-	-	-	-	-	-	150.0
12th debentures – 2nd series	09/15/2018	IPCA + 7.30%	-	-	-	-	52.9	52.9	-	-	-	-	105.7
13th debentures – 1st series	04/10/2019	107.9% of CDI	-	-	-	-	527.4	-	-	-	-	-	527.4
13th debentures – 2nd series	04/10/2019	110.5% of CDI	-	-	-	-	-	124.2	124.2	124.2	-	-	372.6
13th debentures – 3rd series	04/10/2019	112.0% of CDI	-	-	-	-	-	-	-	-	50.0	50.0	100.0
Foreign Loan - 4131	07/26/2019	109.7% of CDI	-	-	-	-	-	282.6	-	-	-	-	282.6
Foreign Loan - 4131	03/19/2020	CDI + 0.82%	-	-	94.2	94.2	94.2	-	-	-	-	-	282.6
14th debentures – single series	11/18/2019	109.7% of CDI	-	-	40.0	80.0	80.0	-	-	-	-	-	200.0
<b>Unidas Agro</b>													
CRA	12/18/2019	108% of CDI	-	-	-	-	-	62.5	62.5	-	-	-	125.0
<b>Unidas Special Vehicles</b>													
Working Capital	19.23% a year		0.7	8.0	0.5	0.8	0.8	0.9	0.9	1.0	0.6	-	14.2
<b>Incurred Net Interest</b>			19.4										19.4
<b>Cash, cash equivalents and SWAP</b>			(2,549.2)										(2,549.2)
<b>Net Debt</b>			<b>(2,529.1)</b>	<b>686.7</b>	<b>1,248.5</b>	<b>1,253.8</b>	<b>1,072.0</b>	<b>523.1</b>	<b>187.6</b>	<b>125.2</b>	<b>50.6</b>	<b>50.0</b>	<b>2,668.4</b>



## VI – SHAREHOLDERS’ REMUNERATION

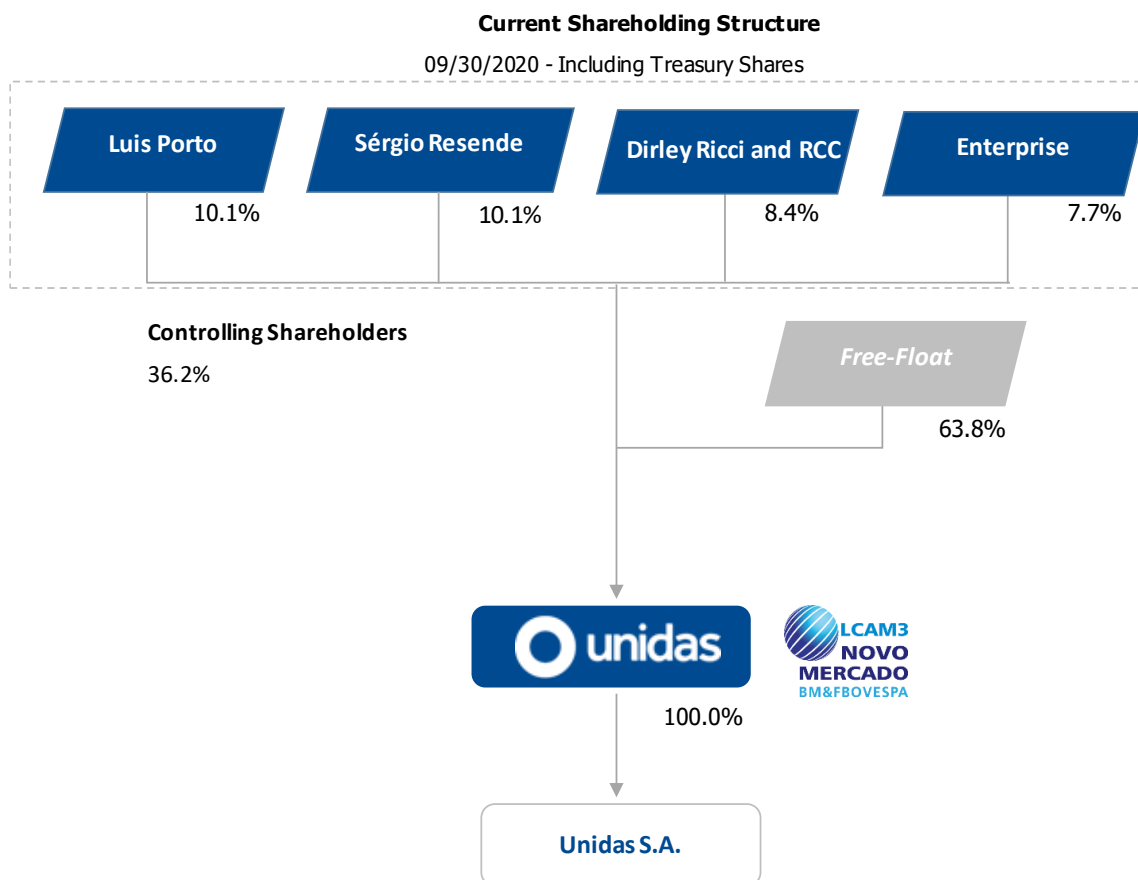
### Dividends and IOE

On September 15, 2020, the Board of Directors approved the payment of interest on equity in the total gross amount of R\$46.8 million, equivalent to R\$0.0925318 per share.

Approval Date	Total Amount Declared (R\$ Million)	Value per Share (R\$)	Date of Shareholding Position
March 23, 2017	5.609	0.0877435	March 29, 2017
June 22, 2017	5.340	0.0661356	June 27, 2017
September 21, 2017	5.420	0.0670874	September 26, 2017
December 18, 2017	5.520	0.0681917	December 21, 2017
January 3, 2018	17.501	0.2161837	January 8, 2018
March 26, 2018	8.090	0.0700350	March 29, 2018
June 22, 2018	25.213	0.2180625	June 26, 2018
September 19, 2018	24.990	0.2159092	September 24, 2019
December 21, 2018	28.853	0.1966699	December 28, 2018
March 21, 2019	45.272	0.3074359	March 26, 2019
June 19, 2019	39.856	0.2703706	June 25, 2019
September 19, 2019	38.581	0.2611806	September 24, 2019
March 30, 2020	48.539	0.0964124	April 2, 2020
June 26, 2020	47.431	0.0937791	July 2, 2020
September 15, 2020	46.831	0.0925318	September 18, 2020

## Ownership Structure

On September 30, 2020, the Company held 508,729,411 common shares, with *free-float* representing 63.8% of total shares, including treasury shares.



## LCAM3 Performance

Unidas shares (LCAM3) closed the session on 10/23/2020 quoted at R\$26.09, an increase of 48.2% in 12 months, while the IBOV index fell by 5.8% and the Small Cap index increased 2.9% for the same period. The average daily trading volume (ADTV) in the last 12 months was R\$69.8 million/day, and after the follow-on in December 2019, ADTV increased to R\$77.2 million/day. Unidas currently has 16 equity research hedges: Ativa Corretora, Banco do Brasil, Bank of America Merrill Lynch, Bradesco BBI, BTG Pactual, Citi, Credit Suisse, Eleven Financial, Levante, Morgan Stanley, Itaú BBA, JP Morgan, Safra, Santander, UBS and XP.

### Performance LCAM3 12M x IBOV and SMLL



## 3Q20 Results Presentation Webcast

### Teleconference in Portuguese (Simultaneous Translation)

**October 27, 2020**

1:00 p.m. – Brasília time

12:00 a.m – New York time

Telephones:

+55 11 2188-0155 (Brazil)

+1 646 843-6054 (Toll Free – United States)

+1 646 843-6054 (Other countries)

Access Code: Unidas

**Webcast and Results Presentation:** [ri.unidas.com.br](https://ri.unidas.com.br)

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Rodrigo Finotto Perez – Investor Relations Analyst

E-mail: [ri@unidas.com.br](mailto:ri@unidas.com.br)

**About Unidas** – We are Brazil's leading company in the Fleet Management in Brazil, and number two in the Rent-aCar segment. Our strong competitive position, focus and scale will allow us to continue consolidating the market via organic growth. We have a wide geographical coverage, with a presence in all Brazilian states. The Company offers solutions for the entire client cycle, both in Fleet Management and the Rent-a-Car segments (Unidas 360 ° platform). In addition to the strong presence and expertise in demobilizing vehicles previously used in our operations.

**Legal Notice** - The statements contained in this document related to business prospects, projections of operating and financial results and those related to Unidas' growth prospects are merely projections and, as such, are exclusively based on management's expectations of future business. These expectations depend, substantially, on market conditions, the performance of the Brazilian economy, the sector and international markets and, therefore, are subject to change without prior notice.

## Operating Data<sup>1</sup>

Operating Data	2018	2019	Var.	3Q20	3Q19	Var.	9M20	9M19	Var.
<b>Total Fleet at the End of the Period</b>	<b>129,926</b>	<b>162,842</b>	<b>25.3%</b>	<b>156,270</b>	<b>152,144</b>	<b>2.7%</b>	<b>156,270</b>	<b>152,144</b>	<b>2.7%</b>
Fleet being implemented	9,956	7,347	(26.2)%	10,686	9,477	12.8%	10,686	9,477	12.8%
Demobilized fleet	10,046	14,004	39.4%	13,075	15,392	(15.1)%	13,075	15,392	(15.1)%
Operating fleet	109,924	141,491	28.7%	132,509	127,275	4.1%	132,509	127,275	4.1%
<b>Average Operating Fleet</b>	<b>91,977</b>	<b>124,071</b>	<b>34.9%</b>	<b>134,509</b>	<b>126,651</b>	<b>6.2%</b>	<b>137,774</b>	<b>121,208</b>	<b>13.7%</b>
Fleet Management	58,421	71,943	23.1%	77,343	73,297	5.5%	74,661	71,427	4.5%
Rent-a-Car	31,183	50,070	60.6%	55,735	51,374	8.5%	61,410	47,710	28.7%
Rent-a-Car - Franchises	2,374	2,058	(13.3)%	1,431	1,981	(27.8)%	1,703	2,071	(17.8)%
<b>Average Rented Fleet</b>	<b>83,887</b>	<b>111,379</b>	<b>32.8%</b>	<b>121,626</b>	<b>112,666</b>	<b>8.0%</b>	<b>119,308</b>	<b>108,924</b>	<b>9.5%</b>
Fleet Management	57,393	70,286	22.5%	75,792	71,792	5.6%	73,149	69,924	4.6%
Rent-a-Car	24,140	39,035	61.7%	44,443	38,893	14.3%	44,469	36,929	20.4%
Rent-a-Car - Franchises	2,354	2,058	(12.6)%	1,391	1,981	(29.8)%	1,690	2,071	(18.4)%
<b>Average Age of Operating Fleet (months)</b>	<b>14.6</b>	<b>12.9</b>	<b>(11.8)%</b>	<b>14.9</b>	<b>13.0</b>	<b>14.8%</b>	<b>13.8</b>	<b>12.8</b>	<b>7.8%</b>
Fleet Management	16.9	17.0	0.3%	17.0	17.2	(1.2)%	16.8	17.0	(1.6)%
Rent-a-Car	7.3	7.1	(2.7)%	12.0	6.9	72.6%	10.3	6.6	55.8%
Rent-a-Car - Franchises	11.1	10.6	(4.1)%	13.8	11.9	15.7%	12.3	11.3	8.7%
<b>Number of Daily Rentals (thousand)</b>	<b>27,236</b>	<b>39,573</b>	<b>45.3%</b>	<b>10,910</b>	<b>10,039</b>	<b>8.7%</b>	<b>31,935</b>	<b>29,012</b>	<b>10.1%</b>
Fleet Management	20,647	25,374	22.9%	6,821	6,461	5.6%	19,750	18,950	4.2%
Rent-a-Car (no franchises)	6,589	14,199	115.5%	4,089	3,578	14.3%	12,184	10,061	21.1%
<b>Average Ticket (R\$)</b>									
Fleet Management (monthly)	1,489	1,597	7.3%	1,679	1,623	3.5%	1,590	1,591	(0.0)%
Rent-a-Car (daily rate) <sup>1</sup>	74.4	70.9	(4.7)%	61.9	69.2	(10.6)%	61.7	71.2	(13.4)%
<b>Occupancy Rate</b>									
Fleet Management	98.2%	97.7%	(0.5) p.p.	98.0%	97.9%	0.0 p.p.	98.0%	97.9%	0.1 p.p.
Rent-a-Car <sup>1</sup>	77.4%	78.0%	0.6 p.p.	79.7%	75.7%	4.0 p.p.	72.4%	77.4%	(5.0) p.p.
<b>Depreciation (R\$ thousand)</b>									
Fleet Management	3.4	3.8	11.9%	3.2	3.9	(18.6)%	3.8	3.8	-1.3%
Rent-a-Car (including franchises)	2.2	2.0	(8.2)%	3.0	2.0	50.4%	2.9	2.0	45.0%
<b>Average Fleet Value (R\$ million)</b>	<b>3,932.3</b>	<b>6,525.8</b>	<b>66.0%</b>	<b>7,344.5</b>	<b>6,310.0</b>	<b>16.4%</b>	<b>7,333.9</b>	<b>5,985.4</b>	<b>22.5%</b>
<b>Number of Cars Purchased</b>	<b>68,702</b>	<b>93,493</b>	<b>36.1%</b>	<b>21,823</b>	<b>20,497</b>	<b>6.5%</b>	<b>48,542</b>	<b>65,915</b>	<b>(26.4)%</b>
Fleet Management	29,295	35,487	21.1%	8,662	11,003	(21.3)%	21,588	25,885	(16.6)%
Rent-a-Car	38,052	56,309	48.0%	13,049	9,176	42.2%	26,702	38,882	(31.3)%
Rent-a-Car - Franchises	1,355	1,697	25.2%	112	318	(64.8)%	252	1,148	(78.0)%
<b>Average Purchase Price (R\$ thousand)</b>	<b>42.9</b>	<b>47.8</b>	<b>11.5%</b>	<b>62.9</b>	<b>49.2</b>	<b>28.0%</b>	<b>57.0</b>	<b>46.6</b>	<b>22.2%</b>
Fleet Management	44.5	50.1	12.6%	76.8	50.8	51.2%	66.9	49.0	36.4%
Rent-a-Car	41.8	46.5	11.3%	53.9	47.2	14.2%	49.3	45.1	9.2%
Rent-a-Car - Franchises	37.5	42.9	14.5%	48.1	51.6	(6.9)%	45.8	42.5	7.8%
<b>Number of Cars Sold</b>	<b>41,736</b>	<b>64,564</b>	<b>54.7%</b>	<b>28,717</b>	<b>17,905</b>	<b>60.4%</b>	<b>56,408</b>	<b>47,885</b>	<b>17.8%</b>
Fleet Management	25,025	29,769	19.0%	11,948	8,196	45.8%	25,754	20,568	25.2%
Rent-a-Car	15,696	33,151	111.2%	16,282	9,243	76.2%	29,771	26,035	14.3%
Rent-a-Car - Franchises	1,015	1,644	62.0%	487	466	4.5%	883	1,282	(31.1)%
<b>Average Selling Price (R\$ thousand)</b>	<b>33.5</b>	<b>39.0</b>	<b>16.5%</b>	<b>41.0</b>	<b>39.8</b>	<b>3.2%</b>	<b>39.4</b>	<b>39.0</b>	<b>1.0%</b>
Fleet Management	31.4	35.6	13.1%	39.1	32.8	18.9%	37.4	34.9	7.1%
Rent-a-Car	36.9	42.3	14.5%	42.6	46.1	(7.5)%	41.2	42.4	(2.8)%
Rent-a-Car - Franchises	31.3	35.4	13.2%	34.6	35.3	(1.8)%	35.3	34.8	1.5%
<b>Number of Employees</b>	<b>2,601</b>	<b>3,314</b>	<b>27.4%</b>	<b>4,003</b>	<b>3,052</b>	<b>31.2%</b>	<b>4,003</b>	<b>3,052</b>	<b>31.2%</b>
Fleet per Employee	49.6	49.1	(0.9)%	39.0	49.9	(21.7)%	39.0	49.9	(21.7)%

<sup>1</sup> For the Total Fleet it does not consider the Franchisee Fleet of 2,050 vehicles and for the average value of the total fleet it considers the vehicles in preparation, operational and in stock.



## Fleet Management (R\$ thousand)

Consolidated Results (R\$ thousand)	3Q20	3Q19	Var.	9M20	9M19	Var.
Rental Gross Revenues	381,794	349,527	9.2%	1,047,040	1,001,557	4.5%
Used Cars sales gross revenue	466,661	269,213	73.3%	963,150	715,104	34.7%
<b>Total Gross Revenues</b>	<b>848,455</b>	<b>618,739</b>	<b>37.1%</b>	<b>2,010,191</b>	<b>1,716,661</b>	<b>17.1%</b>
Taxes on rental revenues	(35,273)	(33,536)	5.2%	(97,109)	(97,925)	(0.8)%
Taxes on Used Cars Sales	(569)	(324)	75.4%	(1,419)	(739)	92.0%
<b>Total Taxes</b>	<b>(35,842)</b>	<b>(33,860)</b>	<b>5.9%</b>	<b>(98,528)</b>	<b>(98,664)</b>	<b>(0.1)%</b>
Rental Net Revenues	346,521	315,991	9.7%	949,931	903,632	5.1%
Used Cars Sales Net Revenues	466,092	268,889	73.3%	961,731	714,365	34.6%
<b>Consolidated Net Revenues</b>	<b>812,613</b>	<b>584,879</b>	<b>38.9%</b>	<b>1,911,662</b>	<b>1,617,997</b>	<b>18.1%</b>
Rental Costs (Ex-depreciation)	(76,607)	(81,520)	(6.0)%	(233,347)	(230,116)	1.4%
Used Cars Sales Costs (Ex-depreciation)	(432,248)	(244,952)	76.5%	(888,224)	(649,714)	36.7%
<b>Total Costs (ex-depreciation)</b>	<b>(508,855)</b>	<b>(326,472)</b>	<b>55.9%</b>	<b>(1,121,572)</b>	<b>(879,829)</b>	<b>27.5%</b>
<b>Gross Profit</b>	<b>303,759</b>	<b>258,408</b>	<b>17.6%</b>	<b>790,091</b>	<b>738,168</b>	<b>7.0%</b>
Rental Operating Expenses (SG&A, ex-depreciation)	(37,034)	(27,546)	34.4%	(101,514)	(85,733)	18.4%
Used Cars Sales Operating Expenses (SG&A, ex-depreciation)	(14,637)	(14,864)	(1.5)%	(46,586)	(41,879)	11.2%
<b>Total Operating Expenses (SG&amp;A)</b>	<b>(51,671)</b>	<b>(42,410)</b>	<b>21.8%</b>	<b>(148,100)</b>	<b>(127,612)</b>	<b>16.1%</b>
Depreciation	(74,832)	(82,619)	(9.4)%	(243,588)	(234,551)	3.9%
<b>Recurring EBIT</b>	<b>177,255</b>	<b>133,379</b>	<b>32.9%</b>	<b>398,402</b>	<b>376,004</b>	<b>6.0%</b>
Net Financial Expenses	(48,115)	(49,578)	(3.0)%	(120,826)	(144,501)	(16.4)%
<b>Recurring EBT</b>	<b>129,140</b>	<b>83,800</b>	<b>54.1%</b>	<b>277,576</b>	<b>231,503</b>	<b>19.9%</b>
Taxes	(31,926)	(19,012)	67.9%	(59,252)	(49,964)	18.6%
<b>Recurring Net Profit</b>	<b>97,214</b>	<b>64,788</b>	<b>50.0%</b>	<b>218,323</b>	<b>181,539</b>	<b>20.3%</b>
Net Margin over Net Rental Revenue	28.1%	20.5%	7.6 p.p.	23.0%	20.1%	2.9 p.p.
<b>Recurring EBITDA</b>	<b>252,088</b>	<b>215,997</b>	<b>16.7%</b>	<b>641,991</b>	<b>610,556</b>	<b>5.1%</b>
EBITDA Margin over Net Rental Revenue	72.7%	68.4%	4.4 p.p.	67.6%	67.6%	0.0 p.p.

Operating Data	3Q20	3Q19	Var.	9M20	9M19	Var.
Average Rented Fleet	75,792	71,792	5.6%	73,149	69,924	4.6%
Average Operating Fleet	77,343	73,297	5.5%	74,661	71,427	4.5%
Fleet at the end of the period	85,963	84,259	2.0%	85,963	84,259	2.0%
Average Age of the Operating Fleet (month)	17.0	17.2	(1.2)%	16.8	17.0	(1.6)%
Number of Daily Rentals (thousand)	6,821	6,461	5.6%	19,750	18,950	4.2%
Average Monthly Ticket (R\$)	1,679	1,623	3.5%	1,590	1,591	(0.0)%
Annualized average depreciation per car (R\$)	3,201	3,932	(18.6)%	3,793	3,843	(1.3)%
Utilization Rate	98.0%	97.9%	0.0 p.p.	98.0%	97.9%	0.1 p.p.
Number of cars purchased	8,662	11,003	(21.3)%	21,588	25,885	(16.6)%
Number of cars sold	11,948	8,196	45.8%	25,754	20,568	25.2%
Average sold fleet age (month)	30.9	26.8	15.5%	30.9	27.9	10.8%
Average value of total fleet (R\$ million)	4,165.1	3,362.7	23.9%	3,932.6	3,181.7	23.6%
Average value per car in the period (R\$ thousand)	48.5	39.9	21.4%	45.7	39.3	16.3%

(1) Considers the vehicle's preparation cost for sale.

(2) Considers vehicles in preparation, operating and in stock.

## Rent a Car (Considers Franchises, R\$ thousand)<sup>1</sup>

Consolidated Results (R\$ thousand)	3Q20	3Q19	Var.	9M20	9M19	Var.
Rental Gross Revenues	257,430	254,998	1.0%	776,572	739,432	5.0%
Used Cars sales gross revenue	711,066	442,631	60.6%	1,256,700	1,151,218	9.2%
<b>Total Gross Revenues</b>	<b>968,496</b>	<b>697,628</b>	<b>38.8%</b>	<b>2,033,272</b>	<b>1,890,650</b>	<b>7.5%</b>
Taxes on rental revenues	(23,788)	(23,831)	(0.2)%	(68,918)	(66,334)	3.9%
Taxes on Used Cars Sales	(778)	(533)	45.9%	(1,706)	(1,554)	9.8%
<b>Total Taxes</b>	<b>(24,565)</b>	<b>(24,364)</b>	<b>0.8%</b>	<b>(70,625)</b>	<b>(67,888)</b>	<b>4.0%</b>
Rental Net Revenues	233,643	231,166	1.1%	707,654	673,098	5.1%
Used Cars Sales Net Revenues	710,288	442,098	60.7%	1,254,993	1,149,664	9.2%
<b>Consolidated Net Revenues</b>	<b>943,931</b>	<b>673,264</b>	<b>40.2%</b>	<b>1,962,647</b>	<b>1,822,762</b>	<b>7.7%</b>
Rental Costs (Ex-depreciation)	(104,583)	(79,858)	31.0%	(319,734)	(233,072)	37.2%
Used Cars Sales Costs (Ex-depreciation)	(655,586)	(417,081)	57.2%	(1,168,394)	(1,078,187)	8.4%
<b>Total Costs (ex-depreciation)</b>	<b>(760,169)</b>	<b>(496,939)</b>	<b>53.0%</b>	<b>(1,488,128)</b>	<b>(1,311,259)</b>	<b>13.5%</b>
<b>Gross Profit</b>	<b>183,762</b>	<b>176,325</b>	<b>4.2%</b>	<b>474,519</b>	<b>511,503</b>	<b>(7.2)%</b>
Rental Operating Expenses (SG&A, ex-depreciation)	(46,190)	(41,192)	12.1%	(170,276)	(122,019)	39.5%
Used Cars Sales Operating Expenses (SG&A, ex-depreciation)	(20,903)	(23,744)	(12.0)%	(55,670)	(66,080)	(15.8)%
<b>Total Operating Expenses (SG&amp;A)</b>	<b>(67,093)</b>	<b>(64,936)</b>	<b>3.3%</b>	<b>(225,946)</b>	<b>(188,099)</b>	<b>20.1%</b>
Depreciation	(59,870)	(42,035)	42.4%	(181,312)	(114,631)	58.2%
<b>Recurring EBIT</b>	<b>56,799</b>	<b>69,354</b>	<b>(18.1)%</b>	<b>67,261</b>	<b>208,773</b>	<b>(67.8)%</b>
Net Financial Expenses	(21,742)	(41,957)	(48.2)%	(90,707)	(121,462)	(25.3)%
<b>Recurring EBT</b>	<b>35,056</b>	<b>27,397</b>	<b>28.0%</b>	<b>(23,446)</b>	<b>87,311</b>	<b>-</b>
Taxes	(8,064)	(6,216)	29.7%	15,497	(18,832)	-
<b>Recurring Net Profit</b>	<b>26,992</b>	<b>21,181</b>	<b>27.4%</b>	<b>(7,949)</b>	<b>68,478</b>	<b>-</b>
Net Margin over Net Rental Revenue	11.6%	9.2%	2.4 p.p.	(1.1)%	10.2%	-
<b>Recurring EBITDA</b>	<b>116,669</b>	<b>111,389</b>	<b>4.7%</b>	<b>248,573</b>	<b>323,403</b>	<b>(23.1)%</b>
Net Margin over Net Rental Revenue	49.9%	48.2%	1.7 p.p.	35.1%	48.0%	(12.9) p.p.

Operating Data	3Q20	3Q19	Var.	9M20	9M19	Var.
Average Rented Fleet (Own Stores)	44,443	38,893	14.3%	44,469	36,929	20.4%
Average Rented Fleet (Franchises)	1,391	1,981	(29.8)%	1,690	2,071	(18.4)%
Average Operating Fleet (Own Stores)	55,735	51,374	8.5%	61,410	47,710	28.7%
Average Operating Fleet (Franchises)	1,431	1,981	(27.8)%	1,703	2,071	(17.8)%
Fleet at the end of the Period (Own Stores)	68,639	65,531	4.7%	68,639	65,531	4.7%
Fleet at the end of the period (Franchises)	1,668	2,354	(29.1)%	1,668	2,354	(29.1)%
Average Age Operating Fleet (Own stores, month)	12.0	6.9	72.6%	10.3	6.6	55.8%
Average Age Operating Fleet (Franchises, month)	13.8	11.9	15.7%	12.3	11.3	8.7%
Number of Daily Rentals (Own Stores, thousand)	4,089	3,578	14.3%	12,184	10,061	21.1%
Average Daily Ticket (Own Stores, thousand)	61.9	69.2	(10.6)%	61.7	71.2	(13.4)%
Annualised average depreciation per car (Considers Franchises, R\$)	3,036	2,018	50.4%	2,932	2,022	45.0%
Utilization Rate (Own Stores)	79.7%	75.7%	4.0 p.p.	72.4%	77.4%	(5.0) p.p.
Number of cars purchased (Own Stores)	13,049	9,176	42.2%	26,702	38,882	(31.3)%
Number of cars purchased (Franchises)	112	318	(64.8)%	252	1,148	(78.0)%
Number of cars sold (Own Stores)	16,282	9,243	76.2%	29,771	26,035	14.3%
Number of cars sold (Franchises)	487	466	4.5%	883	1,282	(31.1)%
Average Sold Fleet Age (Own Stores, month)	19.4	15.8	22.4%	18.5	16.4	12.6%
Average value of total Fleet (considers Franchises, R\$ million)	3,179.4	2,947.3	7.9%	3,401.3	2,803.7	21.3%
Average value per car in the period (Considers Franchises, R\$ million)	45.2	43.4	4.2%	48.4	39.4	22.6%

(1) Considers vehicles's preparation cost for sale.

(2) Considers vehicles in preparation, operating and in stock.

## Income Statement (R\$ thousand)

Financial Statements	Combined 2018	2019	Var.	3Q 20	3Q 19	Var.	9M 20	9M 19	Var.
Rental Gross Revenues	1,794,782	2,385,581	32.9%	639,224	604,524	5.7%	1,823,613	1,740,989	4.7%
Used Cars Sales Gross Revenues	1,621,261	2,518,495	55.3%	1,177,727	711,844	65.4%	2,219,850	1,866,322	18.9%
Taxes over Gross Revenues	(166,041)	(230,350)	38.7%	(60,407)	(58,224)	3.7%	(169,153)	(166,552)	1.6%
<b>Consolidated Net Revenues</b>	<b>3,250,002</b>	<b>4,673,727</b>	<b>43.8%</b>	<b>1,756,545</b>	<b>1,258,144</b>	<b>39.6%</b>	<b>3,874,309</b>	<b>3,440,759</b>	<b>12.6%</b>
Maintenance Costs	(474,843)	(629,921)	32.7%	(181,191)	(161,378)	12.3%	(577,627)	(463,188)	24.7%
Depreciation Costs	(333,937)	(407,517)	22.0%	(112,644)	(109,251)	3.1%	(370,210)	(304,287)	21.7%
Cost of Vehicle sold	(1,452,678)	(2,335,705)	60.8%	(1,087,834)	(662,033)	64.3%	(2,056,618)	(1,727,901)	19.0%
<b>Rental and vehicle sales costs</b>	<b>(2,261,458)</b>	<b>(3,373,143)</b>	<b>49.2%</b>	<b>(1,381,668)</b>	<b>(932,662)</b>	<b>48.1%</b>	<b>(3,004,455)</b>	<b>(2,495,376)</b>	<b>20.4%</b>
<b>Gross Profit</b>	<b>988,544</b>	<b>1,300,584</b>	<b>31.6%</b>	<b>374,876</b>	<b>325,482</b>	<b>15.2%</b>	<b>869,854</b>	<b>945,383</b>	<b>(8.0)%</b>
Sales	(172,249)	(289,066)	67.8%	(65,988)	(73,030)	(9.6)%	(229,365)	(209,776)	9.3%
General and Administrative	(193,414)	(153,859)	(20.5)%	(52,836)	(34,470)	53.3%	(144,640)	(106,297)	36.1%
Depreciation	(38,799)	(60,794)	56.7%	(22,059)	(15,411)	43.1%	(54,690)	(44,894)	21.8%
Other operational revenues (costs)	1,695	362	(78.6)%	60	154	(61.2)%	(40)	362	(111.0)%
<b>Operating Expenses</b>	<b>(402,767)</b>	<b>(503,357)</b>	<b>25.0%</b>	<b>(140,823)</b>	<b>(122,756)</b>	<b>14.7%</b>	<b>(428,735)</b>	<b>(360,605)</b>	<b>18.9%</b>
<b>Operating Income (EBIT)</b>	<b>585,776</b>	<b>797,227</b>	<b>36.1%</b>	<b>234,054</b>	<b>202,726</b>	<b>15.5%</b>	<b>441,119</b>	<b>584,778</b>	<b>(24.6)%</b>
Financial expenses	(399,922)	(439,586)	9.9%	(83,810)	(105,228)	(20.4)%	(247,604)	(324,335)	(23.7)%
Financial Income	60,934	73,098	20.0%	13,952	13,693	1.9%	36,070	42,117	(14.4)%
<b>Net financial income (expenses)</b>	<b>(338,988)</b>	<b>(366,488)</b>	<b>8.1%</b>	<b>(69,858)</b>	<b>(91,535)</b>	<b>(23.7)%</b>	<b>(211,534)</b>	<b>(282,218)</b>	<b>(25.0)%</b>
<b>Earnings Before Taxes (EBT)</b>	<b>246,788</b>	<b>430,739</b>	<b>74.5%</b>	<b>164,196</b>	<b>111,190</b>	<b>47.7%</b>	<b>229,586</b>	<b>302,560</b>	<b>(24.1)%</b>
<b>Income Tax and Social Contribution Tax</b>	<b>(53,393)</b>	<b>(93,098)</b>	<b>74.4%</b>	<b>(39,989)</b>	<b>(25,212)</b>	<b>58.6%</b>	<b>(35,409)</b>	<b>(63,216)</b>	<b>(44.0)%</b>
Extraordinary Items - Opex (Effect on EBITDA and on Net Income)	58,666	-	-	-	-	-	24,545	-	-
Extraordinary Items - Financial Result (Effect on Net Income)	3,805	16,255	327.2%	-	-	-	-	16,255	-
<b>Extraordinary Items</b>	<b>62,471</b>	<b>16,255</b>	<b>(74.0)%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,545</b>	<b>16,255</b>	<b>-</b>
<b>Extraordinary Items, net of IT/SC at 34%</b>	<b>41,231</b>	<b>10,728</b>	<b>(74.0)%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,200</b>	<b>10,728</b>	<b>-</b>
<b>Equity Method</b>	<b>(1,018)</b>	<b>561</b>	<b>-</b>	<b>(728)</b>	<b>462</b>	<b>-</b>	<b>(5,641)</b>	<b>2,861</b>	<b>-</b>
<b>Recurring Net Income</b>	<b>233,608</b>	<b>348,930</b>	<b>49.4%</b>	<b>123,479</b>	<b>86,440</b>	<b>42.8%</b>	<b>204,736</b>	<b>252,933</b>	<b>(19.1)%</b>
<b>Recurring EBITDA</b>	<b>1,017,178</b>	<b>1,265,538</b>	<b>24.4%</b>	<b>368,757</b>	<b>327,387</b>	<b>12.6%</b>	<b>890,565</b>	<b>933,959</b>	<b>(4.6)%</b>

## Consolidated Balance Sheet (R\$ thousand)

ASSETS	2016	2017	2018	2019	3Q20
<b>CURRENT ASSETS</b>					
Cash and Cash equivalents	172,478	402,489	1,755,864	1,770,114	2,179,481
Receivables from customers	87,688	136,913	377,743	457,875	490,175
Bonds and securities	29,544	21,516	207,324	243,240	186,171
Retiring vehicles for renewing the fleet	47,616	63,965	330,290	475,704	486,281
Vehicles for resale	--	--	--	20,780	7,803
Recoverable taxes	33,959	38,935	73,730	86,473	104,335
Prepaid expenses	2,948	13,681	10,926	13,198	40,662
Related parties	--	--	16,850	34,465	23,488
Other short-term assets	9,585	14,158	11,872	20,251	17,265
<b>Total current assets</b>	<b>383,818</b>	<b>691,657</b>	<b>2,784,599</b>	<b>3,122,100</b>	<b>3,535,661</b>
<b>NON-CURRENT ASSETS</b>					
Receivable from customers	7,425	2,639	6,399	16,202	7,787
Bonds and securities	3,333	6,721	1,710	1,340	564
Derivative financial instruments	--	--	--	--	231,830
Anticipated Expenses	--	--	--	1,130	2,977
Other long-term assets	2,913	2,121	3,064	2,116	93
Deferred Taxes	--	--	37,580	30,003	6,589
Deposits in court	9,521	14,379	49,829	59,771	64,982
Assets held for sale	--	--	3,223	2,373	2,373
Related Parties	--	--	302	282	460
Property for Investment	--	--	--	850	850
Property, plant and equipment	917,407	1,591,234	4,957,861	6,705,097	7,094,404
Right-of-use asset	--	--	--	132,595	136,656
Investments	--	442	2	2	--
Intangible assets	4,800	85,409	899,949	974,133	1,024,204
<b>Total non-current assets</b>	<b>945,399</b>	<b>1,702,945</b>	<b>5,959,919</b>	<b>7,925,894</b>	<b>8,573,769</b>
<b>TOTAL ASSETS</b>	<b>1,329,217</b>	<b>2,394,602</b>	<b>8,744,518</b>	<b>11,047,994</b>	<b>12,109,430</b>
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES</b>					
Suppliers	71,258	168,193	976,041	1,450,247	1,163,008
Loans, financing and debentures	125,328	250,294	330,193	142,216	587,863
Real state lease	--	--	--	38,536	47,220
Assignment of credits by vendors	82,753	186,463	998,086	476,620	950,677
Salaries, charges and social contribution taxes	5,484	10,499	23,997	42,490	48,884
Tax-related duties	1,600	6,945	21,730	23,331	36,958
Dividends and interes on equity payable	0	4,941	25,567	35,872	128,022
Related parties	--	--	13,840	32,370	8,435
Other account payable	12,754	4,778	26,623	36,720	78,558
Derivative financial instruments	--	--	--	--	48,858
<b>Total current liabilities</b>	<b>299,177</b>	<b>632,113</b>	<b>2,416,077</b>	<b>2,278,402</b>	<b>3,098,483</b>
<b>NON-CURRENT LIABILITIES</b>					
Loan, financing and debentures	707,975	1,212,482	3,594,154	4,553,004	4,629,712
Real state leasing	--	--	--	94,059	89,436
Provisions for contingencies	2,595	11,721	108,846	115,885	117,923
Deferred Tax	17,715	51,091	57,574	100,881	117,508
Other account payable	862	3,914	2,321	1,352	6,575
<b>Total non-current liabilities</b>	<b>729,147</b>	<b>1,279,208</b>	<b>3,762,895</b>	<b>4,865,181</b>	<b>4,961,154</b>
<b>Total liabilities</b>	<b>1,028,324</b>	<b>1,911,321</b>	<b>6,178,972</b>	<b>7,143,583</b>	<b>8,059,637</b>
<b>SHAREHOLDERS' EQUITY</b>					
Capital Stock	299,279	397,900	1,969,517	3,195,790	3,094,902
Share issue expenses	(15,038)	(15,038)	(47,336)	(100,888)	--
Treasury shares	(5,061)	(9,785)	(9,925)	(35,562)	(20,676)
Asset valuation adjustments	(9,176)	(11,914)	(16,291)	(20,925)	42,174
Capital reserve	7,647	60,167	528,961	550,969	572,656
Profit reserve	23,242	61,951	140,620	315,027	315,027
Accumulated profits	--	--	--	--	45,710
Accumulated losses	--	--	--	--	--
<b>Total shareholders' equity</b>	<b>300,893</b>	<b>483,281</b>	<b>2,565,546</b>	<b>3,904,411</b>	<b>4,049,793</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>1,329,217</b>	<b>2,394,602</b>	<b>8,744,518</b>	<b>11,047,994</b>	<b>12,109,430</b>

## Cash Flow (R\$ thousand)

STATEMENT OF CASH FLOW	2016	2017	2018	2019	9M20	9M19
<b>Cash flow from operating activities</b>						
Income for the period	28,907	60,599	189,202	338,146	188,521	242,142
Adjustments by:						
Income tax and social contribution tax on profit	6,914	20,257	52,924	93,445	(2,808)	31,257
Depreciation and amortization	98,501	137,550	294,204	471,033	427,329	351,246
Provisions of claims and stolen cars	--	--	29,962	54,747	(48,700)	37,947
Written-off residual value of retiring cars for renewing the fleet	332,814	479,218	1,298,431	2,439,167	2,121,607	1,807,316
Residual value of stolen vehicles and total loss	14,557	10,543	51,459	76,410	193,115	107,896
Share-based payment provision	699	1,590	5,844	13,396	11,943	10,216
Financial charges on financing	129,408	123,099	258,820	283,963	156,708	216,911
Allowance for doubtful accounts	9,180	5,754	10,743	33,227	45,625	24,638
Provisions for contingencies	--	3,281	(834)	7,240	8,622	6,187
Amortization of gain and loss from contingences	--	--	--	--	(6,692)	--
Provision for profit sharing	2,366	4,425	12,988	4,669	9,900	3,077
Present Value Adjust	1,044	(755)	(296)	754	--	8,892
Tenancies of immovable property	--	--	--	8,996	3,814	--
Provision for impairment	--	(951)	--	--	--	--
Provision for the retiring vehicles for renewing the fleet	--	--	--	--	1,033	--
Assignemnt Cost	9,689	4,324	35,539	43,068	27,349	35,062
Cost of raising capital through debentures	--	24,760	--	--	--	--
SWAP	--	18,537	26,620	14,894	41,846	19,404
Other	5,270	4,238	16,508	43,001	9,868	44,705
Adjusted Income	639,349	896,469	2,282,114	3,926,156	3,189,080	2,946,896
<b>Changes in Assets and Liabilities</b>						
Receivables from customers	22,740	(18,466)	(65,342)	(113,363)	(53,328)	(130,610)
Recoverable taxes	(14,765)	(3,958)	(13,678)	(12,656)	(17,370)	(11,522)
Prepaid expenses	2,133	(3,069)	40,152	(1,513)	(27,663)	(23,004)
Related Parties	--	--	--	--	(12,676)	--
Other assets	(3,801)	(10,407)	(30,164)	(100,491)	(6,751)	(144,785)
Acquisition of vehicles net of the balance payable to suppliers (automakers)	(404,438)	(699,025)	(1,910,761)	(4,651,855)	(2,694,920)	(3,491,825)
Suppliers - excluding automakers	(2,409)	4,985	(36,789)	(6,662)	61,197	(3,305)
Payment of taxes	--	--	(11,498)	(31,490)	(22,059)	(30,772)
Other liabilities	12,240	(21,759)	(30,138)	(81,001)	(53,982)	91,202
<b>Net cash provided by operating activities</b>	<b>251,049</b>	<b>144,770</b>	<b>223,896</b>	<b>(1,072,876)</b>	<b>361,528</b>	<b>(797,725)</b>
<b>Cash flow from investing activities</b>						
Acquisitions of investments	--	(177)	(210,004)	(49,992)	(22,132)	(49,992)
Acquisitions of other investments	--	--	442	--	--	--
Transaction with related parties	--	--	5,767	--	--	(16,143)
Transaction of other property, plant and equipment and intangible assets	(4,439)	(21,956)	(31,379)	(119,031)	(67,623)	(166,026)
Acquisition of bonds and securities	123,534	4,640	(180,797)	(35,546)	57,845	(5,558)
<b>Net cash provided by investing activities</b>	<b>119,095</b>	<b>(17,493)</b>	<b>(415,971)</b>	<b>(204,569)</b>	<b>(31,910)</b>	<b>(237,719)</b>
<b>Cash flow from financing activities</b>						
Interest on loans, financing and debentures paid	(121,047)	(126,383)	(262,497)	(277,327)	(169,723)	(225,742)
Capital raised through loans, financing and debentures	235,340	892,082	1,965,408	1,699,723	548,930	1,382,524
Amortization of loans, financing and debentures	(384,262)	(642,601)	(998,279)	(1,100,718)	(215,957)	(1,052,317)
Derivative Financial Instrument Cash Effect	--	--	--	--	(39,874)	--
Issuance of shares and funds from the stock option plan	779	2,325	3,029	4,767	391	4,667
Distribution of Interest on Equity and Dividends	(50,255)	(14,731)	(75,795)	(130,720)	(35,814)	(113,985)
Share buy back	--	(7,957)	(3,544)	(39,979)	(8,204)	(34,388)
Interest on equity paid to shareholders of the subsidiary Unidas S.A. prior to the business combination	--	--	(27,536)	--	--	--
Amount raised by the common shares issuance (follow-on), net funding costs	--	--	944,664	1,135,948	--	--
Gastos provenientes da captação de recursos - Follow On	--	--	--	--	--	(671)
<b>Net cash provided by financing activities</b>	<b>(319,445)</b>	<b>102,735</b>	<b>1,545,450</b>	<b>1,291,694</b>	<b>79,749</b>	<b>(39,912)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>50,699</b>	<b>230,012</b>	<b>1,353,375</b>	<b>14,249</b>	<b>409,367</b>	<b>(1,075,356)</b>
<b>Statement of decrease in cash and cash equivalents</b>						
At the beginning of the period	121,779	172,478	402,489	1,755,864	1,770,114	1,755,864
At the end of the period	172,478	402,489	1,755,864	1,770,114	2,179,481	680,508
<b>Activities not affecting cash</b>						
Total vehicles + accessories acquired for property, plant and equipment	(329,046)	(859,932)	(3,028,658)	(4,472,497)	(2,765,863)	(3,073,664)
Total of vehicles acquired for resale	--	--	--	(111,237)	(52,012)	(93,551)
Change net of the balance payable to suppliers (automakers)	(110,323)	160,907	1,117,897	(68,121)	122,955	(324,610)
<b>Total cash paid or provisioned in the acquisition of vehicles</b>	<b>(439,369)</b>	<b>(699,025)</b>	<b>(1,910,761)</b>	<b>(4,651,855)</b>	<b>(2,694,920)</b>	<b>(3,491,825)</b>

(A free translation of the original in Portuguese)

# **Companhia de Locação das Américas**

**Quarterly information - ITR  
at September 30, 2020  
and report on review of  
quarterly information**



(A free translation of the original in Portuguese)

## **Report on review of quarterly information**

To the Board of Directors and Stockholders  
Companhia de Locação das Américas

### **Introduction**

We have reviewed the accompanying parent company and consolidated interim accounting information of Companhia de Locação das Américas ("Parent company" or "Company"), included in the Quarterly Information Form (ITR) for the quarter ended September 30, 2020, comprising the balance sheet as at that date and the statements of income and comprehensive income for the quarter and nine-month period then ended, and the statements of changes in equity and cash flows for the nine-month period then ended, and a summary of significant accounting policies and other explanatory information.

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

### **Scope of review**

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

### **Conclusion on the interim information**

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






Companhia de Locação das Américas


## **Other matters**

### **Statements of value added**

The Quarterly Information referred to above include the parent company and consolidated statements of value added for the nine-month period ended September 30, 2020. These statements are the responsibility of the Company's management, and are presented as supplementary information for IAS 34 purposes. These statements have been submitted to the same review procedures applied in conjunction with the review of the Quarterly Information, aiming to conclude if they are reconciled with the interim financial information 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". Based on our review, nothing has come to our attention that causes us to believe that these statements of value added have not been properly prepared, in all material respects, in accordance with the criteria defined in this accounting standard, and in a consistent manner in relation to the parent company and consolidated interim accounting information taken as a whole

Belo Horizonte, October 26, 2020

  
PricewaterhouseCoopers  
Auditores Independentes  
CRC 2SP000160/O-5

  
Fábio Abreu de Paula  
Contador CRC 1MG075204/O-0

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**Parent company financial statements / balance sheet – assets****(All amounts in thousands of reais)**

<b>Code</b>	<b>Description</b>	<b>Current quarter 9/30/2020</b>	<b>Prior year 12/31/2019</b>
1	Total assets	7,119,654	6,510,027
1.01	Current assets	1,032,435	1,768,343
1.01.01	Cash and cash equivalents	676,374	1,255,550
1.01.02	Financial investments	39,217	113,910
1.01.02.01	Financial investments at fair value through profit or loss	39,217	113,910
1.01.02.01.02	Securities designated at fair value	39,217	113,910
1.01.03	Accounts receivable	163,708	211,479
1.01.03.01	Trade receivables	154,091	148,975
1.01.03.02	Other accounts receivable	9,617	62,504
1.01.03.02.01	Other accounts receivable	6,047	11,787
1.01.03.02.02	Related parties	3,570	50,717
1.01.06	Taxes recoverable	57,150	50,234
1.01.06.01	Current taxes to be recovered	57,150	50,234
1.01.07	Prepaid expenses	12,915	5,859
1.01.08	Other Current Assets	83,071	131,311
1.01.08.01	Non-current assets held for sale	83,071	131,311
1.01.08.01.01	Vehicles to be decommissioned for fleet renewal	83,071	131,311
1.02	Non-current assets	6,087,219	4,741,684
1.02.01	Long-term receivables	98,666	31,294
1.02.01.01	Financial investments at fair value through profit or loss	564	1,340
1.02.01.01.01	Securities designated at fair value	564	1,340
1.02.01.04	Accounts receivable	3,377	2,290
1.02.01.04.01	Trade receivables	3,377	2,290
1.02.01.09	Receivables from Related parties	68,131	282
1.02.01.09.01	Receivables from subsidiaries	68,131	282
1.02.01.10	Other non-current assets	26,594	27,382
1.02.01.10.01	Non-current assets held for sale	2,373	2,373
1.02.01.10.03	Judicial deposits	24,221	23,020
1.02.01.10.04	Other receivables	0	1,989
1.02.02	Investments	3,355,644	2,344,874
1.02.02.01	Equity investments	3,355,644	2,344,874
1.02.02.01.02	Investments in subsidiaries	3,355,644	2,344,874
1.02.03	Property and equipment	2,544,152	2,277,318
1.02.03.01	Property and equipment in operation	2,533,544	2,262,983
1.02.03.02	Lease right-of-use assets	10,608	14,335
1.02.04	Intangible assets	88,757	88,198
1.02.04.01	Intangible assets	88,757	88,198
1.02.04.01.03	Intangible assets	88,757	88,198

**Parent company financial statements / balance sheet – liabilities****(All amounts in thousands of reais)**

<b>Code</b>	<b>Description</b>	<b>Current quarter 9/30/2020</b>	<b>Prior year 12/31/2019</b>
2	Total liabilities	7,119,654	6,510,027
2.01	Current liabilities	1,232,471	674,005
2.01.01	Social and labor obligations	18,651	17,857
2.01.01.02	Labor obligations	18,651	17,857
2.01.01.02.01	Salaries and Charges Payable	18,651	17,857
2.01.02	Trade payables	654,657	508,166
2.01.02.01	Local suppliers	654,657	508,166
2.01.02.01.01	Local suppliers	321,055	394,881
2.01.02.01.02	Assignment of credits by suppliers	333,602	113,285
2.01.03	Tax obligations	2,259	3,583
2.01.03.01	Federal taxes obligations	2,259	3,583
2.01.03.01.02	Other Taxes	2,259	3,583
2.01.04	Loans and Financing	358,875	48,386
2.01.04.01	Loans and Financing	0	48,386
2.01.04.02	Debentures	358,875	0
2.01.05	Other obligations	198,029	96,013
2.01.05.01	Related party liabilities	3,119	4,376
2.01.05.01.01	Debts with Other Related Parties	3,119	4,376
2.01.05.02	Others	194,910	91,637
2.01.05.02.01	Dividends and interest on capital payable	128,022	35,814
2.01.05.02.04	Other payables	20,229	14,483
2.01.05.02.07	Derivative financial instruments	41,689	36,370
2.01.05.02.09	Related parties	4,970	4,970
2.02	Non-current liabilities	1,837,390	1,931,611
2.02.01	Loans and Financing	1,781,360	1,872,804
2.02.01.01	Loans and Financing	0	1,872,804
2.02.01.02	Debentures	1,781,360	0
2.02.02	Other obligations	6,917	9,645
2.02.02.02	Others	6,917	9,645
2.02.02.02.04	Other payables	1,279	280
2.02.02.02.05	Property leases	5,638	9,365
2.02.03	Deferred taxes	31,616	30,011
2.02.03.01	Deferred income tax and social contribution	31,616	30,011
2.02.04	Provisions	17,497	19,151
2.02.04.01	Provisions for tax, social security, labor and civil contingencies	17,497	19,151
2.02.04.01.05	Provisions for contingencies	17,497	19,151
2.03	Equity	4,049,793	3,904,411
2.03.01	Paid-up share capital	3,094,902	3,094,902
2.03.02	Capital reserves	551,980	515,407
2.03.02.04	Options granted	20,529	14,775
2.03.02.05	Treasury shares	-20,676	-35,562
2.03.02.08	Capital reserve	552,127	536,194
2.03.04	Revenue reservess	315,027	315,027
2.03.04.01	Legal reserve	35,135	35,135
2.03.04.04	Unrealized revenue reserve	279,892	279,892
2.03.05	Retained earnings/accumulated losses	45,710	0

## Parent company financial statements / balance sheet – liabilities

(All amounts in thousands of reais)

Code	Description	Current quarter 9/30/2020	Prior year 12/31/2019
2.03.06	Equity Valuation Adjustments	42,174	-20,925

**Parent company financial statements / statement of income****(All amounts in thousands of reais)**

Code	Description	Current quarter 7/1/2020 to 9/30/2020	Current accumulated Exercise 1/1/2020 to 9/30/2020	Same quarter of prior year 7/1/2019 to 9/30/2019	Accumulated prior year 1/1/2019 to 9/30/2019
3.01	Revenue from sale of products and/or services	449,012	1,102,605	341,148	931,755
3.02	Cost of sales	-293,651	-737,345	-230,545	-618,291
3.03	Gross profit	155,361	365,260	110,603	313,464
3.04	Operating income/expenses	14,660	-76,717	12,059	36,044
3.04.01	Selling expenses	-14,660	-45,476	-16,262	-47,600
3.04.02	General and administrative expenses	-27,486	-86,905	-21,921	-67,153
3.04.04	Other operating income	51	53	173	339
3.04.06	Equity in the results of subsidiary	56,755	55,611	50,069	150,458
3.05	Profit before finance result and taxes	170,021	288,543	122,662	349,508
3.06	Financial result	-36,206	-97,158	-37,185	-122,879
3.06.01	Finance income	3,828	18,488	5,573	22,439
3.06.02	Financial expenses	-40,034	-115,646	-42,758	-145,318
3.07	Profit before income tax	133,815	191,385	85,477	226,629
3.08	Income tax and social contribution on net income	-10,345	-2,864	991	15,513
3.08.01	Current tax	-10,345	-2,864	991	15,513
3.09	Net result from continuing operations	123,470	188,521	86,468	242,142
3.11	Profit (loss) for the period	123,470	188,521	86,468	242,142
3.99	Earnings per share (in reais)				
3.99.01	Basic earnings per share				
3.99.01.01	Common shares	-	0.37000	-	0.54000
3.99.02	Diluted earnings per share				
3.99.02.01	Common shares	-	0.37000	-	0.53000

**Parent company financial statements / statement of comprehensive income****(All amounts in thousands of reais)**

Code	Description	Current quarter 7/1/2020 to 9/30/2020	Current accumulated Exercise 1/1/2020 to 9/30/2020	Same quarter of prior year 7/1/2019 to 9/30/2019	Accumulated prior year 1/1/2019 to 9/30/2019
4.01	Profit for the period	123,470	188,521	86,468	242,142
4.02	Other comprehensive income	23,346	63,099	1,455	-6,059
4.02.01	Hedge accounting – cash flow	14,230	-3,553	-7,936	-17,181
4.02.02	Income tax / social contribution hedge accounting	-4,839	700	2,698	5,833
4.02.03	Hedge accounting equivalence effect	13,955	65,952	6,693	5,289
4.03	Comprehensive income for the period	146,816	251,620	87,923	236,083



**Parent company financial statements/ statement of cash flows - indirect method****(All amounts in thousands of reais)**

<b>code</b>	<b>Description</b>	<b>Current accumulated Exercise 1/1/2020 to 9/30/2020</b>	<b>Accumulated prior year 1/1/2019 to 9/30/2019</b>
6.01	Net cash used in operating activities	176,320	-206,806
6.01.01	Cash from operations	880,649	743,101
6.01.01.01	Profit for the period	188,521	242,142
6.01.01.02	Deferred income and social contribution taxes	-3,532	-15,513
6.01.01.03	Depreciation and amortization	162,148	146,959
6.01.01.04	Written off residual value of vehicles decommissioned for fleet renewal	448,176	353,066
6.01.01.05	Financial charges on borrowings and debentures	68,586	111,590
6.01.01.06	Equity	-55,611	-150,458
6.01.01.07	Provision for losses on accounts receivable	4,528	1,398
6.01.01.08	Provision for share-based payment	6,410	6,781
6.01.01.09	Provision for impairment	217	0
6.01.01.11	Residual value of stolen and total loss vehicles	15,770	10,491
6.01.01.13	Others	-2,753	2,911
6.01.01.14	Credit assignment costs	10,879	10,232
6.01.01.15	Profit Sharing	5,237	0
6.01.01.16	Provision for contingencies	1,731	6,570
6.01.01.17	Swap	33,218	16,017
6.01.01.18	Property leases	509	915
6.01.01.20	Amortization of contingency losses	-3,385	0
6.01.02	Changes in assets and liabilities	-704,329	-949,907
6.01.02.01	Trade receivables	-10,560	-14,162
6.01.02.02	Taxes recoverable	-6,916	-13,024
6.01.02.04	Prepaid expenses	-7,056	-12,635
6.01.02.05	Related parts	-1,584	24,887
6.01.02.06	Acquisition of vehicles, net of trade payables (automakers)	-710,893	-926,294
6.01.02.07	Other current and non-current assets	23,822	-8,661
6.01.02.08	Suppliers (except vehicle automakers)	45,197	-3,563
6.01.02.09	Related parts liabilities	-1,257	5,551
6.01.02.10	Other current and non-current liabilities	-30,443	-2,006
6.01.02.11	Income tax and social contribution paid	-4,639	0
6.02	Net cash from investing activities	-830,876	-573,168
6.02.01	Net changes in other property and equipment and intangible assets	-7,499	-10,089
6.02.02	Acquisition of investments	-39,276	-50,000
6.02.03	Capital increase in subsidiaries	-840,583	-552,000
6.02.04	Marketable securities	75,469	40,453
6.02.05	Loans to related parties	-68,000	-1,532
6.02.07	Dividends received from subsidiaries	49,013	0
6.03	Net cash used in financing activities	75,380	-582,118
6.03.01	Borrowing, financing and debentures	298,494	198,803
6.03.02	Amortization of borrowing, financing and debentures	-75,076	-502,693
6.03.03	Distribution of interest on capital	-35,814	-113,985
6.03.04	Interest paid on borrowings, debentures and preferred shares	-72,959	-112,881
6.03.05	Proceeds from stock option plan	391	4,667

**Parent company financial statements/ statement of cash flows - indirect method****(All amounts in thousands of reais)**

<b>code</b>	<b>Description</b>	<b>Current accumulated Exercise 1/1/2020 to 9/30/2020</b>	<b>Accumulated prior year 1/1/2019 to 9/30/2019</b>
6.03.06	Share buyback	-8,204	-34,388
6.03.07	Expenditure from fundraising - Follow on	0	-671
6.03.08	Cash effect of financial instruments	-31,452	-20,970
6.05	Increase (Decrease) in Cash and Cash Equivalents	-579,176	-1,362,092
6.05.01	Cash and cash equivalents - opening balance	1,255,550	1,678,246
6.05.02	Cash and cash equivalents - closing balance	676,374	316,154

**Parent company financial statements / statement of changes in equity - 1/1/2020 to 9/30/2020****(All amounts in thousands of reais)**

Code	Description	Paid-up capital	Capital reserves, options granted, and treasury shares	Revenue reserves	Retained earnings (accumulated deficit)	Other comprehensive income	Equity
5.01	Opening balance	3,094,902	515,407	315,027	0	-20,925	3,904,411
5.03	Adjusted opening balance	3,094,902	515,407	315,027	0	-20,925	3,904,411
5.04	Capital transactions with owners	0	36,573	0	-142,811	0	-106,238
5.04.03	Stock options granted and recognized	0	12,334	0	0	0	12,334
5.04.04	Treasury shares acquired	0	-8,204	0	0	0	-8,204
5.04.07	Interest on Equity	0	0	0	-142,811	0	-142,811
5.04.08	Investment acquisition	0	32,443	0	0	0	32,443
5.05	Total comprehensive income	0	0	0	188,521	63,099	251,620
5.05.01	Profit for the period	0	0	0	188,521	0	188,521
5.05.02	Other comprehensive income	0	0	0	0	63,099	63,099
5.05.02.01	Adjustments to financial instruments	0	0	0	0	-3,553	-3,553
5.05.02.02	Taxes on adjustments to financial instruments	0	0	0	0	700	700
5.05.02.03	Equity in comprehensive income (loss) of subsidiaries and associates	0	0	0	0	65,952	65,952
5.07	Closing balance	3,094,902	551,980	315,027	45,710	42,174	4,049,793

**Parent company financial statements / statement of changes in equity - 1/1/2019 to 9/30/2019****(All amounts in thousands of reais)**

Code	Description	Paid-up capital	Capital reserves, options granted, and treasury shares	Revenue reserves	Retained earnings (accumulated deficit)	Other comprehensive income	Equity
5.01	Opening balance	1,922,181	519,036	140,620	0	-16,291	2,565,546
5.03	Adjusted opening balance	1,922,181	519,036	140,620	0	-16,291	2,565,546
5.04	Capital transactions with owners	36,102	-1,319	0	-123,723	0	-88,940
5.04.01	Capital increase	36,773	18,399	0	0	0	55,172
5.04.02	Share issuance expenses	-671	0	0	0	0	-671
5.04.03	Stock options granted and recognized	0	14,670	0	0	0	14,670
5.04.07	Interest on Equity	0	0	0	-123,723	0	-123,723
5.04.08	Share buyback	0	-34,388	0	0	0	-34,388
5.05	Total comprehensive income	0	0	0	242,142	-6,059	236,083
5.05.01	Profit for the period	0	0	0	242,142	0	242,142
5.05.02	Other comprehensive income	0	0	0	0	-6,059	-6,059
5.05.02.01	Adjustments to financial instruments	0	0	0	0	-17,181	-17,181
5.05.02.02	Taxes on adjustments to financial instruments	0	0	0	0	5,833	5,833
5.05.02.03	Equity in comprehensive income (loss) of subsidiaries and associates	0	0	0	0	5,289	5,289
5.07	Closing balance	1,958,283	517,717	140,620	118,419	-22,350	2,712,689

**Parent company financial statements / statement of****(All amounts in thousands of reais)**

<b>Code</b>	<b>Description</b>	<b>Current accumulated Exercise 1/1/2020 to 9/30/2020</b>	<b>Accumulated prior year 1/1/2019 to 9/30/2019</b>
7.01	Revenue	1,158,243	986,376
7.01.01	Sales of goods, products and services	1,162,771	987,774
7.01.04	Provision/ reversal of provision for impairment of trade receivables	-4,528	-1,398
7.02	Inputs acquired from third parties	-587,333	-488,286
7.02.01	Cost of sales	-549,785	-449,436
7.02.02	Materials, electricity, third-party services and other	-37,548	-38,850
7.03	Gross value added	570,910	498,090
7.04	Retentions	-162,148	-146,959
7.04.01	Depreciation, amortization and depletion	-162,148	-146,959
7.05	Net value added generated	408,762	351,131
7.06	Value added received through transfer	74,099	172,897
7.06.01	Equity in the results of subsidiary	55,611	150,458
7.06.02	Finance income	18,488	22,439
7.07	Total value added to distribute	482,861	524,028
7.08	Distribution of value added	482,861	524,028
7.08.01	Personnel	68,318	60,175
7.08.01.01	Direct compensation	58,731	50,185
7.08.01.02	Benefits	6,950	6,709
7.08.01.03	Government Severance Indemnity Fund for Employees (F.G.T.S)	2,637	3,281
7.08.02	Taxes, charges, and contributions	110,376	76,393
7.08.02.01	Federal	73,230	50,189
7.08.02.02	Estate	36,884	25,929
7.08.02.03	Municipal	262	275
7.08.03	Remuneration of third-party capital	115,646	145,318
7.08.03.03	Others	115,646	145,318
7.08.03.03.01	financial expenses	115,646	145,318
7.08.04	Remuneration of third-party capital	188,521	242,142
7.08.04.01	Interest on capital	142,811	123,726
7.08.04.03	Accumulated profit (loss)	45,710	118,416

**Consolidated financial statements / balance sheet - assets**

(All amounts in thousands of reais)

Code	Description	Current quarter 9/30/2020	Prior year 12/31/2019
1	Total assets	12,109,430	11,047,994
1.01	Current assets	3,535,661	3,122,100
1.01.01	Cash and cash equivalents	2,179,481	1,770,114
1.01.02	Financial investments	186,171	243,240
1.01.02.01	Financial investments at fair value through profit or loss	186,171	243,240
1.01.02.01.02	Securities designated at fair value	186,171	243,240
1.01.03	Accounts receivable	530,928	512,591
1.01.03.01	Trade receivables	490,175	457,875
1.01.03.02	Other accounts receivable	40,753	54,716
1.01.03.02.01	Other accounts receivable	17,265	20,251
1.01.03.02.02	Receivables from related parties	23,488	34,465
1.01.06	Taxes recoverable	104,335	86,473
1.01.06.01	Current taxes to be recovered	104,335	86,473
1.01.07	Prepaid expenses	40,662	13,198
1.01.08	Other Current Assets	494,084	496,484
1.01.08.01	Non-current assets held for sale	494,084	496,484
1.01.08.01.01	Vehicles to be decommissioned for fleet renewal	494,084	496,484
1.02	Non-current assets	8,573,769	7,925,894
1.02.01	Long-term receivables	317,655	113,217
1.02.01.01	Financial investments at fair value through profit or loss	564	1,340
1.02.01.01.01	Securities designated at fair value	564	1,340
1.02.01.04	Accounts receivable	7,787	16,202
1.02.01.04.01	Trade receivables	7,787	16,202
1.02.01.07	Deferred Taxes	6,589	30,003
1.02.01.07.01	Deferred Income Tax and Social Contribution	6,589	30,003
1.02.01.08	Prepaid expenses	2,977	1,130
1.02.01.10	Other non-current assets	299,738	64,542
1.02.01.10.01	Non-current assets held for sale	2,373	2,373
1.02.01.10.03	Judicial deposits	64,982	59,771
1.02.01.10.04	Other receivables	93	2,116
1.02.01.10.05	Related parties	460	282
1.02.01.10.06	Derivative financial instruments	231,830	0
1.02.02	Investments	850	852
1.02.02.01	Shareholdings	0	2
1.02.02.01.05	Other Investments	0	2
1.02.02.02	Investment properties	850	850
1.02.03	Property and equipment	7,231,060	6,837,692
1.02.03.01	Property and equipment in operation	7,094,404	6,705,097
1.02.03.02	Lease right-of-use assets	136,656	132,595
1.02.04	Intangible assets	1,024,204	974,133
1.02.04.01	Intangible assets	1,024,204	974,133
1.02.04.01.02	Intangible assets	1,024,204	974,133

**Consolidated financial statements / balance sheet - assets****(All amounts in thousands of reais)**

<b>Code</b>	<b>Description</b>	<b>Current quarter 9/30/2020</b>	<b>Prior year 12/31/2019</b>
2	Total liabilities	12,109,430	11,047,994
2.01	Current liabilities	3,098,483	2,278,402
2.01.01	Social and labor obligations	48,884	42,490
2.01.01.02	Labor obligations	48,884	42,490
2.01.02	Salaries and Charges Payable	2,113,685	1,926,867
2.01.02.01	Trade payables	2,113,685	1,926,867
2.01.02.01.01	Local suppliers	1,163,008	1,450,247
2.01.02.01.02	Assignment of credits by suppliers	950,677	476,620
2.01.03	Tax obligations	36,958	23,331
2.01.03.01	Federal taxes obligations	36,958	23,331
2.01.03.01.03	Other Taxes	36,958	23,331
2.01.04	Loans and Financing	587,863	119,521
2.01.04.01	Loans and Financing	0	119,521
2.01.04.02	Debentures	587,863	0
2.01.05	Other obligations	311,093	166,193
2.01.05.02	Others	311,093	166,193
2.01.05.02.01	Dividends and interest on capital payable	128,022	35,814
2.01.05.02.04	Other payables	78,558	36,778
2.01.05.02.07	Derivative financial instruments	48,858	22,695
2.01.05.02.08	Related parties	8,435	32,370
2.01.05.02.09	Property leases	47,220	38,536
2.02	Non-current liabilities	4,961,154	4,865,181
2.02.01	Loans and Financing	4,629,712	4,553,004
2.02.01.01	Loans and Financing	0	4,553,004
2.02.01.02	Debentures	4,629,712	0
2.02.02	Other payables	96,011	95,411
2.02.02.02	Others	96,011	95,411
2.02.02.02.04	Other payables	6,575	1,352
2.02.02.02.05	Property leases	89,436	94,059
2.02.03	Deferred taxes	117,508	100,881
2.02.03.01	Deferred Income Tax and Social Contribution	117,508	100,881
2.02.03.01.01	Deferred Income Tax and Social Contribution	117,508	100,881
2.02.04	Provisions	117,923	115,885
2.02.04.01	Provisions for tax, social security, labor and civil contingencies	117,923	115,885
2.02.04.01.05	Provisions for contingencies	117,923	115,885
2.03	Consolidated equity	4,049,793	3,904,411
2.03.01	Paid-up share capital	3,094,902	3,094,902
2.03.02	Capital reserves	551,980	515,407
2.03.02.04	Options granted	20,529	14,775
2.03.02.05	Treasury shares	-20,676	-35,562
2.03.02.08	Capital reserves	552,127	536,194
2.03.04	Revenue reservess	315,027	315,027
2.03.04.01	Legal reserve	35,135	35,135
2.03.04.04	Unrealized revenue reserve	279,892	279,892
2.03.05	Retained earnings/accumulated losses	45,710	0
2.03.06	Equity Valuation Adjustments	42,174	-20,925

**Consolidated financial statements / statement of income****(All amounts in thousands of reais)**

Code	Description	Current quarter 7/1/2020 to 9/30/2020	Current accumulated Exercise 1/1/2020 to 9/30/2020	Same quarter of prior year 7/1/2019 to 9/30/2019	Accumulated prior year 1/1/2019 to 9/30/2019
3.01	Revenue from sale of products and/or services	1,787,054	3,948,050	1,305,826	3,537,662
3.02	Cost of sales	-1,409,694	-3,072,525	-972,834	-2,574,829
3.03	Gross profit	377,360	875,525	332,992	962,833
3.04	Operating income/expenses	-144,317	-442,470	-128,996	-372,958
3.04.01	Selling expenses	-66,765	-232,739	-75,270	-213,107
3.04.02	General and administrative expenses	-77,963	-209,681	-53,880	-160,213
3.04.04	Other operating income	411	0	154	362
3.04.05	Other Operating Expenses	0	-50	0	0
3.05	Profit before finance result and taxes	233,043	433,055	203,996	589,875
3.06	Financial result	-69,943	-212,010	-92,091	-282,988
3.06.01	Finance income	14,600	36,774	8,472	41,864
3.06.02	Financial expenses	-84,543	-248,784	-100,563	-324,852
3.07	Profit before income tax	163,100	221,045	111,905	306,887
3.08	Income tax and social contribution on net income	-39,630	-32,524	-25,437	-64,745
3.08.01	Current tax	-39,630	-32,524	-25,437	-64,745
3.09	Net result from continuing operations	123,470	188,521	86,468	242,142
3.11	Profit (loss) for the period	123,470	188,521	86,468	242,142
3.11.01	Attributable to owners of the parent	123,470	188,521	86,468	242,142
3.99	Earnings per share (in reais)				
3.99.01	Basic earnings per share				
3.99.01.01	Common shares	-	0.37000	-	0.54000
3.99.02	Diluted earnings per share				
3.99.02.01	Common shares	-	0.37000	-	0.53000



**Consolidated financial statements / statement of comprehensive income****(All amounts in thousands of reais)**

Code	Description	Current quarter 7/1/2020 to 9/30/2020	Current accumulated Exercise 1/1/2020 to 9/30/2020	Same quarter of prior year 7/1/2019 to 9/30/2019	Accumulated prior year 1/1/2019 to 9/30/2019
4.01	Consolidated profit for the period	123,470	188,521	86,468	242,142
4.02	Other comprehensive income	23,346	63,099	1,455	-6,059
4.02.01	Hedge cash flow	35,374	96,374	2,205	-9,167
4.02.02	Income tax / social contribution hedge accounting	-12,028	-33,275	-750	3,108
4.03	Consolidated comprehensive income for the period	146,816	251,620	87,923	236,083
4.03.01	Attributable to owners of the parent	146,816	251,620	87,923	236,083

**Consolidated financial statements/ statement of cash flows - indirect method****(All amounts in thousands of reais)**

<b>Code</b>	<b>Description</b>	<b>Current accumulated Exercise 1/1/2020 to 9/30/2020</b>	<b>Accumulated prior year 1/1/2019 to 9/30/2019</b>
6.01	Net cash used in operating activities	361,528	-869,085
6.01.01	Cash from operations	3,189,080	2,951,036
6.01.01.01	Profit for the period	188,521	242,142
6.01.01.02	Deferred income and social contribution taxes	-2,808	31,257
6.01.01.03	Depreciation and amortization	427,329	351,847
6.01.01.04	Written off residual value of vehicles decommissioned for fleet renewal	2,121,607	1,807,316
6.01.01.05	Financial charges on borrowings and debentures	156,708	236,913
6.01.01.06	Others	9,868	28,943
6.01.01.07	Provision for losses on accounts receivable	45,625	25,359
6.01.01.08	Provision for contingencies	8,622	6,187
6.01.01.09	Provision for impairment	1,033	0
6.01.01.10	Provision for share-based payment	11,943	10,216
6.01.01.11	Residual value of stolen and total loss vehicles	193,115	107,896
6.01.01.12	Profit Sharing	9,900	0
6.01.01.14	Credit assignment costs	27,349	38,496
6.01.01.15	Swap	41,846	19,404
6.01.01.16	Provision for stolen and damaged vehicles	-48,700	37,947
6.01.01.17	Property leases	3,814	7,714
6.01.01.19	Amortization of contingency losses	-6,692	-601
6.01.02	Changes in assets and liabilities	-2,827,552	-3,820,121
6.01.02.01	Accounts receivable	-53,328	-131,331
6.01.02.02	Taxes to be recovered	-17,370	-11,522
6.01.02.04	Prepaid expenses	-27,663	-23,004
6.01.02.05	Related parties	11,259	-4,884
6.01.02.06	Acquisition of vehicles, net of trade payables (automakers)	-2,694,920	-3,495,259
6.01.02.07	Other current and non-current assets	-6,751	-121,636
6.01.02.08	Suppliers (except vehicle automakers)	61,197	-3,305
6.01.02.10	Other current and non-current liabilities	-53,982	-3,918
6.01.02.11	Income tax and social contribution paid	-22,059	-14,003
6.01.02.12	Related parts liabilities	-23,935	-11,259
6.02	Net cash from investing activities	-31,910	-143,210
6.02.01	Net changes in other property and equipment and intangible assets	-67,623	-87,660
6.02.04	Marketable securities	57,845	-5,558
6.02.05	Acquisition of investments	-22,132	-49,992
6.03	Net cash used in financing activities	79,749	-63,061
6.03.01	Borrowing, financing and debentures	548,930	1,382,524
6.03.02	Amortization of borrowing, financing and debentures	-215,957	-1,052,317
6.03.03	Distribution of interest on capital	-35,814	-113,985
6.03.04	Interest paid on borrowing, financing, debentures	-169,723	-225,742
6.03.05	Proceeds from stock option plan	391	4,667
6.03.06	Share buyback	-8,204	-34,388
6.03.07	Expenditure from fundraising - Follow on	0	-671
6.03.08	Cash effect of financial instruments	-39,874	-23,149
6.05	Increase (Decrease) in Cash and Cash Equivalents	409,367	-1,075,356

**Consolidated financial statements/ statement of cash flows - indirect method****(All amounts in thousands of reais)**

<b>Code</b>	<b>Description</b>	<b>Current accumulated Exercise 1/1/2020 to 9/30/2020</b>	<b>Accumulated prior year 1/1/2019 to 9/30/2019</b>
6.05.01	Cash and cash equivalents - opening balance	1,770,114	1,755,864
6.05.02	Cash and cash equivalents - closing balance	2,179,481	680,508

Quarterly information (ITR) - 9/30/2020 - CIA LOCAÇÃO DAS AMÉRICAS

**Consolidated financial statements / statement of changes in equity - 1/1/2020 to 9/30/2020**

(All amounts in thousands of reais)

Code	Description	Paid-up capital	Capital reserves, options granted, and treasury shares	Revenue reserves	Retained earnings (accumulated deficit)	Other comprehensive income	Equity	Non-Participation Controllers	Equity consolidated
5.01	Opening balance	3,094,902	515,407	315,027	0	-20,925	3,904,411	0	3,904,411
5.03	Adjusted opening balance	3,094,902	515,407	315,027	0	-20,925	3,904,411	0	3,904,411
5.04	Capital transactions with owners	0	36,573	0	-142,811	0	-106,238	0	-106,238
5.04.03	Stock options granted and recognized	0	12,334	0	0	0	12,334	0	12,334
5.04.04	Treasury shares acquired	0	-8,204	0	0	0	-8,204	0	-8,204
5.04.07	Interest on Equity	0	0	0	-142,811	0	-142,811	0	-142,811
5.04.08	Investment acquisition	0	32,443	0	0	0	32,443	0	32,443
5.05	Total comprehensive income	0	0	0	188,521	63,099	251,620	0	251,620
5.05.01	Profit for the period	0	0	0	188,521	0	188,521	0	188,521
5.05.02	Other comprehensive income	0	0	0	0	63,099	63,099	0	63,099
5.05.02.01	Adjustments to financial instruments	0	0	0	0	-3,553	-3,553	0	-3,553
5.05.02.02	Taxes on adjustments to financial instruments	0	0	0	0	700	700	0	700
5.05.02.03	Equity in comprehensive income (loss) of associated companies	0	0	0	0	65,952	65,952	0	65,952
5.07	Closing balance	3,094,902	551,980	315,027	45,710	42,174	4,049,793	0	4,049,793

Quarterly information (ITR) - 9/30/2020 - CIA LOCAÇÃO DAS AMÉRICAS

**Consolidated financial statements / statement of changes in equity - 1/1/2019 to 9/30/2019**

(All amounts in thousands of reais)

Code	Description	Paid-up capital	Capital reserves, options granted, and treasury shares	Revenue reserves	Retained earnings (accumulated deficit)	Other comprehensive income	Equity	Non-Participation Controllers	Equity consolidated
5.01	Opening balance	1,922,181	519,036	140,620	0	-16,291	2,565,546	0	2,565,546
5.03	Adjusted opening balance	1,922,181	519,036	140,620	0	-16,291	2,565,546	0	2,565,546
5.04	Capital transactions with owners	36,102	-1,319	0	-123,723	0	-88,940	0	-88,940
5.04.01	Capital increase	36,773	18,399	0	0	0	55,172	0	55,172
5.04.02	Share Issuance Expenses	-671	0	0	0	0	-671	0	-671
5.04.03	Stock options granted and recognized	0	14,670	0	0	0	14,670	0	14,670
5.04.04	Treasury shares acquired	0	-34,388	0	0	0	-34,388	0	-34,388
5.04.07	Interest on Equity	0	0	0	-123,723	0	-123,723	0	-123,723
5.05	Total comprehensive income	0	0	0	242,142	-6,059	236,083	0	236,083
5.05.01	Profit for the period	0	0	0	242,142	0	242,142	0	242,142
5.05.02	Other comprehensive income	0	0	0	0	-6,059	-6,059	0	-6,059
5.05.02.01	Adjustments to financial instruments	0	0	0	0	-17,181	-17,181	0	-17,181
5.05.02.02	Taxes on adjustments to financial instruments	0	0	0	0	5,833	5,833	0	5,833
5.05.02.03	Equity in comprehensive income (loss) of associated companies	0	0	0	0	5,289	5,289	0	5,289
5.07	Closing balance	1,958,283	517,717	140,620	118,419	-22,350	2,712,689	0	2,712,689

## Consolidated financial statements / statement of value added

(All amounts in thousands of reais)

Code	Description	Current accumulated Exercise 1/1/2020 to 9/30/2020	Accumulated prior year 1/1/2019 to 9/30/2019
7.01	Revenue	4,073,401	3,680,827
7.01.01	Sales of goods, products and services	4,119,026	3,706,186
7.01.04	Provision/ reversal of provision for impairment of trade receivables	-45,625	-25,359
7.02	Inputs acquired from third parties	-2,705,318	-2,288,220
7.02.01	Cost of sales	-2,515,717	-2,118,495
7.02.02	Materials, electricity, third-party services and other	-189,601	-169,725
7.03	Gross value added	1,368,083	1,392,607
7.04	Retentions	-427,329	-351,847
7.04.01	Depreciation, amortization and depletion	-427,329	-351,847
7.05	Net value added generated	940,754	1,040,760
7.06	Value added received through transfer	36,774	41,864
7.06.02	Finance income	36,774	41,864
7.07	Total value added to distribute	977,528	1,082,624
7.08	Distribution of value added	977,528	1,082,624
7.08.01	Personnel	204,968	170,333
7.08.01.01	Direct compensation	163,808	130,538
7.08.01.02	Benefits	31,339	28,437
7.08.01.03	Government Severance Indemnity Fund for Employees (F.G.T.S)	9,821	11,358
7.08.02	Taxes, charges, and contributions	335,255	345,297
7.08.02.01	Federal	231,971	258,737
7.08.02.02	Estate	101,467	84,982
7.08.02.03	Municipal	1,817	1,578
7.08.03	Remuneration of third-party capital	248,784	324,852
7.08.03.03	Others	248,784	324,852
7.08.03.03.01	Financial expenses	248,784	324,852
7.08.04	Remuneration of third-party capital	188,521	242,142
7.08.04.01	Interest on own capital	142,811	123,726
7.08.04.03	Accumulated profit (loss)	45,710	118,416

# Companhia de Locação das Américas

## Balance sheet

All amounts in thousands of reais

(A free translation of the original in Portuguese)

		Parent company		Consolidated	
Assets		9/30/2020	12/31/2019	9/30/2020	12/31/2019
Current assets					
Cash and cash equivalents	Note 5 a	676,374	1,255,550	2,179,481	1,770,114
Marketable securities	Note 5 b	39,217	113,910	186,171	243,240
Trade receivables	Note 6	154,091	148,975	490,175	457,875
Vehicles being decommissioned for fleet renewal	Note 7	83,071	131,311	486,281	475,704
Vehicles for resale	Note 7			7,803	20,780
Taxes recoverable		57,150	50,234	104,335	86,473
Prepaid expenses		12,915	5,859	40,662	13,198
Dividends receivable	Note 17 b		49,013		
Related parties	Note 17 b	3,570	1,704	23,488	34,465
Other receivables		6,047	11,787	17,265	20,251
Total current assets		1,032,435	1,768,343	3,535,661	3,122,100
Non-current					
Marketable securities	Note 5 b	564	1,340	564	1,340
Derivative financial instruments	Note 4.1 a			231,830	
Trade receivables	Note 6	3,377	2,290	7,787	16,202
Prepaid expenses				2,977	1,130
Other receivables			1,989	93	2,116
Deferred taxes	Note 8 a			6,589	30,003
Judicial deposits	Note 16 a	24,221	23,020	64,982	59,771
Assets held for sale		2,373	2,373	2,373	2,373
Related parties	Note 17 b	68,131	282	460	282
		98,666	31,294	317,655	113,217
Investment properties				850	850
Property and equipment	Note 10	2,533,544	2,262,983	7,094,404	6,705,097
Lease right-of-use assets	Note 11 a	10,608	14,335	136,656	132,595
Investments	Note 9	3,355,644	2,344,874		2
Intangible assets	Note 12	88,757	88,198	1,024,204	974,133
Total non-current assets		6,087,219	4,741,684	8,573,769	7,925,894
Total assets		7,119,654	6,510,027	12,109,430	11,047,994

The accompanying notes are an integral part of this quarterly information.

# Companhia de Locação das Américas

## Balance sheet

All amounts in thousands of reais

(continued)

		Parent company		Consolidated	
		9/30/2020	12/31/2019	9/30/2020	12/31/2019
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Trade payables	Note 13	321,055	394,881	1,163,008	1,450,247
Assignment of credits by suppliers	Note 14	333,602	113,285	950,677	476,620
Borrowings and debentures	Note 15	358,875	48,386	587,863	119,521
Property leases	Note 11 b	4,970	4,970	47,220	38,536
Derivative financial instruments	Note 4.1 a	41,689	36,370	48,858	22,695
Salaries and social charges payable		18,651	17,857	48,884	42,490
Tax liabilities		2,259	3,583	36,958	23,331
Dividends and interest on capital payable	Note 18 f	128,022	35,814	128,022	35,814
Related parties	Note 17 b	3,119	4,376	8,435	32,370
Other payables		20,229	14,483	78,558	36,778
<b>Total current liabilities</b>		<b>1,232,471</b>	<b>674,005</b>	<b>3,098,483</b>	<b>2,278,402</b>
<b>Non-current</b>					
Borrowings and debentures	Note 15	1,781,360	1,872,804	4,629,712	4,553,004
Property leases	Note 11 b	5,638	9,365	89,436	94,059
Provision for contingencies	Note 16 b	17,497	19,151	117,923	115,885
Deferred taxes	Note 8 a	31,616	30,011	117,508	100,881
Other payables		1,279	280	6,575	1,352
<b>Total non-current liabilities</b>		<b>1,837,390</b>	<b>1,931,611</b>	<b>4,961,154</b>	<b>4,865,181</b>
<b>Total liabilities</b>		<b>3,069,861</b>	<b>2,605,616</b>	<b>8,059,637</b>	<b>7,143,583</b>
<b>Equity</b>					
Share capital	Note 18	3,094,902	3,094,902	3,094,902	3,094,902
Treasury shares		(20,676)	(35,562)	(20,676)	(35,562)
Capital reserve and options granted		572,656	550,969	572,656	550,969
Revenue reserve		315,027	315,027	315,027	315,027
Carrying value adjustment		42,174	(20,925)	42,174	(20,925)
Retained earnings		45,710		45,710	
<b>Total equity</b>		<b>4,049,793</b>	<b>3,904,411</b>	<b>4,049,793</b>	<b>3,904,411</b>
<b>Total liabilities and equity</b>		<b>7,119,654</b>	<b>6,510,027</b>	<b>12,109,430</b>	<b>11,047,994</b>

The accompanying notes are an integral part of this quarterly information.



# Companhia de Locação das Américas

## Statement of income

Quarter and nine-month period ended September 30

All amounts in thousands of reais unless otherwise stated

(A free translation of the original in Portuguese)

		Quarter ended September 30				Nine-month period ended September 30			
		Parent company		Consolidated		Parent company		Consolidated	
		2020	2019	2020 (**)	2019 (*)	2020	2019	2020 (**)	2019 (*)
Net operating revenue	Note 19	449,012	341,148	1,787,054	1,305,826	1,102,605	931,755	3,948,050	3,537,662
Cost of rental and sale of vehicles	Note 20	(293,651)	(230,545)	(1,409,694)	(972,834)	(737,345)	(618,291)	(3,072,525)	(2,574,829)
<b>Gross profit</b>		155,361	110,603	377,360	332,992	365,260	313,464	875,525	962,833
Selling expenses	Note 20	(14,660)	(16,262)	(66,765)	(75,270)	(45,476)	(47,600)	(232,739)	(213,107)
General and administrative expenses	Note 20	(27,486)	(21,921)	(77,963)	(53,880)	(86,905)	(67,153)	(209,681)	(160,213)
Other operating income (expenses)		51	173	411	154	53	339	(50)	362
Equity in the results of investees	Note 9b	56,755	50,069			55,611	150,458		
<b>Profit before finance result and taxes</b>		170,021	122,662	233,043	203,996	288,543	349,508	433,055	589,875
Finance income	Note 21	3,828	5,573	14,600	8,472	18,488	22,439	36,774	41,864
Finance costs	Note 21	(40,034)	(42,758)	(84,543)	(100,563)	(115,646)	(145,318)	(248,784)	(324,852)
<b>Finance costs, net</b>	Note 21	(36,206)	(37,185)	(69,943)	(92,091)	(97,158)	(122,879)	(212,010)	(282,988)
<b>Profit before taxes</b>		133,815	85,477	163,100	111,905	191,385	226,629	221,045	306,887
Current and deferred income tax and social contribution	Note 8b	(10,345)	991	(39,630)	(25,437)	(2,864)	15,513	(32,524)	(64,745)
<b>Profit for the period</b>		123,470	86,468	123,470	86,468	188,521	242,142	188,521	242,142
Basic earnings (loss) per share - R\$	Note 23					0.37	0.54	0.37	0.54
Diluted earnings (loss) per share - R\$	Note 23					0.37	0.53	0.37	0.53

(\*\*) As from January 31, 2019, when the control of Unidas Agro Locação de Veículos S.A. was acquired, the Group started to include this subsidiary in its consolidated financial information.

(\*\*) As from June 12, 2020, the date of acquisition of the control of Unidas Veículos Especiais S.A. (formerly Zetta Frotas S.A., the Group started to include this subsidiary in its consolidated financial information.

The accompanying notes are an integral part of this quarterly information.

## Companhia de Locação das Américas

### Statement of comprehensive income Quarter and nine-month period ended September 30 All amounts in thousands of reais

(A free translation of the original in Portuguese)

	Quarter ended September 30				Nine-month period ended September 30			
	Parent company		Consolidated		Parent company		Consolidated	
	2020	2019	2020 (**)	2019 (*)	2020	2019	2020 (**)	2019 (*)
<b>Profit for the period</b>	123,470	86,468	123,470	86,468	188,521	242,142	188,521	242,142
<b>Other components of comprehensive income</b>								
Hedge accounting - cash flow	14,230	(7,936)	35,374	2,205	(3,553)	(17,181)	96,374	(9,167)
Income tax and social contribution - hedge accounting	(4,839)	2,698	(12,028)	(750)	700	5,833	(33,275)	3,108
Hedge accounting effects - Subsidiary	13,955	6,693			65,952	5,289		
<b>Other comprehensive income (loss) for the period, net of tax effects</b>	23,346	1,455	23,346	1,455	63,099	(6,059)	63,099	(6,059)
<b>Total comprehensive income for the period</b>	146,816	87,923	146,816	87,923	251,620	236,083	251,620	236,083

(\*\*) As from January 31, 2019, the date of acquisition of the control of Unidas Agro Locação de Veículos S.A., the Group started to include this subsidiary in its consolidated financial information.

(\*\*) As from June 12, 2020, the date of acquisition of the control of Unidas Veículos Especiais S.A. (formerly Zetta Frotas S.A.), the Group started to include this subsidiary in its consolidated financial information.

The accompanying notes are an integral part of this quarterly information.

# Companhia de Locação das Américas

## Statement of changes in equity Nine-month periods ended September 30 All amounts in thousands of reais

(A free translation of the original in Portuguese)

Parent company and Consolidated										
	Share capital			Capital reserve		Revenue reserve				
	Share capital	Share issuance expenses	Treasury shares	Shares granted	Capital reserve	Legal reserve	Investment reserve	Carrying value adjustment	Retained earnings	Total
At January 1, 2019	1,969,517	(47,336)	(9,925)	6,289	522,672	18,230	122,390	(16,291)		2,565,546
Profit for the period									242,142	242,142
Hedge accounting - cash flow								(17,181)		(17,181)
Income tax/ social contribution – hedge accounting								5,833		5,833
Hedge accounting effects – Subsidiary								5,289		5,289
Total comprehensive income for the period								(6,059)	242,142	236,083
Capital increase	36,773	(671)			18,399					54,501
Share buyback			(34,388)							(34,388)
Shares granted				10,216	(213)					10,003
Options exercised			13,225	(3,485)	(5,073)					4,667
Payment of interest on capital									(123,723)	(123,723)
Total transactions with shareholders	36,773	(671)	(21,163)	6,731	13,113				(123,723)	(88,940)
At September 30, 2019	2,006,290	(48,007)	(31,088)	13,020	535,785	18,230	122,390	(22,350)	118,419	2,712,689
At January 1, 2020	3,195,790	(100,888)	(35,562)	14,775	536,194	35,135	279,892	(20,925)		3,904,411
Profit for the period									188,521	188,521
Hedge accounting - cash flow								(3,553)		(3,553)
IR/CSLL – hedge accounting								700		700
Hedge accounting effects – Subsidiary								65,952		65,952
Total comprehensive income for the period								63,099	188,521	251,620
Acquisition of investment	Note 9		16,510		15,933					32,443
Share buyback	Note 18b		(8,204)							(8,204)
Shares granted	Note 18g			11,943						11,943
Options exercised	Notes 18b and 18g		6,580	(6,189)						391
Payment of interest on capital	Note 18f								(142,811)	(142,811)
Total transactions with shareholders			14,886	5,754	15,933				(142,811)	(106,238)
At September 30, 2020	3,195,790	(100,888)	(20,676)	20,529	552,127	35,135	279,892	42,174	45,710	4,049,793

The accompanying notes are an integral part of this quarterly information.

# Companhia de Locação das Américas

## Statement of cash flows

Nine-month periods ended September 30

All amounts in thousands of reais

(A free translation of the original in Portuguese)

	Parent company		Consolidated	
	2020	2019	2020 (**)	2019 (*)
<b>Cash flows from operating activities</b>				
Profit for the period	188,521	242,142	188,521	242,142
Deferred income tax and social contribution	(3,532)	(15,513)	(2,808)	31,257
Equity in the results of investees	(55,611)	(150,458)		
Depreciation and amortization	162,148	146,959	427,329	351,847
Provision for stolen and damaged vehicles			(48,700)	37,947
Written off residual value of vehicles being decommissioned for fleet renewal,				
	448,176	353,066	2,121,607	1,807,316
Residual value of stolen vehicles and total losses on vehicles	15,770	10,491	193,115	107,896
Provision for share-based payment	6,410	6,781	11,943	10,216
Financial charges on borrowings less funding costs	68,586	111,590	156,708	236,913
Provision for impairment of trade receivables	4,528	1,398	45,625	25,359
Provision for contingencies	1,731	6,570	8,622	6,187
Amortization of revaluation surplus/deficit from contingencies	(3,385)		(6,692)	(601)
Profit sharing	5,237		9,900	
Property leases	509	915	3,814	7,714
Vehicles being decommissioned written down to the recoverable value	217		1,033	
Interest on assignment of receivables - automakers	10,879	10,232	27,349	38,496
Swap	33,218	16,017	41,846	19,404
Other	(2,753)	2,911	9,868	28,943
	<u>880,649</u>	<u>743,101</u>	<u>3,189,080</u>	<u>2,951,036</u>
Increase (decrease) in assets				
Trade receivables	(10,560)	(14,162)	(53,328)	(131,331)
Taxes recoverable	(6,916)	(13,024)	(17,370)	(11,522)
Prepaid expenses	(7,056)	(12,635)	(27,663)	(23,004)
Related parties	(1,584)	24,887	11,259	(4,884)
Other current and non-current assets	23,822	(8,661)	(6,751)	(121,636)
	<u>(2,294)</u>	<u>(23,595)</u>	<u>(93,853)</u>	<u>(292,377)</u>
(Increase) decrease in liabilities				
Acquisition of vehicles net of the balance payable to suppliers - automakers and assignment of credits by suppliers	(710,893)	(926,294)	(2,694,920)	(3,495,259)
Payment of income tax and social contribution	(4,639)		(22,059)	(14,003)
Related parties	(1,257)	5,551	(23,935)	(11,259)
Other current and non-current liabilities	(30,443)	(2,006)	(53,982)	(3,918)
Trade payables - except automakers	45,197	(3,563)	61,197	(3,305)
	<u>(702,035)</u>	<u>(926,312)</u>	<u>(2,733,699)</u>	<u>(3,527,744)</u>
<b>Net cash provided by (used in) operating activities</b>	<u>176,320</u>	<u>(206,806)</u>	<u>361,528</u>	<u>(869,085)</u>
<b>Cash flows from investing activities</b>				
Acquisition of investments	(39,276)	(50,000)	(22,132)	(49,992)
Capital increase in subsidiaries	(840,583)	(552,000)		
Loans to related parties	(68,000)	(1,532)		
Additions to other property and equipment and intangible assets	(7,499)	(10,089)	(67,623)	(87,660)
Dividends received from subsidiaries	49,013			
Marketable securities	75,469	40,453	57,845	(5,558)
<b>Net cash used in investing activities</b>	<u>(830,876)</u>	<u>(573,168)</u>	<u>(31,910)</u>	<u>(143,210)</u>
<b>Cash flows from financing activities</b>				
Proceeds from borrowings and debentures - net of funding costs	298,494	198,803	548,930	1,382,524
Repayment of borrowings and debentures	(75,076)	(502,693)	(215,957)	(1,052,317)
Cash effect of derivative financial instrument	(31,452)	(20,970)	(39,874)	(23,149)
Interest paid on borrowings and debentures	(72,959)	(112,881)	(169,723)	(225,742)
Proceeds from stock option plan	391	4,667	391	4,667
Share buyback	(8,204)	(34,388)	(8,204)	(34,388)
Funding expenses- Follow on		(671)		(671)
Dividends and interest on capital paid	(35,814)	(113,985)	(35,814)	(113,985)
<b>Net cash provided by (used in) financing activities</b>	<u>75,380</u>	<u>(582,118)</u>	<u>79,749</u>	<u>(63,061)</u>
<b>Increase (decrease) in cash and cash equivalents</b>	<u>(579,176)</u>	<u>(1,362,092)</u>	<u>409,367</u>	<u>(1,075,356)</u>
<b>Cash and cash equivalents at the beginning of the period</b>	1,255,550	1,678,246	1,770,114	1,755,864
<b>Cash and cash equivalents at the end of the period</b>	676,374	316,154	2,179,481	680,508

The accompanying notes are an integral part of this quarterly information.

# Companhia de Locação das Américas

## Statement of cash flows

Nine-month periods ended September 30

All amounts in thousands of reais

(continued)

Supplemental disclosure of cash flow information	Parent company		Consolidated	
	2020	2019	2020 (**)	2019 (*)
<b>Total cash paid for the acquisition of vehicles</b>				
Total vehicles and accessories purchased for property and equipment	(818,240)	(842,003)	(2,765,863)	(3,073,664)
Total vehicles acquired for resale			(52,012)	(93,551)
Net changes in the balance of trade payables - automakers and assignment of credits by suppliers	107,347	(84,291)	122,955	(328,044)
<b>Total cash paid or provided for the acquisition of vehicles</b>	<b>(710,893)</b>	<b>(926,294)</b>	<b>(2,694,920)</b>	<b>(3,495,259)</b>
Activities not affecting cash	Parent company		Consolidated	
	2020	2019	2020 (**)	2019 (*)
Hedge accounting - cash flow	3,553	17,181	(96,374)	9,167
Income tax and social contribution - hedge accounting	(700)	(5,833)	33,275	(3,108)
Accrued interest on capital, gross	142,811	38,581	142,811	38,581
Hedge accounting effects - Subsidiary	(65,952)	(5,289)		
Capital increase through the issue of shares		36,773		
Exchange variation - hedge accounting			(111,265)	
Exchange variation - debt 4131			111,265	
Acquisition of investment with treasury shares	32,443			
Addition of right-of-use - properties		21,765	34,354	175,535
	<b>112,155</b>	<b>103,178</b>	<b>114,066</b>	<b>220,175</b>

(\*\*) As from January 31, 2019, the date of acquisition of the control of Unidas Agro Locação de Veículos S.A., the Group started to include this subsidiary in its consolidated financial information.

(\*\*) As from June 12, 2020, the date of acquisition of the control of Unidas Veículos Especiais S.A. (formerly Zetta Frotas S.A.), the Group started to include this subsidiary in its consolidated financial information.

The accompanying notes are an integral part of this quarterly information.

# Companhia de Locação das Américas

## Statement of value added

Nine-month periods ended September 30

All amounts in thousands of reais

(A free translation of the original in Portuguese)

	<b>Parent company</b>		<b>Consolidated</b>	
	<b>2020</b>	<b>2019</b>	<b>2020 (**)</b>	<b>2019 (*)</b>
<b>Revenue</b>				
Gross revenue net of discounts and cancellations	1,162,771	987,774	4,119,026	3,706,186
Estimated impairment loss on trade receivables	(4,528)	(1,398)	(45,625)	(25,359)
	<u>1,158,243</u>	<u>986,376</u>	<u>4,073,401</u>	<u>3,680,827</u>
<b>Inputs acquired from third parties</b>				
Costs of sales and rentals of vehicles	(549,785)	(449,436)	(2,515,717)	(2,118,495)
Materials, electricity, third-party services and other	(37,548)	(38,850)	(189,601)	(169,725)
	<u>(587,333)</u>	<u>(488,286)</u>	<u>(2,705,318)</u>	<u>(2,288,220)</u>
<b>Gross value added</b>	<u>570,910</u>	<u>498,090</u>	<u>1,368,083</u>	<u>1,392,607</u>
Depreciation and amortization	(162,148)	(146,959)	(427,329)	(351,847)
<b>Net value added generated</b>	<u>408,762</u>	<u>351,131</u>	<u>940,754</u>	<u>1,040,760</u>
<b>Value added received through transfer</b>				
Equity in the results of subsidiaries	55,611	150,458		
Finance income	18,488	22,439	36,774	41,864
<b>Value added received through transfer</b>	<u>74,099</u>	<u>172,897</u>	<u>36,774</u>	<u>41,864</u>
<b>Total value added to distribute</b>	<u>482,861</u>	<u>524,028</u>	<u>977,528</u>	<u>1,082,624</u>
<b>Distribution of value added</b>				
<b>Personnel</b>				
Direct compensation	58,731	50,185	163,808	130,538
Benefits	6,950	6,709	31,339	28,437
Government Severance Indemnity Fund for Employees (FGTS)	2,637	3,281	9,821	11,358
<b>Taxes, fees, and contributions</b>				
Federal	73,230	50,189	231,971	258,737
State	36,884	25,929	101,467	84,982
Municipal	262	275	1,817	1,578
<b>Remuneration of third-party capital</b>				
Finance costs	115,646	145,318	248,784	324,852
<b>Remuneration of own capital</b>				
Dividends and interest on capital, gross	142,811	123,726	142,811	123,726
Retained earnings	45,710	118,416	45,710	118,416
<b>Total value added distributed</b>	<u>482,861</u>	<u>524,028</u>	<u>977,528</u>	<u>1,082,624</u>

(\*\*) As from January 31, 2019, the date of acquisition of the control of Unidas Agro Locação de Veículos S.A., the Group started to include this subsidiary in its consolidated financial information.

(\*\*) As from June 12, 2020, the date of acquisition of the control of Unidas Veículos Especiais S.A. (formerly Zetta Frotas S.A., the Group started to include this subsidiary in its consolidated financial information.

The accompanying notes are an integral part of this quarterly information.

(A free translation of the original in Portuguese)

## Companhia de Locação das Américas

### Notes to the quarterly information

at September 30, 2020

All amounts in thousands of reais unless otherwise stated

#### 1 Operations

Companhia de Locação das Américas ("Company" or "Locamerica") is a listed corporation domiciled in Brazil, established on July 18, 2008. The Company and its subsidiaries (together "the Group") are engaged in the following activities:

- Rental of national and imported vehicles with or without a driver - "Fleet" and "RAC" segments (Locamerica, Unidas S.A., Unidas Agro Locação de Veículos S.A. and Unidas Veículos Especiais S.A. (formerly Zetta Frotas S.A.).
- Purchase and resale of used vehicles (Acelero Comércio de Veículos S.A. and Unidas Comercial de Veículos S.A.);
- Third-party fleet management and business intermediation in general (Agile Gestão de Frotas e Serviços S.A. and Unidas S.A.);
- Franchise management (Unidas Franquias do Brasil S.A.);

The Group has its registered office at Alameda Santos, 438 - district of Cerqueira César, in the city of São Paulo, State of São Paulo, and operates in a number of Brazilian states through its branches. Its main operating bases are located in the States of São Paulo, Minas Gerais, Rio de Janeiro, and Paraná.

The Company is listed on the São Paulo Stock Exchange (B3) and, due to the Corporate Governance practices adopted, its shares are traded in the special listing segment Novo Mercado (New Market), under the ticker symbol LCAM3.

At September 30, 2020, the Group's fleet comprised 158,320 vehicles (164,588 vehicles at December 31, 2019) (data not reviewed). The Company's fleet is renewed after the end of the vehicles' economic useful lives, which range from 12 to 50 months, according to the characteristics of the vehicles rented and the terms of the agreements entered into with customers. After the end of their useful lives, the vehicles are sold either to independent dealers, who have their own points of sale, or in the Group's own stores.

#### a) Subsidiaries and consolidated companies

Name	Country	Relationship	Direct ownership interest - %	Indirect ownership interest - %
Acelero Comércio de Veículos S.A.	Brazil	Subsidiary	100	
Agile Gestão de Frotas e Serviços S.A.	Brazil	Subsidiary	100	
Unidas Agro Locação de Veículos S.A.	Brazil	Subsidiary	100	
Unidas S.A.	Brazil	Subsidiary	100	
Unidas Comercial de Veículos S.A.	Brazil	Subsidiary	100	
Unidas Franquias do Brasil S.A.	Brazil	Subsidiary	100	
Unidas Veículos Especiais S.A. (formerly Zetta Frotas S.A.).	Brazil	Subsidiary	100	
Costa Dourada Veículos Ltda.	Brazil	subsidiary		100
Amorim & Amorim Ltda.	Brazil	subsidiary		100

**Acelero Comércio de Veículos S.A.** - Wholly-owned subsidiary of Locamerica, engaged in the resale of semi-new vehicles and headquartered in the city of and State of São Paulo.

**Agile Gestão de Frotas e Serviços S.A.** - Wholly-owned subsidiary of Locamerica, operating in the fleet management segment and headquartered in the city of Belo Horizonte, State of Minas Gerais.

# Companhia de Locação das Américas

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**Unidas Agro Locação de Veículos S.A.** - Wholly-owned subsidiary of Locamerica, engaged in the rental of fleet vehicles to the Agribusiness segment, and headquartered in Belo Horizonte, State of Minas Gerais.

**Unidas S.A.** - Wholly-owned subsidiary of Locamerica, operating in the fleet rental and rent-a-car (RAC) segments, and headquartered in the city of São Paulo, State of São Paulo.

**Unidas Comercial de Veículos S.A.** - Wholly-owned subsidiary of Locamerica, engaged in the resale of semi-new vehicles and headquartered in the city and State of São Paulo.

**Unidas Franquias do Brasil S.A.** - Wholly-owned subsidiary of Locamerica, engaged in the Franchise segment in Brazil, and headquartered in the city and State of São Paulo.

**Unidas Veículos Especiais S.A. (formerly Zetta Frotas S.A.).** - Wholly-owned subsidiary of Locamerica, operating in the fleet rental and rent-a-car (RAC) segments, and headquartered in the city and State of São Paulo.

**Costa Dourada Veículos Ltda.** - Indirect subsidiary of Locamerica, through Unidas Veículos Especiais S.A., engaged in the fleet segment, and headquartered in Maceió, State of Alagoas.

**Amorim & Amorim Ltda.** - Indirect subsidiary of Locamerica, through Unidas Veículos Especiais S.A., engaged in the fleet rental segment, and headquartered in Maceió, State of Alagoas.

### b) Approval of the interim financial statements

The issue of this quarterly information was authorized by the Board of Directors and Statutory Audit Board on October 26, 2020.

#### 1.1 Impacts of the Coronavirus (Covid-19)

The novel Coronavirus (Covid-19) epidemic began in Wuhan, China, and was first reported by national authorities to the World Health Organization (WHO) on December 30, 2019.

On March 11, 2020, the WHO officially declared the Covid-19 a global pandemic, recommending social distancing.

In the same period, in view of the unfolding events, the Company issued guidelines to ensure compliance with the measures locally adopted, and implemented a number of actions and procedures to prevent and mitigate the effects of contamination in the workplace, which remain in force up to the reporting date, and include:

- All administrative staff started to work remotely, and to that end, notebooks were purchased, and access to VPN systems was extended, without interrupting the operations in progress;
- Recommendation of the use of masks, including for asymptomatic individuals, in addition to the distribution of masks at Semi-new and RAC stores;
- Suspension of air travels and postponement of selected discretionary expenses;
- Adoption of the first measures authorized by the Government, such as: (a) implementation of compensatory time off (to be offset in 18 months); (b) anticipation of vacation periods; and (c)



# Companhia de Locação das Américas

## Notes to the quarterly information at September 30, 2020

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postponement of payment of taxes, such as the Government Severance Indemnity Fund for Employees (FGTS);

- Contracting of new borrowings, aimed to maintain a healthy level of leverage for the timely settlement of the obligations.

As from the second half of 2020, measures started to be taken by the Brazilian states to allow for a relaxation of the rules initially adopted, and, with the agreement of municipal governments, there has been a gradual resumption of economic activities.

### 1.1.1 Impacts on the business and impairment analysis

Management analysis has concluded that the Covid-19 pandemic significantly affected the demand for its products and services, mainly in the car rental (RAC) and semi-new segments, while the fleet outsourcing segment has not been significantly impacted so far.

In view of the scenario caused by the pandemic, and due to the social distancing measures implemented by the authorities, the Company reviewed impairment indicators and projected a temporary decline in the revenue and volume of sales of semi-new vehicles, which resulted in the need for recognizing a provision for impairment of these assets in the second quarter of 2020.

Based on management's analyses of the current market conditions, and the impact of the Covid-19 pandemic on sales of semi-new vehicles, impairment of part of the Group's available-for-sale vehicles was recorded for the second half of 2020, at the amounts of R\$845 in the parent company and R\$ 24,545 in the consolidated. Up to September 30, 2020, of the amount recorded as impaired, R\$239 and R\$23,123 had been realized through sales of vehicles in the parent company and consolidated, respectively, and R\$606 and R\$1,422 had been accrued in the balance sheet within "Vehicles being decommissioned for fleet renewal" in the parent company and consolidated, respectively.

Management based its analyses not only on the economic and financial impacts caused by or expected from the crisis, but also on the current and projected market values of these assets and the cash they may generate. The recoverable value of these assets, and consequently the impairment loss, is calculated as the higher of the asset's value in use and its fair value less selling expenses.

The Group reviewed indicators of impairment, estimated losses on trade receivables, assets and liabilities, and did not identify any impairment loss in respect of assets and liabilities to be recognized as a result of the reduction in its activities due to the pandemic.

In order to maintain transparency with the market and its regulators in a constantly changing scenario, the Group will continuously update information related to the potential impacts of Covid-19, monitoring trends in macroeconomic and business variables, and carrying out stress tests on its operations, so as to obtain the best estimate, in real time, of the potential impacts, and allow their mitigation through reaction and contingency plans.

### 1.2 Business combination between Unidas and Localiza Rent a Car S.A.

On September 22, 2020, the Company and Localiza Rent a Car S.A. (Localiza) entered into an Agreement for Merger of Shares ("Agreement"), setting forth the terms and conditions to carry out a

# **Companhia de Locação das Américas**

## **Notes to the quarterly information**

**at September 30, 2020**

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business combination between the two companies, through the merger of Unidas' shares into Localiza ("Merger of Shares" or "Transaction").

The Transaction will bring together well-known shareholders with extensive experience in the industry, combining talents to provide innovative mobility solutions through the creation of a player with global scale, committed to the highest levels of governance and with the ambition to provide the best customer experience, by increasing the access of the population and of companies to car rental services. From the economic and financial perspective, the integration of the companies' businesses will provide for synergies and efficiency gains in the combined company resulting from the Merger of Shares ("Combined Company").

Subject to the terms and conditions set forth in the Agreement, as of the date of completion of the Merger of Shares ("Closing Date"), the shareholders of Unidas will receive 0.44682380 common share of Localiza to replace each common share of Unidas held by them as at the Closing Date ("Exchange Ratio").

Based on the Exchange Ratio, which was negotiated on an arm's length basis, considering the assumptions provided for in the Agreement, the shareholders of Localiza would jointly hold 76.85000004% of the total and voting share capital of the Combined Company, and the shareholders of Unidas, 23.14999996% of the total and voting share capital of the Combined Company.

The exchange ratio will be adjusted for possible splits, reverse splits and share-based compensation of the companies and dividends declared by each company between the execution date and the Closing Date.

The Transaction is contingent on the approval of the companies' shareholders at their respective General Shareholders' Meetings, the approval of the Merger of Shares by the Brazilian Administrative Council for Economic Defense (CADE), either without restrictions or with restrictions that are acceptable to the Parties in compliance with the terms and conditions of the Agreement, and the verification of other usual conditions precedent for transactions of this nature.

## **2 Summary of significant accounting policies**

The quarterly information disclose all (and only) the applicable significant information related to the financial statements, which is consistent with the information utilized by management in the performance of its duties.

### **2.1 Basis of preparation**

The quarterly information has been prepared under the historical cost convention, as modified by certain financial assets and liabilities (including derivative instruments) measured at fair value. The quarterly information has been prepared in accordance with Technical Pronouncement CPC 21(R1) - Interim Financial Statements, International Standard IAS 34 - Interim Financial Reporting issued by the IASB, and the standards issued by the Brazilian Securities Commission (CVM) applicable to the preparation of Quarterly Information (ITR).

# **Companhia de Locação das Américas**

## **Notes to the quarterly information at September 30, 2020**

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The preparation of quarterly information requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the quarterly information, are disclosed in Note 3.

The interim financial information should be read together with the annual financial statements approved by the Executive Board and Board of Directors on March 12, 2020, and filed on the same date.

The parent company and consolidated statements of value added, whose presentation is required by the Brazilian corporate legislation and the accounting practices adopted in Brazil for listed companies, have been prepared in accordance with the criteria defined in Technical Pronouncement CPC 09 - Statement of Value Added. Under the IFRS, the presentation of this statement is not required, being considered supplementary information and not part of the set of financial statements.

### **2.2 Segment reporting**

Operating segments are defined as components that carry out business activities: (i) that may earn revenue and incur expenses; (ii) whose operating results are reviewed regularly by management in the decision-making processes; and (iii) for which separate financial information is available.

The Group has defined two operating segments, which are managed separately, based on the reports used for strategic decision-making by the Executive Board and Board of Directors.

Accordingly, management considers that the Company's operations are divided into the following two identifiable operating segments: (i) rental of vehicles under long-term contracts ("Fleet"); and (ii) rental of vehicles under short-term contracts ("RAC" or "rent-a-car"), carried out by its direct subsidiary Unidas S.A. The Group's management understands that the fleet renewal activity (semi-new vehicles) is not a separate operating segment, as it is inherent in the operations of the Fleet and RAC segments.

### **2.3 New standards, amendments and interpretations to standards**

#### **2.3.1 Recently issued accounting pronouncements and interpretations**

The following amendments to standards issued by the IASB have been effective since January 1, 2020.

##### **a) Conceptual Framework**

In March 2018, the IASB published its revised Conceptual Framework for Financial Reporting, replacing the earlier version issued in 2010. Key changes included:

- increasing the prominence of stewardship in the objective of financial reporting;
- reinstating prudence as a component of neutrality;
- defining a reporting entity;
- revising the definitions of an asset and a liability;
- removing the probability threshold for recognition, and adding guidance on derecognition;
- adding guidance on the information provided by different measurement bases; and
- stating that profit or loss is the primary performance indicator and that, in principle, income and expenses in other comprehensive income should be recycled where this enhances the relevance or faithful representation of the financial statements.

# Companhia de Locação das Américas

## Notes to the quarterly information

at September 30, 2020

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No changes will be made to any of the current accounting standards. However, entities that rely on the Conceptual Framework in determining their accounting policies for transactions, events or conditions that are not otherwise dealt with under a specific accounting standard will need to apply the revised Conceptual Framework from January 1, 2020. These entities will need to consider whether their accounting policies are still appropriate under the revised Conceptual Framework.

**b) Amendments to IAS 1 - "Presentation of Financial Statements" and IAS 8 - "Accounting Policies, Changes in Accounting Estimates and Errors":**

In October 2018, the IASB issued the definition of "material" and made important amendments to IAS 1 and IAS 8, the revised versions of which became effective from January 1, 2020. The definition of "material" helps entities determine whether the information about an item, transaction, or other event should be provided to the users of their financial statements. However, as such definition may not always be objective, judgment may be required regarding materiality in the preparation of the financial statements. The amendments were made to align the wording of the definition of "material" throughout the IFRS, including in the Conceptual Framework.

**c) Amendments to IFRS 3 - "Business Combinations"**

In October 2018, the IASB issued an amendment to IFRS 3 regarding the definition of "business", with effective date on January 1, 2020. The amendment (i) confirms that a business must include inputs and substantive processes that together significantly contribute to the ability to create outputs; (ii) provides a test that may be used to analyze whether an entity acquired a group of assets, instead of a business; and (iii) provides more specific definitions for outputs, whose focus is now the generation of return by means of products sold and services rendered to customers, excluding returns in the form of cost reduction and other economic benefits.

**d) Revision of Technical Pronouncement CPC 06 (R2) - Leases**

In May 2020, the IASB issued amendments to IFRS 16 - Leases related to benefits granted to lessees under lease agreements due to the effects arising from the economic slowdown caused by the Covid-19 pandemic. On July 7, 2020, CVM Resolution 859/20 approved Technical Pronouncement CPC 06 (R2) - Leases, which is equivalent to IFRS 16 and applies to years beginning on or after January 1, 2020.

As a practical expedient, the lessee may choose not to assess whether a Covid-19 related benefit granted under a lease agreement is a modification of the original agreement and, therefore, account for the resulting changes in lease payments as profit/loss for the period. The Company and its subsidiaries applied the practical expedient to all the benefits granted under lease agreements, in accordance with the requirements of Resolution 859/20, and the resulting amounts of R\$ 375 (parent company) and R\$ 8,333 (consolidated) were recognized in the statement of income at September 30, 2020.

### 2.3.2 New standards that are not yet effective

There are no other IFRS or IFRIC interpretations that are not yet effective, which would be expected to have a material impact on the Company's financial statements.

# **Companhia de Locação das Américas**

## **Notes to the quarterly information at September 30, 2020**

All amounts in thousands of reais unless otherwise stated

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### **3 Critical accounting estimates and judgments**

Accounting estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Based on assumptions, the Group makes estimates concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are addressed below, and did not change significantly from those disclosed in the notes to the financial statements at December 31, 2019, published on March 12, 2020, and filed on the same date.

### **4 Financial risk and fair value management**

#### **4.1 Financial risk factors**

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, and cash flow or fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by the Group's Treasury department, which identifies, assesses and seeks to protect the Group against potential financial risks.

The Executive Board has overall responsibility for establishing and overseeing the Group's risk management framework, and regularly reports on its activities to the Board of Directors.

The Group's risk management practices are established in order to identify and analyze the risks, define risk limits and controls, and monitor risks and adherence to the limits. The Group's management has established specialized committees that are in charge of addressing critical business topics, and has implemented an internal control system that contributes to the achievement of the Group's operational and strategic goals.

#### **(a) Market risk**

##### **(i) Cash flow and fair value interest rate risk**

This risk arises from the possibility that the Group may obtain gains or incur losses due to fluctuations in interest rates to which its financial assets and liabilities are subject. Aiming to mitigate this risk, the Group seeks to diversify its funding strategy in terms of fixed and floating rates contracted with financial institutions.

The Group carries out transactions with financial instruments, which are managed through operating strategies and internal controls aimed at ensuring liquidity, profitability and security. Financial instruments for hedging purposes are entered into based on a periodic analysis of the risk exposure that management intends to mitigate (exchange rate, interest rate), which is reviewed by the Executive Board for approval and implementation of the strategy presented. Management's control policy consists of the

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ongoing monitoring of the conditions contracted against the conditions prevailing in the market. The Group did not invest in derivatives or any other risk assets for speculative purposes. The results obtained from these transactions are consistent with the practices and strategies defined by the Group's management.

In conformity with its financial risk management practice, the Group enters into derivative financial instruments for the purpose of maintaining the interest rate exposure of its finance costs within certain levels.

On the reporting date, the profile of the Group's interest-earning financial instruments was as follows:

Carrying amount	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
Financial assets	712,623	1,367,912	2,590,768	2,005,899
Financial liabilities	(2,181,924)	(1,957,560)	(5,266,433)	(4,695,220)
<b>Net exposure (CDI and IPCA)</b>	<b>(1,469,301)</b>	<b>(589,648)</b>	<b>(2,675,665)</b>	<b>(2,689,321)</b>

#### (ii) Foreign exchange risk

Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities, and net investments in foreign operations. In conformity with its financial risk management policy, the Company enters into derivative financial instruments to hedge its exchange rate exposure through a currency swap for active contracts. At September 30, 2020, the Company had no material operations subject to foreign exchange risk.

#### (iii) Derivative financial instruments

During the period ended September 30, 2020, exclusively for hedging purposes, the Group entered into swap transactions, which exchange the CDI rate variation (100%) for a fixed rate. The fair value of the swaps was determined by using prices quoted in an active market for identical financial instruments. The instruments were segregated in order to demonstrate the asset and liability effect on each group of instruments.

The mark-to-market of derivative financial instruments (hedge accounting) is recognized in the statement of comprehensive income and only charged to profit or loss for the period in which the derivative financial instruments are settled.

# Companhia de Locação das Américas

## Notes to the quarterly information at September 30, 2020

All amounts in thousands of reais unless otherwise stated

							Parent company		
At September 30, 2020					Interest (accrual)			Mark-to-market	
Transactions	Period	Notional	Asset position	Liability position	Assets	Liabilities	Net	Assets	Liabilities
CDI x Fixed rate	11 to 60 months	1,150,357	100% to 119% of CDI	3.10% to 10.64% p.a.	1,154,360	(1,162,686)	(8,326)	12,329	(45,692)
						Current liabilities	(8,326)		(33,363)
							Consolidated		
At September 30, 2020					Interest (accrual)			Mark-to-market	
Transactions	Period	Notional	Asset position	Liability position	Assets	Liabilities	Net	Assets	Liabilities
CDI x Fixed rate	11 to 60 months	1,386,504	100% to 119% of CDI	3.10% to 12.32% p.a.	1,351,080	(1,361,054)	(9,974)	14,824	(53,724)
SWAP 4131	60 months	188,500	FX variations + (3-month LIBOR +0.40%) x (*)	109.7% of CDI	283,475	(189,228)	94,247	276,548	(193,180)
SWAP 4131	48 months	252,480	FX variations + (3-month LIBOR +0.87%) x (*)	CDI+0.82% p.a.	282,731	(252,669)	30,062	281,669	(257,500)
					1,917,286	(1,802,951)	114,335	573,041	(504,404)
						Non-current assets	124,300		107,530
						Current liabilities	(9,965)		(38,893)
							Parent company		
At December 31, 2019					Interest (accrual)			Mark-to-market	
Transactions	Period	Notional	Asset position	Liability position	Assets	Liabilities	Result	Assets	Liabilities
CDI x Fixed rate	11 to 48 months	1,168,873	100% to 113% of CDI	4.82% to 11.13%	1,179,442	(1,184,665)	(5,523)	15,792	(46,639)
						Current liabilities	(5,523)		(30,847)
							Consolidated		
At December 31, 2019					Interest (accrual)			Mark-to-market	
Transactions	Period	Notional	Asset position	Liability position	Assets	Liabilities	Result	Assets	Liabilities
CDI x Fixed rate	11 to 48 months	1,374,804	100% to 117.5% of CDI	4.82% to 12.32%	1,386,944	(1,393,183)	(6,239)	18,379	(54,400)
SWAP 4131	60 months	188,500	FX variations + (3-month LIBOR +0.40%) x 1.176471	109.7% of CDI	202,519	(190,199)	12,320	13,452	(6,207)
					1,589,463	(1,583,382)	6,081	31,831	(60,607)
						Current liabilities	6,081		(28,776)

# Companhia de Locação das Américas

## Notes to the quarterly information at September 30, 2020

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### (b) Credit risk

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and other financial institutions, as well as from credit exposures to customers, including outstanding receivables and repurchase agreements. For banks and other financial institutions, only securities that are in accordance with the Company's investment policy are accepted.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9/CPC 48 to measure expected credit losses, considering a provision for losses expected over the useful life of all its trade receivables. The credit analysis department assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with the limits set by the Group. The utilization of credit limits is regularly monitored.

No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by these counterparties in excess of the amounts already provisioned.

The carrying amount of financial assets represents the Company's maximum exposure to credit risk. On the reporting date, the maximum exposure to credit risk was as follows:

		Parent company		Consolidated	
		9/30/2020	12/31/2019	9/30/2020	12/31/2019
Cash and cash equivalents	Note 5 a	676,374	1,255,550	2,179,481	1,770,114
Marketable securities	Note 5 b	39,781	115,250	186,735	244,580
Trade receivables	Note 6	157,468	151,265	497,962	474,077
Related parties	Note 17 b	71,701	1,986	23,948	34,747
Dividends receivable	Note 17 b		49,013		
Other receivables		6,047	11,787	17,265	20,251
<b>Total</b>		<b>951,371</b>	<b>1,584,851</b>	<b>2,905,391</b>	<b>2,543,769</b>

### (i) Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired is assessed by reference to external credit ratings, for cash and cash equivalents and marketable securities, or to historical information about counterparty default rates:

### Cash and cash equivalents and marketable securities

Bank deposits in current accounts	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
AAA	3,364	1,411	5,423	6,518
AA	3	1,322	1,177	1,827
AA-		2		6
A	12		39	
A-				79
Cash	153	153	639	365
<b>Total cash on hand and at banks' current accounts</b>	<b>3,532</b>	<b>2,888</b>	<b>7,278</b>	<b>8,795</b>



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Financial investments	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
AAA	552,146	1,233,641	2,010,383	1,551,782
AA	120,696	962	161,820	191,242
A		6		6
AA-		18,053		18,289
<b>Total financial investments</b>	<b>672,842</b>	<b>1,252,662</b>	<b>2,172,203</b>	<b>1,761,319</b>
<b>Total cash and cash equivalents</b>	<b>676,374</b>	<b>1,255,550</b>	<b>2,179,481</b>	<b>1,770,114</b>

Marketable securities	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
AAA	2,473	5,398	149,427	27,802
AA	37,308		37,308	
A+		109,852		216,778
<b>Total marketable securities</b>	<b>39,781</b>	<b>115,250</b>	<b>186,735</b>	<b>244,580</b>

#### (ii) Trade receivables

The Group's exposure to credit risk is mainly influenced by the individual characteristics of each customer. The Group's customers are widely spread, and the largest customer represents only 2% of total revenue for the year, and 2% of total trade receivables. Therefore, the Group does not consider that its receivables are concentrated, and the Executive Board conducts periodic analyses, with the objective of spreading the customer base even more.

In Note 6, the Group presents its receivables portfolio by maturity range, and the amount recorded in the provision for impairment of trade receivables.

#### (c) Liquidity risk

Liquidity risk is the risk that the Group may have difficulty in fulfilling the obligations associated with its financial liabilities that are to be settled in cash or through other financial assets. The Group's approach to managing liquidity is to ensure, to the maximum extent possible, sufficient liquidity to pay its obligations as they fall due, under normal or stress conditions, without incurring unacceptable losses or adversely affecting its reputation.

The contractual exposures of financial liabilities, including estimated interest payments, and excluding the impact of currency trading agreements at the net position are as follows:

## Companhia de Locação das Américas

### Notes to the quarterly information at September 30, 2020

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		Parent company					
		9/30/2020	Contractual flow	Up to 12 months	From 2 to 5 years	Over 5 years	Total
Liabilities							
Trade pay ables	Note 13	321,055	321,055	321,055			321,055
Assignment of credits by suppliers	Note 14	333,602	340,303	340,303			340,303
Borrowings and debentures	Note 15	2,140,235	2,332,044	426,097	1,905,947		2,332,044
Derivative financial instruments	Note 4.1a	41,689	41,689	41,689			41,689
Property leases	Note 11b	10,608	12,355	5,045	6,309	1,001	12,355
Dividends and interest on capital	Note 18f	128,022	128,022	128,022			128,022
Related parties	Note 17b	3,119	3,119	3,119			3,119
Other pay ables		21,508	21,508	20,229	1,279		21,508
Total		2,999,838	3,200,095	1,285,559	1,913,535	1,001	3,200,095

		Consolidated					
		9/30/2020	Contractual flow	Up to 12 months	From 2 to 5 years	Over 5 years	Total
Liabilities							
Trade pay ables	Note 13	1,163,008	1,163,008	1,163,008			1,163,008
Assignment of credits by suppliers	Note 14	950,677	966,504	966,504			966,504
Borrowings and debentures	Note 15	5,217,575	5,221,267	706,298	4,297,336	217,633	5,221,267
Derivative financial instruments	Note 4.1a	48,858	48,858	48,858			48,858
Property leases	Note 11b	136,656	160,837	49,751	110,518	568	160,837
Dividends and interest on capital	Note 18f	128,022	128,022	128,022			128,022
Related parties	Note 17b	8,435	8,435	8,435			8,435
Other pay ables		85,133	85,133	78,558	6,575		85,133
Total		7,738,364	7,782,064	3,149,434	4,414,429	218,201	7,782,064

# Companhia de Locação das Américas

## Notes to the quarterly information at September 30, 2020

All amounts in thousands of reais unless otherwise stated

### (d) Additional sensitivity analysis required by the CVM

The Group entered into swaps with financial institutions to hedge its exposure to floating interest rates. According to a Sensitivity Analysis conducted by the Group, the effects on its results of an increase of 25% and 50% in the CDI, IPCA and LIBOR for financial assets and liabilities linked to those rates would be as follows:

		Parent company					
		Probable scenario		Possible scenario		Remote scenario	
	9/30/2020	Index	Rate (%)	Gain (Loss)	Rate (%)	Gain (Loss)	Rate (%)
Financial investments and marketable securities	712,623	CDI	2.32%	10,867	2.90%	13,518	3.48%
Derivative financial instruments	(41,689)	CDI x Fixed rate	2.32%	(39,443)	2.90%	(33,085)	3.48%
Borrowings and debentures	(2,140,235)	CDI+Spread	2.32%	(65,126)	2.90%	(75,236)	3.48%
<b>Net effect on results</b>				(93,702)		(94,803)	
<b>Change in profit or loss in relation to the probable scenario</b>						(1,101)	
		Consolidated					
		Probable scenario		Possible scenario		Remote scenario	
	9/30/2020	Index	Rate (%)	Gain (Loss)	Rate (%)	Gain (Loss)	Rate (%)
Financial investments and marketable securities	2,358,938	CDI	2.32%	33,820	2.90%	42,193	3.48%
Derivative financial instruments	182,972	CDI x Fixed rate and 3M Libor x CDI	2.32%	(55,448)	2.90%	(48,715)	3.48%
Borrowings and debentures (*)	(4,533,669)	CDI+Spread	2.32%	(124,804)	2.90%	(136,060)	3.48%
Borrowings and debentures (*)	(564,209)	3M Libor	0.23%	(7,931)	0.29%	(8,934)	0.35%
Borrowings and debentures (*)	(105,519)	IPCA	3.21%	(10,825)	4.01%	(11,541)	4.82%
<b>Net effect on results</b>				(165,188)		(163,057)	
<b>Change in profit or loss in relation to the probable scenario</b>						2,131	

(\*) Transaction subject to fixed interest rate.

## Companhia de Locação das Américas

### Notes to the quarterly information at September 30, 2020

All amounts in thousands of reais unless otherwise stated

#### 4.2 Capital management

The Executive Board's policy is to maintain a solid capital basis to preserve the trust of the shareholders, creditors and the market, and sustain the future development of the business. Capital is the sum of resources obtained from the shareholders and financial institutions, net of cash and cash equivalents.

The Executive Board seeks to maintain a balance between the highest return possible from adequate levels of borrowings, and the advantages and security afforded by a sound capital position.

The Group's consolidated net debt-to-capital ratio at the end of the year/period was as follows:

		Parent company		Consolidated	
		9/30/2020	12/31/2019	9/30/2020	12/31/2019
Borrowings, debentures, and derivative liabilities	Notes 15 and 4.1a	(2,181,924)	(1,957,560)	(5,266,433)	(4,695,220)
(-) Cash and cash equivalents, marketable securities and derivative assets	Notes 5a, 5b and 4.1a	716,155	1,370,800	2,598,046	2,014,694
<b>Net debt</b>		<u>(1,465,769)</u>	<u>(586,760)</u>	<u>(2,668,387)</u>	<u>(2,680,526)</u>
Total equity	Note 18	<u>(4,049,793)</u>	<u>(3,904,411)</u>	<u>(4,049,793)</u>	<u>(3,904,411)</u>
<b>Total capitalization</b>		<u>(5,515,562)</u>	<u>(4,491,171)</u>	<u>(6,718,180)</u>	<u>(6,584,937)</u>
<b>Third-party capital to total capital ratio</b>		27%	13%	40%	41%

There were no changes in the Group's approach to capital management during the period. The Group manages its capital requirements on an aggregate basis.

## Companhia de Locação das Américas

### Notes to the quarterly information at September 30, 2020

All amounts in thousands of reais unless otherwise stated

Changes in net debt at September 30, 2020 were as follows:

	Parent company				
	Borrowings and debentures	Derivative financial instruments	Total debt	Cash and cash equivalents and marketable securities	Net debt
At January 1, 2020	(1,921,190)	(36,370)	(1,957,560)	1,370,800	(586,760)
<b>Changes affecting cash flow</b>					
Proceeds from borrowings	(300,000)		(300,000)	300,000	
Repayment of principal of borrowings	75,076		75,076	(75,076)	
Payment of interest on borrowings	72,959		72,959	(72,959)	
Funding costs disbursed during the period	1,506		1,506	(1,506)	
Cash effect of derivative financial instrument		31,452	31,452	(31,452)	
Other receipts (payments)				(773,652)	(773,652)
<b>Changes not affecting the cash flow</b>					
Interest on borrowings and funding costs charged to profit or loss	(68,586)		(68,586)		(68,586)
Effect of derivative financial instrument		(33,218)	(33,218)		(33,218)
MtM effect - hedge accounting		(3,553)	(3,553)		(3,553)
At September 30, 2020	(2,140,235)	(41,689)	(2,181,924)	716,155	(1,465,769)

## Companhia de Locação das Américas

### Notes to the quarterly information at September 30, 2020

All amounts in thousands of reais unless otherwise stated

	Consolidated				
	Borrowings and debentures	Derivative financial instruments	Total debt	Cash and cash equivalents and marketable securities	Net debt
At January 1, 2020	(4,672,525)	(22,695)	(4,695,220)	2,014,694	(2,680,526)
<b>Changes affecting cash flow</b>					
Proceeds from borrowings	(552,480)		(552,480)	552,480	
Repayment of principal of borrowings	215,957		215,957	(215,957)	
Payment of interest on borrowings	169,723		169,723	(169,723)	
Funding costs disbursed during the period	3,550		3,550	(3,550)	
Cash effect of derivative financial instrument		39,874	39,874	(39,874)	
Other receipts (payments)				225,799	225,799
<b>Changes not affecting cash flow</b>					
Balance arising from the acquisition of Unidas Veículos Especiais S.A.	(113,827)		(113,827)	2,347	(111,480)
Interest on borrowings and funding costs charged to profit or loss	(156,708)		(156,708)		(156,708)
Foreign exchange variation	(111,265)	111,265			
Effect of derivative financial instrument		(41,846)	(41,846)		(41,846)
Effect of MtM- hedge accounting		96,374	96,374		96,374
At September 30, 2020	(5,217,575)	182,972	(5,034,603)	2,366,216	(2,668,387)

## Companhia de Locação das Américas

### Notes to the quarterly information at September 30, 2020

All amounts in thousands of reais unless otherwise stated

#### 4.3 Fair value estimation

The carrying values of trade receivables and payables, less impairment provision in the case of trade receivables, are assumed to approximate their fair values.

Management understands that the carrying amounts of other financial instruments recognized in the financial statements do not differ significantly from their fair values, as the maturity dates of these instruments are close to the reporting date.

##### (i) Share-based compensation plan

The fair value of employee stock options and share appreciation rights are measured using the Black-Scholes option pricing model. This model takes into consideration measurement variations that include the fair value at the measurement date, the instrument's exercise price, the expected volatility based on competitors' share prices for Plans contracted before the Company's IPO and the volatility of the Company's shares for Plans after the IPO, the weighted average life of the instruments, expected dividends and risk-free interest rates (based on government bonds), and total capital shares. Non-market service and performance conditions inherent in the transactions are not taken into account when determining fair value. Non-market service and performance conditions inherent in the transactions are not taken into account when determining fair value.

The fair value of the options granted to the Group's executive managers is measured on the grant date, and the expense is recognized in the statement of income during the vesting period, after certain specific conditions are met. The Group's management reviews the estimates with respect to the number of options at the balance sheet dates, the rights of which should be recognized, based on pre-defined conditions, in profit or loss for the period, with a corresponding entry to equity, where applicable.

##### (ii) Main financial instruments contracted and their respective fair values

	Parent company			
	9/30/2020		12/31/2019	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Liabilities at amortized cost</b>				
Borrowings and debentures (Note 15)	(2,140,235)	(2,039,931)	(1,921,190)	(1,927,060)
	Consolidated			
	9/30/2020		12/31/2019	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Liabilities at amortized cost</b>				
Borrowings and debentures (Note 15)	(5,217,575)	(5,026,202)	(4,672,525)	(4,705,584)

The fair values of borrowings and debentures was estimated by management considering the future value of the instruments on their maturity dates at the contracted rates, and discounted to present value by the market rate at September 30, 2020 (Level 2 Hierarchy).

Management understands that the carrying amounts of other financial instruments recognized in the financial statements do not differ significantly from their fair values, as the maturity dates of these instruments are close to the reporting date.

# Companhia de Locação das Américas

## Notes to the quarterly information at September 30, 2020

All amounts in thousands of reais unless otherwise stated

### 5 Cash and cash equivalents and marketable securities

#### (a) Cash and cash equivalents

	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
Cash and banks	3,532	2,888	7,278	8,795
agreements	672,842	1,252,662	2,172,203	1,761,319
<b>Total cash and cash equivalents</b>	<b>676,374</b>	<b>1,255,550</b>	<b>2,179,481</b>	<b>1,770,114</b>

Highly liquid short-term financial investments are readily convertible into a known amount of cash and are subject to immaterial risk of change in value. The Group has the option to early redeem the aforementioned financial investments, without facing any loss of return.

These financial investments comprise bank deposit certificates (CDBs) and securities purchased under resale agreements, with an average return of 101.80% of the Interbank Deposit Certificate (CDI) variation at September 30, 2020 (98.49% at December 31, 2019).

#### (b) Marketable securities

	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
Bank Deposit Certificates (CDBs)	1,131	5,398	148,085	27,802
Investment fund units	38,650	109,852	38,650	216,778
<b>Total marketable securities</b>	<b>39,781</b>	<b>115,250</b>	<b>186,735</b>	<b>244,580</b>
Current	39,217	113,910	186,171	243,240
Non-current	564	1,340	564	1,340

At September 30, 2020, the Group's marketable securities comprised investments in Funds, Bank Deposit Certificates and securities purchased under resale agreements, with an average return of 99.80% of the CDI rate variation in the parent company and 99.30% in the consolidated (98.49% in the parent company and consolidated at December 31, 2019).

The financial investments classified as Bank Deposit Certificates (CDBs) are subject to a redemption restriction for the purpose of providing collateral for the debentures of Companhia de Locação das Américas and its subsidiary Unidas S.A.

At September 30, 2020, there were no differences between the carrying amount and the fair value of marketable securities. Fair value measurement is presented in Note 4.3.



## Companhia de Locação das Américas

### Notes to the quarterly information at September 30, 2020

All amounts in thousands of reais unless otherwise stated

#### 6 Trade receivables

	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
Rentals (a)	160,735	144,904	535,246	333,656
Vehicles sold for fleet renewal (a)	5,922	11,193	42,742	200,457
	166,657	156,097	577,988	534,113
Adjustment to present value	(30)	(201)	(420)	(892)
receivables (a)	(9,159)	(4,631)	(79,606)	(59,144)
<b>Total</b>	<b>157,468</b>	<b>151,265</b>	<b>497,962</b>	<b>474,077</b>
Current	154,091	148,975	490,175	457,875
Non-current	3,377	2,290	7,787	16,202

The Group has trade receivables pledged as collateral for borrowings, as disclosed in Note 15.

In order to calculate the adjustment to present value, the Group used the Interbank Deposit (DI) fixed rate expected for the average maturity of its non-current receivables, increased by a spread of 3% p.a. (cost of debt), applied on the estimated contractual cash flows from receivables.

The maximum exposure to credit risk on the reporting date corresponds to the carrying amounts, as shown below:

	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
Not yet due	139,361	124,479	465,120	359,647
Overdue				
1 to 60 days	9,177	18,074	27,709	115,003
61 to 90 days	1,952	5,980	7,581	20,224
91 to 180 days	3,616	1,289	23,256	18,760
Over 180 days	12,551	6,275	54,322	20,479
	166,657	156,097	577,988	534,113

At September 30, 2020, trade receivables overdue but not impaired totaled R\$18,137 (R\$26,987 at December 31, 2019) in the parent company, and R\$33,262 (R\$115,322 at December 31, 2019) in the consolidated.

Changes in the provision for impairment of trade receivables at September 30, 2020 were as follows:

	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
Balance at the beginning of the period/year	(4,631)	(53,186)	(59,144)	(175,463)
Balance arising from the acquisition of Unidas Veículos Especiais			(7,458)	
Provision recorded in the period/year	(5,590)	(2,066)	(53,968)	(34,171)
Amount reversed/written off in the period/year	1,062		8,343	
Reclassification of estimated impairment loss on trade		50,621	32,621	150,490
Balance at the end of the period/year	(9,159)	(4,631)	(79,606)	(59,144)

## Companhia de Locação das Américas

### Notes to the quarterly information at September 30, 2020

All amounts in thousands of reais unless otherwise stated

The expense incurred with the constitution of the provision for impairment of trade receivables was recognized within "Selling expenses" in the statement of income for the year. Receivables that are no longer expected to be recovered are written off.

#### (a) Presentation of trade receivables

In order to improve the presentation and interpretation of its financial information, the Group disclosed the net balances of trade receivables overdue for more than 365 days and fully provided for (R\$ 50,621 and R\$ 183,111 at September 30, 2020 in the parent company and consolidated, respectively, and R\$ 50,621 and R\$ 150,490 at December 31, 2019, in the parent company and consolidated, respectively), without any impacts on the net balance of trade receivables. The change in the presentation of this explanatory note did not impact the internal procedures for administrative and judicial collection of these receivables.

In accordance with this change in presentation, the comparative balances were restated as follows:

	Parent company			Consolidated		
	Originally presented	Reclassified	Adjusted	Originally presented	Reclassified	Adjusted
Rentals	189,570	(44,666)	144,904	475,393	(141,737)	333,656
Vehicles sold for fleet renewal	17,148	(5,955)	11,193	209,210	(8,753)	200,457
	206,718	(50,621)	156,097	684,603	(150,490)	534,113
Adjustment to present value	(201)		(201)	(892)		(892)
Estimated impairment loss on trade	(55,252)	50,621	(4,631)	(209,634)	150,490	(59,144)
Total	151,265		151,265	474,077		474,077

#### 7 Vehicles being decommissioned for fleet renewal and vehicles for resale

	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
Vehicles being decommissioned for fleet renewal	83,677	131,700	610,193	646,536
Provision for stolen and damaged vehicles			(123,851)	(172,551)
Vehicles for resale			7,803	20,780
Surplus on revaluation of inventories from Unidas S.A. (*)			49	140
Surplus on revaluation of inventories from Unidas Agro Locação de Veículos S.A. (**)			1,312	1,968
Adjustment to the recoverable value	(606)	(389)	(1,422)	(389)
<b>Total</b>	<b>83,071</b>	<b>131,311</b>	<b>494,084</b>	<b>496,484</b>
Vehicles being decommissioned for fleet renewal	83,071	131,311	486,281	475,704
Vehicles for resale			7,803	20,780

(\*) The amount of R\$266, relating to the surplus on revaluation of vehicles being decommissioned arising from the acquisition of Unidas S.A., was allocated to this line item.

(\*\*) The amount of R\$2,770, relating to the surplus on revaluation of vehicles being decommissioned arising from the acquisition of Unidas Agro Locação de Veículos S.A., was allocated to this line item.

The amount of R\$1,240, relating to the surplus on revaluation of vehicles being decommissioned arising from the acquisition of Unidas Veículos Especiais S.A (formerly Zetta Frotas S.A.), was allocated to this group of accounts and fully realized up to September 30, 2020.

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## Notes to the quarterly information at September 30, 2020

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The Group has policies and procedures in place to review and compare the carrying amount of vehicles that are being decommissioned for fleet renewal purposes with their fair value, net of the selling cost. When there are uncertainties as to the realization of the net realizable value, a provision for writing down the related amounts to their net realizable value is recorded.

None of the vehicles being decommissioned has been pledged as collateral. The vehicles pledged as collateral are disclosed in Note 10.

### 8 Current and deferred income tax and social contribution

#### (a) Deferred tax assets (liabilities) recognized

Changes in deferred taxes in the year ended December 31, 2019 and period ended September 30, 2020 were as follows:

	Parent company				
	12/31/2018	Changes in profit/loss	12/31/2019	Changes in profit/loss	9/30/2020
Estimated impairment loss on trade receivables	7,360	424	7,784	1,336	9,120
Adjustment to present value	101	(58)	43	39	82
Impairment of assets	146	1	147	59	206
Other provisions	1,258	242	1,500	3,811	5,311
Provision for contingencies	2,027	2,379	4,406	558	4,964
Financial instruments	2,712	1,178	3,890	(1,949)	1,941
Stock options	1,912	1,932	3,844	421	4,265
Debenture issuance costs	(11,059)	3,617	(7,442)	1,361	(6,081)
Lease	(5,121)	3,647	(1,474)	446	(1,028)
Depreciation	(88,712)	(21,130)	(109,842)	(42,795)	(152,637)
Hedge accounting (*)	6,649	4,591	11,240	700	11,940
Tax amortization of goodwill	(3,248)	(4,873)	(8,121)	(3,655)	(11,776)
Income tax and social contribution losses	41,512	22,502	64,014	38,063	102,077
Total	(44,463)	14,452	(30,011)	(1,605)	(31,616)

(\*) Hedge accounting effects do not impact profit or loss and are recognized in equity.

Breakdown of changes in deferred tax assets and liabilities:

Impact of the change in deferred taxes recorded in equity	700
Impact of changes in deferred taxes recorded in profit or loss (a)	(2,305)
Total changes in deferred taxes in the period	(1,605)

Changes in deferred taxes recorded against investments (amortization of revaluation surplus (deficit) (b)

Impact of deferred charges on profit or loss for the year = (a) + (b)	5,837
	3,532

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## Notes to the quarterly information at September 30, 2020

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	Consolidated				
	12/31/2018	Changes in profit/loss	12/31/2019	Changes in profit/loss	9/30/2020
Estimated impairment loss on trade receivables	24,378	11,084	35,462	39,501	74,963
Adjustment to present value	101	177	278	(65)	213
Impairment of assets	146		147	1,276	1,423
Other provisions	61,015	36,699	97,714	(30,767)	66,947
Provision for contingencies	2,027		14,244	(6,382)	7,862
Financial instruments	26,585	(19,985)	6,600	(7,971)	(1,371)
Stock options	2,225	3,650	5,875	2,571	8,446
Debt issuance costs	(11,059)	3,617	(7,442)	(956)	(8,398)
Lease	(5,121)	3,647	(1,474)	446	(1,028)
Depreciation	(218,402)	(114,330)	(332,732)	(81,681)	(414,413)
Hedge accounting (*)	8,397	3,216	11,613	(33,275)	(21,662)
Intangible assets arising from acquisition/merger of subsidiary	(2,687)	185	(2,502)		(2,502)
Tax amortization of goodwill	(19,024)	(5,703)	(24,727)	(3,926)	(28,653)
Income tax and social contribution losses	126,900	12,113	139,013	83,341	222,354
Deferred taxes arising from the business combination – Unidas S.A.	(15,475)	6,170	(9,305)	4,400	(4,905)
Deferred taxes arising from the business combination – Unidas Agro Locação			(3,642)	702	(2,940)
Deferred taxes arising from the business combination – Unidas Veículos Especiais S.A.				(7,255)	(7,255)
<b>Total</b>	<b>(19,994)</b>	<b>(59,460)</b>	<b>(70,878)</b>	<b>(40,041)</b>	<b>(110,919)</b>

(\*) Hedge accounting effects do not impact profit or loss and are recognized in equity.

Deferred taxes in non-current assets	37,580	37,580	30,003	(23,414)	6,589
Deferred taxes on non-current liabilities	(57,574)	(97,040)	(100,881)	(16,627)	(117,508)

Breakdown of changes in deferred tax assets and liabilities:

Deferred taxes arising from the acquisition of Unidas Veículos Especiais S.A.	(1,584)
Impact of changes in deferred taxes recorded in equity	(33,275)
Impact of changes in deferred taxes recorded in profit or loss	2,808
Deferred taxes arising from the business combination – Unidas Veículos Especiais S.A.	(7,990)
Total changes in deferred taxes in the period	(40,041)

The tax credits on income tax and social contribution losses are expected to be realized as follows:

	Parent company	Consolidated
Year	9/30/2020	9/30/2020
2020	3,936	36,170
2021	14,335	51,755
2022	19,196	62,445
From 2023	64,610	71,984
<b>Total</b>	<b>102,077</b>	<b>222,354</b>

The expected realization is determined based on estimates of taxable income for the following years, limited to 30% of the computed taxable profit. These tax credits may be carried forward indefinitely.

# Companhia de Locação das Américas

## Notes to the quarterly information at September 30, 2020

All amounts in thousands of reais unless otherwise stated

### (b) Current and deferred taxes on profit or loss

	Parent company		Consolidated	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019
Profit for the year before taxation	191,385	226,629	221,045	306,887
Statutory rates	34%	34%	34%	34%
Income tax and social contribution at the statutory rate	(65,071)	(77,054)	(75,155)	(104,342)
Adjustments to the nominal expense:				
Equity in the results of investees	18,908	51,156		
Interest on capital (paid)	48,556	42,066	48,556	42,066
Interest on capital (received)	(849)			
Write-off of tax losses	(3,966)		(3,966)	
Other additions, net	(442)	(655)	(1,959)	(2,469)
Income tax and social contribution expenses	(2,864)	15,513	(32,524)	(64,745)
Total deferred income tax and social contribution expenses (Note 8a)	3,532	15,513	2,808	(31,257)
Total current income tax and social contribution expenses	(6,396)		(35,332)	(33,488)
	(2,864)	15,513	(32,524)	(64,745)

## 9 Investments

### (a) Breakdown of investments

	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
Acelero Comércio de Veículos S.A.	38,691	11,335		
Agile Gestão de Frotas e Serviços S.A.	4,615	4,342		
Unidas S.A.	2,838,792	2,064,218		
Unidas Agro Locação de Veículos S.A.	288,327	264,977		
Unidas Franquias do Brasil S.A.	24,428			
Unidas Comercial de veículos S.A.	3,834			
Unidas Veículos Especiais S.A.	156,957			
Other investments		2		2
	3,355,644	2,344,874		2

The Extraordinary General Meeting held on January 1, 2020 discussed and approved the corporate restructuring of Unidas S.A., through the withdrawal of the subsidiaries Unidas Comercial de Veículos Ltda. and Unidas Franquias do Brasil S.A., which as from that date are directly linked to Companhia de Locação das Américas.

## Companhia de Locação das Américas

### Notes to the quarterly information at September 30, 2020

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#### (b) Changes in investments

	Acelero Comércio de Veículos S.A.	Agile Gestão de Frotas e Serviços S.A.	Unidas S.A.	Unidas Agro Locação de Veículos S.A.	Unidas Comercial de Veículos S.A.	Unidas Franquias do Brasil S.A.	Unidas Veículos Especiais S.A.	Other investments	Total
At December 31, 2019	11,335	4,342	2,064,218	264,977				2	2,344,874
Acquisition of investment					(8,161)	22,958	24,479		39,276
Write-off of investment in subsidiary			(14,797)					(2)	(14,799)
Acquisition of investment with treasury shares							32,443		32,443
Capital increase	28,140		700,000		16,855	10	95,578		840,583
Equity in the results of subsidiaries	(784)	273	27,482	26,156	(4,860)	1,460	5,884		55,611
Share-based compensation plan			4,478	1,055					5,533
Amortization of deficit on revaluation of contingencies			3,307						3,307
Amortization of surplus/deficit on revaluation of property and equipment, intangible assets, and Dividends receivable			(16,248)	(2,066)			(2,162)		(20,476)
Deferred charges on amortization of revaluation surplus			4,400	702			735		5,837
Hedge accounting - subsidiaries			65,952						65,952
At September 30, 2020	38,691	4,615	2,838,792	288,327	3,834	24,428	156,957		3,355,644

#### (c) Summarized financial information

The table below provides summarized financial information on the Company's subsidiaries:

	9/30/2020			
	Profit (loss)			
	for the			
	period			
	Assets	Liabilities	Equity	
Acelero Comércio de Veículos S.A.	40,561	(1,870)	(38,691)	(784)
Agile Gestão de Frotas e Serviços S.A.	4,930	(315)	(4,615)	273
Unidas S.A.	6,592,187	(4,420,039)	(2,172,148)	27,482
Unidas Agro Locação de Veículos S.A.	538,028	(313,993)	(224,035)	26,156
Unidas Comercial de Veículos S.A.	11,387	(7,553)	(3,834)	(4,860)
Unidas Franquias do Brasil S.A.	27,229	(2,801)	(24,428)	1,460
Unidas Veículos Especiais S.A.	395,961	(275,842)	(120,119)	5,884
Costa Dourada Veículos Ltda. (i)	18,691	(3,179)	(15,512)	1,304
Amorim & Amorim Ltda. (i)	7,832	(2,145)	(5,687)	148

(i) Indirect subsidiary

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### Notes to the quarterly information at September 30, 2020

All amounts in thousands of reais unless otherwise stated

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- (d) Business combination - Acquisition of equity interest in Unidas Veículos Especiais S.A. (formerly Zetta Frotas S.A.)

On April 10, 2020, the Company entered into an Investment Agreement under which it acquired 18,940,000 common shares issued by Unidas Veículos Especiais S.A. (formerly Zetta Frotas S.A.), representing 100% of the investee's share capital

On May 5, 2020, the Brazilian Administrative Council for Economic Defense (CADE) approved without restrictions the acquisition of single control provided for in the Investment Agreement entered into between the Company and Unidas Veículos Especiais S.A. (formerly Zetta Frotas S.A.), which was consummated after the legal term of 15 (fifteen) days for opposition of appeals against CADE's decision had elapsed, and the decision became final and unappealable.

On June 12, 2020, the Shareholders' Extraordinary General Meeting approved the merger of the shares of Unidas Veículos Especiais S.A. (formerly Zetta Frotas S.A.) and the latter's subsequent conversion into a wholly-owned subsidiary of the Company.

#### Primary reasons for the business combination and a description of how the acquirer obtained control of the acquiree

The transaction is in line with the Group's strategy of diversifying its fleet outsourcing operations, targeting other markets it has not yet explored. Upon the acquisition, Unidas will have another business unit, "Unidas Veículos Especiais", engaged in supplying the market with adapted vehicles such as ambulances, mobile ICUs, rescue vehicles, hearses, police cars, etc. The activities will be supported by the expertise of the investee in this segment, and the competitive advantages of Unidas in terms of national capillarity, leadership in the fleet outsourcing segment, scale in the purchase of vehicles and accessories, broad network of semi-new vehicles, and intensive investment capacity provided by its sound capital structure and wide access to equity and debt markets.

The operation represents another step taken by the Group to consolidate its position in the Brazilian fleet outsourcing market through the acquisition of companies with a solid capital structure and quality customer portfolio, which will contribute to accelerate revenue expansion in this segment, coupled with the generation of operational and financial synergies.

The price for acquisition of 100% equity interest in Unidas Veículos Especiais S.A. was R\$ 56,922, paid as follows: R\$24,479 in cash, and R\$ 32,443 through the transfer of Company's treasury shares.

#### Net assets merged at fair value recognized at the acquisition date

The acquiree's equity at fair value amounted to R\$ 34,167, comprised as follows:

Book value of the acquiree's equity on June 12, 2020, date of the Shareholders' Extraordinary General Meeting	18,658
<b>Revaluation adjustments:</b>	
Surplus on revaluation of "Vehicles being decommissioned for fleet renewal"	1,240
Deficit on revaluation of property and equipment - Vehicles	(1,531)
Surplus on revaluation of the customer portfolio	23,790
Deferred taxes on the business combination	(7,990)
<b>Acquiree's equity at fair value</b>	<u>34,167</u>

# Companhia de Locação das Américas

## Notes to the quarterly information at September 30, 2020

All amounts in thousands of reais unless otherwise stated

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### Methodology used to calculate the fair value

The fair value of the assets acquired and liabilities assumed was estimated by management with the support of independent consultants, based on the following methodologies:

**(i) Customer agreements/portfolio:** the fair value of the intangible assets arising from customer relationships was calculated under the Multi-Period Excess Earnings Method (MPEEM). On June 12, Unidas Veículos Especiais S.A. (formerly Zetta Frotas S.A.) had approximately R\$7,458 recorded as provision for impairment of trade receivables;

**ii) Property and equipment and vehicles being decommissioned for fleet renewal:** The valuation criteria used to determine the market value of these assets were as follows:

The vehicles were valued based on ownership certificates and spreadsheets provided by the acquiree, reconciled to the accounting records, from which data, such as the brand, model, year of manufacture, and model was collected. The fair value of these assets was determined based on market research from industry-specific publications (Institute of Economic Research - FIPE), considering the history of sales of the vehicles in comparison with the FIPE chart.

#### Goodwill on acquisitions

Consideration transferred	56,922
Fair value of the acquiree's equity	(34,167)
<b>Goodwill based on expected future profitability</b>	<u>22,755</u>

The acquisition generated goodwill, considering that the cost of the business combination included the amount paid as control premium. In addition, the considerations paid for the combinations included amounts referring to the benefits of the expected synergies, revenue growth, and future development of the markets. These benefits are not recognized separately from goodwill because they do not meet the criteria for recognition of identifiable intangible assets.

### Disclosure of the acquisition price for purposes of presentation of the consolidated cash flow

Consideration paid in cash	24,479
Cash and cash equivalents arising from acquisition	(2,347)
<b>Acquisition of investments, net of the acquiree's cash</b>	<u>22,132</u>

The results of Unidas Veículos Especiais S.A. (formerly Zetta Frotas S.A.) relating to the periods prior and subsequent to the business combination are presented below:



# Companhia de Locação das Américas

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	Unidas Veículos Especiais S.A.		
	January 1 to June 11	June 11 to September 30	September 30, 2020
Net operating revenue	57,603	42,981	100,584
Cost of rental and sale of vehicles	(51,974)	(24,736)	(76,710)
<b>Gross profit</b>	<b>5,629</b>	<b>18,245</b>	<b>23,874</b>
Administrative and selling expenses	(8,432)	(6,722)	(15,154)
Other operating expenses	(972)	(38)	(1,010)
<b>Profit (loss) before finance income (costs) and income taxes</b>	<b>(3,775)</b>	<b>11,485</b>	<b>7,710</b>
Finance income	114	566	680
Finance costs	(10,962)	(3,054)	(14,016)
<b>Finance costs, net</b>	<b>(10,848)</b>	<b>(2,488)</b>	<b>(13,336)</b>
<b>Profit (loss) before income tax and social contribution</b>	<b>(14,623)</b>	<b>8,997</b>	<b>(5,626)</b>
Income tax and social contribution	5,020	(3,113)	1,907
<b>Profit (loss) for the period</b>	<b>(9,603)</b>	<b>5,884</b>	<b>(3,719)</b>

Additionally, due to the business combination carried out on June 12, 2020, the balance sheet items at book value and fair value are presented below:

	Unidas Veículos Especiais S.A.		
	Carrying amount	Adjustments	Fair value
<b>Assets</b>			
<b>Current assets</b>	<b>28,284</b>	<b>1,240</b>	<b>29,524</b>
Cash and cash equivalents	2,347		2,347
Trade receivables	15,710		15,710
Vehicles being decommissioned for fleet renewal	5,559	1,240	6,799
Other current assets	4,668		4,668
<b>Non-current assets</b>	<b>154,705</b>	<b>22,259</b>	<b>176,964</b>
Other non-current assets	497		497
Property and equipment	151,314	(1,531)	149,783
Right-of-use assets	2,787		2,787
Intangible assets	107	23,790	23,897
<b>Total assets</b>	<b>182,989</b>	<b>23,499</b>	<b>206,488</b>
<b>Liabilities</b>			
<b>Current liabilities</b>	<b>105,795</b>		<b>105,795</b>
Borrowings and debentures	64,261		64,261
Property leases	2,787		2,787
Other current liabilities	38,747		38,747
<b>Non-current liabilities</b>	<b>58,536</b>	<b>7,990</b>	<b>66,526</b>
Borrowings and debentures	49,566		49,566
Deferred taxes	1,584	7,990	9,574
Other non-current liabilities	7,386		7,386
<b>Equity</b>	<b>18,658</b>	<b>15,509</b>	<b>34,167</b>
<b>Total liabilities and equity</b>	<b>182,989</b>	<b>23,499</b>	<b>206,488</b>

# Companhia de Locação das Américas

## Notes to the quarterly information at September 30, 2020

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### 10 Property and equipment

#### (a) Change in cost and depreciation

Parent company			
Cost	Vehicles	Other property and equipment	Total
<b>At December 31, 2018</b>	2,024,992	22,910	2,047,902
Additions	1,255,474	2,334	1,257,808
Reductions	(15,870)	(46)	(15,916)
Transfer to vehicles being decommissioned for fleet renewal	(789,800)		(789,800)
<b>At December 31, 2019</b>	2,474,796	25,198	2,499,994
Additions	818,240	1,605	819,845
Reductions	(7,376)	(21)	(7,397)
Transfer to vehicles being decommissioned for fleet renewal	(492,582)		(492,582)
<b>At September 30, 2020</b>	2,793,078	26,782	2,819,860
<b>Depreciation</b>			
<b>At December 31, 2018</b>	(232,888)	(10,497)	(243,385)
Depreciation	(164,739)	(3,133)	(167,872)
Reductions	1,935		1,935
Transfer to vehicles being decommissioned for fleet renewal	172,311		172,311
<b>At December 31, 2019</b>	(223,381)	(13,630)	(237,011)
Depreciation	(130,640)	(2,700)	(133,340)
Reductions	1,781		1,781
Transfer to vehicles being decommissioned for fleet renewal	82,254		82,254
<b>At September 30, 2020</b>	(269,986)	(16,330)	(286,316)
<b>Net amount</b>			
<b>At September 30, 2020</b>	2,523,092	10,452	2,533,544
<b>At December 31, 2019</b>	2,251,415	11,568	2,262,983

# Companhia de Locação das Américas

## Notes to the quarterly information

at September 30, 2020

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Consolidated			
Cost	Vehicles	Other property and equipment	Total
<b>At December 31, 2018</b>	<b>5,163,019</b>	<b>57,773</b>	<b>5,220,792</b>
Additions	4,472,497	87,771	4,560,268
Reductions	(130,888)	(8,615)	(139,503)
Property and equipment arising from the acquisition of Unidas Agro Locação de Veículos S.A.	169,111	520	169,631
Surplus on revaluation of property and equipment arising from the acquisition of Unidas Agro Locação de Veículos S.A.	2,145		2,145
Transfer to vehicles being decommissioned for fleet renewal	(2,812,484)		(2,812,484)
<b>At December 31, 2019</b>	<b>6,863,400</b>	<b>137,449</b>	<b>7,000,849</b>
Additions	2,765,863	39,074	2,804,937
Reductions	(30,500)	(2,224)	(32,724)
Property and equipment arising from the acquisition of Unidas Veículos Especiais S.A.	150,814	500	151,314
Deficit on revaluation of vehicles arising from the acquisition of Unidas Veículos Especiais	(1,531)		(1,531)
Transfer to vehicles being decommissioned for fleet renewal	(2,424,057)		(2,424,057)
<b>At September 30, 2020</b>	<b>7,323,989</b>	<b>174,799</b>	<b>7,498,788</b>
<b>Depreciation</b>			
<b>At December 31, 2018</b>	<b>(256,078)</b>	<b>(6,853)</b>	<b>(262,931)</b>
Depreciation	(372,583)	(23,760)	(396,343)
Reductions	25,167	8,031	33,198
Amortization of surplus on revaluation	(7,437)		(7,437)
Transfer to vehicles being decommissioned for fleet renewal	337,761		337,761
<b>At December 31, 2019</b>	<b>(273,170)</b>	<b>(22,582)</b>	<b>(295,752)</b>
Depreciation	(343,753)	(25,925)	(369,678)
Reductions	3,293	473	3,766
Amortization of surplus/deficit on revaluation	(7,801)		(7,801)
Transfer to vehicles being decommissioned for fleet renewal	265,081		265,081
<b>At September 30, 2020</b>	<b>(356,350)</b>	<b>(48,034)</b>	<b>(404,384)</b>
<b>Net amount</b>			
<b>At September 30, 2020</b>	<b>6,967,639</b>	<b>126,765</b>	<b>7,094,404</b>
<b>At December 31, 2019</b>	<b>6,590,230</b>	<b>114,867</b>	<b>6,705,097</b>

## (b) Reconciliation of depreciation and amortization for the purpose of preparing the statement of cash flows and the statement of income

		Parent company		Consolidated	
		9/30/2020	9/30/2019	9/30/2020	9/30/2019
Depreciation of property and equipment	Note 10	133,340	124,871	369,678	293,790
Amortization of intangible assets	Note 12	2,918	1,726	12,025	7,256
Amortization of surplus/deficit on revaluation of property and equipment	Notes 10 and 12	2,320	2,320	20,809	14,758
Amortization of surplus on revaluation of vehicles being decommissioned for fleet renewal	Note 7			1,987	646
Amortization of surplus/deficit on revaluation of investment	Note 9	20,476	12,483		
PIS/COFINS on depreciation of right-of-use assets		(311)		(2,279)	
Renegotiation of leases (right-of-use assets) (*)		(322)		(7,143)	
Depreciation of right-of-use assets	Note 11a	3,727	5,559	32,252	35,397
<b>Total</b>		<b>162,148</b>	<b>146,959</b>	<b>427,329</b>	<b>351,847</b>

(\*) Renegotiation of the payment of installments provided for in lease agreements, due to the effects of the COVID-19 pandemic. The contractual clauses remained unchanged.

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### 11 Lease right-of-use assets and property leases

The Group rents properties for its RAC and Semi-new vehicle segment, including street stores, and units in shopping malls and airports.

#### (a) Changes in right-of-use assets

Cost	Parent company	Consolidated
<b>At December 31, 2018</b>		
Effect of first-time adoption of IFRS 16	21,419	98,774
Additions	346	84,089
<b>At December 31, 2019</b>	<b>21,765</b>	<b>182,863</b>
Additions		34,354
Write-off of contracts		(828)
Balance arising from the acquisition of Unidas Veículos Especiais S.A.		2,787
<b>At September 30, 2020</b>	<b>21,765</b>	<b>219,176</b>
<b>Depreciation</b>		
<b>At December 31, 2018</b>		
Depreciation	(7,430)	(50,268)
<b>At December 31, 2019</b>	<b>(7,430)</b>	<b>(50,268)</b>
Depreciation	(3,727)	(32,252)
<b>At September 30, 2020</b>	<b>(11,157)</b>	<b>(82,520)</b>
<b>Net amount</b>		
<b>At September 30, 2020</b>	<b>10,608</b>	<b>136,656</b>
<b>At December 31, 2019</b>	<b>14,335</b>	<b>132,595</b>

#### (b) Breakdown of property leases

The Company measured lease liabilities at the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application. The average discount rate of 6.81% was used.

## Companhia de Locação das Américas

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<b>Property leases</b>	<b>Parent company</b>	<b>Consolidated</b>
<b>At December 31, 2018</b>		
Effect of first-time adoption of IFRS 16	24,947	114,733
Additions	397	100,513
Payments	(8,649)	(58,456)
<b>At December 31, 2019</b>	<b>16,695</b>	<b>156,790</b>
Additions		39,128
Write-off of contracts		(227)
Payments	(4,340)	(37,641)
Balance arising from the acquisition of Unidas Veículos Especiais S.A.		2,787
<b>At September 30, 2020</b>	<b>12,355</b>	<b>160,837</b>
<b>Adjustment to present value</b>		
<b>At December 31, 2018</b>		
Effect of first-time adoption of IFRS 16	(3,528)	(15,958)
Additions	(52)	(16,541)
Payments	1,219	8,304
<b>At December 31, 2019</b>	<b>(2,361)</b>	<b>(24,195)</b>
Additions		(4,774)
Write-off of contracts		(601)
Payments	614	5,389
<b>At September 30, 2020</b>	<b>(1,747)</b>	<b>(24,181)</b>
<b>At September 30, 2020</b>	<b>10,608</b>	<b>136,656</b>
Current	4,970	47,220
Non-current	5,638	89,436

#### (c) Key aspects

The table below presents the maturity analysis of the agreements:

	<b>Payment schedule</b>	
	<b>Parent company</b>	<b>Consolidated</b>
2020	1,314	12,943
2021	4,844	47,940
2022	3,037	38,926
2023	900	29,727
After 2023	2,260	31,301
Total	12,355	160,837
Built-in interest	(1,747)	(24,181)
Lease liabilities	10,608	136,656

In order to ensure the quality of the information provided in its financial reports, as well as to fully comply with the general principles to be applied when using Discounted Cash Flow (DCF) techniques for accounting measurement purposes, the Company presents in the table below a comparison between the balances of lease liabilities and right-of-use assets, projecting an annual inflation of 2.12% for 2020, 3.00% for 2021, 3.50% for 2022, and 3.25% for 2023 onwards, according to the Focus bulletin.

# Companhia de Locação das Américas

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The amounts in the column "With inflation" are compared with the amounts recorded in the column "Without inflation".

	2020					
	Parent company			Consolidated		
	Without inflation	With inflation	% Variation	Without inflation	With inflation	% Variation
Right-of-use assets, net	10.608	10.842	2,2%	136.656	139.526	2,1%
Lease liabilities	12.355	12.552	1,6%	160.837	162.093	0,8%

It can be noted that the measurement of the expected installments at present value, increased by the projected future inflation, does not generate any material distortions in lease liabilities and right-of-use assets, with a net effect that represents 0.03% of the consolidated equity and 0.005% of the parent company's equity.

## 12 Intangible assets

	Parent company					
	Software	Customer portfolio	Trademarks and patents	Goodwill	Other	Total
<b>Cost</b>						
<b>At December 31, 2018</b>	19,016	10,092	363	71,658	60	101,189
Additions	10,186					10,186
Disposals and write-offs	(171)					(171)
<b>At December 31, 2019</b>	29,031	10,092	363	71,658	60	111,204
Additions	5,894					5,894
Reductions	(97)					(97)
<b>At September 30, 2020</b>	34,828	10,092	363	71,658	60	117,001
<b>Amortization</b>						
<b>At December 31, 2018</b>	(12,877)	(4,163)	(363)			(17,403)
Amortization	(2,510)					(2,510)
Amortization of surplus on revaluation		(3,093)				(3,093)
<b>At December 31, 2019</b>	(15,387)	(7,256)	(363)			(23,006)
Amortization	(2,918)					(2,918)
Amortization of surplus on revaluation		(2,320)				(2,320)
<b>At September 30, 2020</b>	(18,305)	(9,576)	(363)			(28,244)
<b>Net amount</b>						
<b>At September 30, 2020</b>	16,523	516		71,658	60	88,757
<b>At December 31, 2019</b>	13,644	2,836		71,658	60	88,198

## Companhia de Locação das Américas

### Notes to the quarterly information at September 30, 2020

All amounts in thousands of reais unless otherwise stated

	Consolidated				
Cost	Software	Contracts with customers	Trademarks and patents	Goodwill	Other
<b>At December 31, 2018</b>	<b>32,282</b>	<b>51,620</b>	<b>31,347</b>	<b>806,056</b>	<b>5,058</b>
Additions	30,024				1,236
Disposals and write-offs	(2,459)				
Intangible assets arising from the acquisition of Unidas Agro Locação de Veículos S.A.		6,657			
Goodwill arising from the acquisition of Unidas Agro Locação de Veículos S.A.				59,684	
<b>At December 31, 2019</b>	<b>59,847</b>	<b>58,277</b>	<b>31,347</b>	<b>865,740</b>	<b>6,294</b>
Additions	28,079				470
Disposals and write-offs	(97)				
Intangible assets arising from the acquisition of Unidas Veículos Especiais S.A.	107				
Surplus on revaluation arising on the acquisition of Unidas Veículos Especiais S.A.		23,790			
Goodwill arising on the acquisition of Unidas Veículos Especiais S.A.				22,755	
<b>At September 30, 2020</b>	<b>87,936</b>	<b>82,067</b>	<b>31,347</b>	<b>888,495</b>	<b>6,764</b>
<b>Amortization</b>					
<b>At December 31, 2018</b>	<b>(15,096)</b>	<b>(9,495)</b>	<b>(763)</b>		<b>(1,060)</b>
Amortization	(7,386)	(1,636)		(2)	(1,900)
Disposals and write-offs					
Amortization of surplus on revaluation		(12,293)			
<b>At December 31, 2019</b>	<b>(22,482)</b>	<b>(23,424)</b>	<b>(763)</b>	<b>(2)</b>	<b>(2,960)</b>
Amortization	(9,173)	(1,227)	(358)		(1,267)
Amortization of surplus on revaluation		(13,008)			
<b>At September 30, 2020</b>	<b>(31,655)</b>	<b>(37,659)</b>	<b>(1,121)</b>	<b>(2)</b>	<b>(4,227)</b>
<b>Net amount</b>					
<b>At September 30, 2020</b>	<b>56,281</b>	<b>44,408</b>	<b>30,226</b>	<b>888,493</b>	<b>2,537</b>
<b>At December 31, 2019</b>	<b>37,365</b>	<b>34,853</b>	<b>30,584</b>	<b>865,738</b>	<b>3,334</b>

### Surplus on revaluation of acquisitions of investees

The Company acquired Unidas S.A. in 2018, Unidas Agro Locação de Veículos S.A. in 2019, and Unidas Veículos Especiais S.A. on June 12, 2020. The determination of the purchase price allocation identified a surplus value on existing agreements between the three acquired companies and their customers.

### Amortization of surplus on revaluation of customer portfolios

The surplus on revaluation identified in each acquisition is recognized on a straight-line basis, in accordance with the remaining useful life determined based on a valuation report, and is amortized over an average term of four years and seven months.

### Allocation of goodwill to the cash generating units

Goodwill and trademarks were tested for impairment at March 31, 2020, and no adjustments to the amounts of goodwill and surplus on revaluation of the customer portfolio were required for the period ended September 30, 2020. The impairment test will be performed again at December 31, 2020, or on an as-needed basis.

The amounts related to goodwill based on expected future profitability were allocated by legal entity, which management understands to represent the lowest level at which goodwill is monitored in its internal reports.

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#### *Impairment tests for goodwill*

Goodwill impairment was calculated according to the future profitability methodology, which is based on retrospective analysis, projected scenarios, and discounted cash flows.

Economic and financial modeling starts with the definition of macroeconomic assumptions concerning sales, production, costs, and investments of the company or business unit that is being valued. The assumptions used in this work are based on estimates published by the Brazilian Geography and Statistics Institute (IBGE), Brazilian Central Bank, National Bank for Economic and Social Development (BNDES) and other institutions. The projections of volume and selling price of services, costs, and investments were prepared by management in accordance with the Group's business plan.

In the preparation of impairment tests for the Company's assets, revenue growth assumptions were considered with a discount rate of 10.9%, and a perpetuity rate of 3.5%, in accordance with the actual market demand and installed capacity utilization rates. These revenue growth assumptions were based on initiatives included in the business plan, by projecting an average annual growth of net revenue arising from volume and price increases.

#### 13 Trade payables

	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
Automakers	266,501	385,524	1,030,584	1,395,023
Other	54,554	9,357	132,424	55,224
	321,055	394,881	1,163,008	1,450,247

#### 14 Assignment of credits by suppliers

As part of its strategy, the Group purchases a large number of vehicles from automakers, seeking to obtain better financial conditions. The payment terms negotiated with the suppliers are of less than six months.

The Group's suppliers, in turn, discount the invoices with prime financial institutions through assignment of credits, which essentially consists of selling these receivables without the right of recourse. Accordingly, these invoices are no longer payable to the suppliers, but to the financial institutions, which take into account the Company's credit risk. At September 30, 2020, the discount rates on credit assignment agreements entered into by the Group's suppliers with local financial institutions ranged from 0.38% to 0.80% p.m. (0.60% to 0.68% p.m. at December 31, 2019) on the amount of the transactions, and finance costs were defrayed by the Group.

Accordingly, at September 30, 2020, the balances relating to these transactions were as follows:

	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
Assignment of credits by suppliers	340,303	113,933	966,504	479,110
Unamortized cost	(6,701)	(648)	(15,827)	(2,490)
	333,602	113,285	950,677	476,620



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These amounts mature as follows:

	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
From 1 to 30 days	70,118	103,429	312,397	467,697
From 31 to 120 days	43,438	10,504	156,070	11,413
Over 121 days	226,747		498,037	
	340,303	113,933	966,504	479,110

The Group classified these transactions as operating activities in the statement of cash flows.

## 15 Borrowings and debentures

		Parent company		Consolidated	
		9/30/2020	12/31/2019	9/30/2020	12/31/2019
Finance lease			76		76
Debentures	Note 15.1	352,166	48,568	572,149	119,211
Promissory Note	Note 15.1	(264)	(258)	(264)	(258)
Agribusiness Receivable Certificates (CRAs)	Note 15.1			323	(304)
Working capital	Notes 15.1 and 15.2	6,973		15,655	796
<b>Current liabilities</b>		358,875	48,386	587,863	119,521
Debentures	Note 15.1	1,340,261	1,735,674	3,496,587	4,092,920
Promissory Note	Note 15.1	141,926	137,130	141,926	137,130
Agribusiness Receivable Certificates (CRAs)	Note 15.1			122,321	122,093
Working capital	Notes 15.1 and 15.2	299,173		868,878	200,861
<b>Non-current liabilities</b>		1,781,360	1,872,804	4,629,712	4,553,004
<b>Total</b>		2,140,235	1,921,190	5,217,575	4,672,525

The fair values of borrowings and debentures do not significantly differ from their respective carrying amounts, and are disclosed in Note 4.

At September 30, 2020, borrowings and debentures recorded within liabilities, net of borrowing costs, by maturity year, were as follows:

	Parent company		Consolidated	
Maturity	9/30/2020	12/31/2019	9/30/2020	12/31/2019
2020	10,060	48,364	25,288	119,521
2021	489,263	506,576	701,864	710,978
2022	573,357	598,171	1,237,385	1,168,068
2023 to 2029	1,067,555	768,079	3,253,038	2,673,958
	2,140,235	1,921,190	5,217,575	4,672,525

# Companhia de Locação das Américas

## Notes to the quarterly information at September 30, 2020

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The carrying amounts of the Group's borrowings and debentures are denominated in the following currencies and subject to the following interest rates:

						Parent company	
Type	Note	Currency	Rate (%)	Maturity year		9/30/2020	12/31/2019
Finance lease		R\$	13.79% to 20.60% p.a.	2020			76
Debentures	Note 15.1	R\$	100% of CDI + 1.20 to 3% p.a.	2020 to 2023		745,301	831,384
Debentures	Note 15.1	R\$	108% to 119% of CDI	2023 to 2024		947,126	952,858
Promissory Note	Note 15.1	R\$	CDI + 1.4% p.a.	2021		141,662	136,872
Working capital	Note 15.1	R\$	100% do CDI + 3%p.a.	2023		306,146	
						<u>2,140,235</u>	<u>1,921,190</u>
						Consolidated	
Type	Note	Currency	Rate (%)	Maturity year		9/30/2020	12/31/2019
Finance lease		R\$	13.79% to 20.60% p.a.	2020			76
Debentures	Note 15.1	R\$	100% of CDI + 1.15% to 1.6% p.a.	2020 to 2023		1,161,138	1,292,684
Debentures	Note 15.1	R\$	110.6% to 119% of CDI	2023 to 2029		2,802,079	2,813,986
Debentures	Note 15.1	R\$	7.3032% p.a. + IPCA	2025		105,519	105,461
Promissory Note	Note 15.1	R\$	CDI + 1.4% p.a.	2021		141,662	136,872
CRA's	Note 15.1	R\$	108% of CDI	2026		122,644	121,789
Working capital	Note 15.1	R\$	100% do CDI + 3%p.a.	2023		306,146	
Working capital	Note 15.1	R\$	21.06% p.a.	2029		14,178	
Working capital	Note 15.2	US\$	3 M LIBOR + 0.40%	2024		564,209	201,657
						<u>5,217,575</u>	<u>4,672,525</u>

### 15.1 Debentures, promissory notes, certificates of receivables, and working capital

At September 30, 2020, none of the debentures issued by the Group are convertible into shares.

#### Contractual guarantees

For compliance with the obligations related to the debentures, the Group provided the following guarantees:

- Marketable securities, according to Note 5(b);
- Rights under rental agreements entered into with Group's customers, accounting for 4.30% (R\$21,081) of the consolidated amount of trade receivables. No rights arising from the parent company's rental agreements have been pledged as collateral for debentures.
- No vehicle of the Group has been pledged as collateral for debentures.
- Fiduciary assignment of credit rights to make up the collateral for the Group's debentures, representing 78.70% of the marketable securities in the consolidated (R\$146,954). The parent company has no credit rights pledged as collateral for debentures.

#### Acceleration covenants

The issues include certain hypotheses of early maturity, which address the following, among other aspects:

- Non-compliance with financial obligations, not remedied within two business days;
- Issues concerning partial or total default.

Additionally, failure to comply with certain financial ratios may accelerate the maturity of the debentures. At September 30, 2020 and December 31, 2019, the Group was in full compliance with all the covenants.

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#### Funding cost of debentures and promissory notes

The transaction costs incurred in connection with the issue of debentures and not yet charged to the Group's profit or loss are presented as a reduction of the balance of liabilities, and allocated to the statement of income under the effective interest rate method.

The funding costs to be recognized in subsequent periods are as follows:

	<u>Parent company</u>	<u>Consolidated</u>
<b>Year</b>		
2020	(1,660)	(3,232)
2021	(6,207)	(12,445)
2022	(5,438)	(11,144)
2023	(2,400)	(5,286)
2024	(529)	(2,045)
After 2025		(1,850)
<b>Total</b>	<u>(16,234)</u>	<u>(36,002)</u>

#### 15.2 Funding of working capital in foreign currency

On March 19, 2020, the Board of Directors of Unidas S.A. approved the contracting of a foreign currency borrowing through Law 4131 of September 3, 1962, and the execution of a Private Swap Agreement in the amount of US\$50,000 (fifty million dollars). On April 15, 2020, the Board of Directors of Unidas S.A. approved the contracting of a foreign currency borrowing through Law 4,131 of September 3, 1962 and the execution of a Private Swap Agreement in the amount of R\$300,000. The net proceeds obtained by the Issuer were used in the normal course of its business, to reinforce cash.

#### 16 Judicial deposits and provision for contingencies

##### (a) Judicial deposits

The breakdown of the balances of judicial deposits, by type of lawsuit, is shown below:

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>9/30/2020</u>	<u>12/31/2019</u>	<u>9/30/2020</u>	<u>12/31/2019</u>
Civil and labor	616	386	13,434	10,253
Tax	<u>23,605</u>	<u>22,634</u>	<u>51,548</u>	<u>49,518</u>
	<u>24,221</u>	<u>23,020</u>	<u>64,982</u>	<u>59,771</u>

##### (b) Provision for contingencies

The Group recorded provisions for lawsuits classified as involving probable losses, and for which there was a present obligation at the balance sheet date.

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Changes in the provisions were as follows:

	Parent company		
	Civil and labor	Tax	Total
<b>At December 31, 2018</b>			
Provision recorded in the year	10,183	1,538	11,721
	6,455	975	7,430
<b>At December 31, 2019</b>			
Amortization of deficit on revaluation	16,638	2,513	19,151
Amount recorded for the period	(3,385)		(3,385)
	1,166	565	1,731
<b>At September 30, 2020</b>			
	14,419	3,078	17,497
	Consolidated		
	Civil and labor	Tax	Total
<b>At December 31, 2018</b>			
Balance arising from the acquisition of Unidas Agro Locação de Veículos S.A.	24,461	84,385	108,846
	240	160	400
Amortization of deficit on revaluation		(601)	(601)
Provision recorded in the year	5,115	2,125	7,240
<b>At December 31, 2019</b>			
Balance arising from the acquisition of Unidas Veículos Especiais S.A.	29,816	86,069	115,885
	108		108
Amortization of deficit on revaluation	(6,021)	(671)	(6,692)
Provision recorded (reversed) in the period	8,756	(134)	8,622
<b>At September 30, 2020</b>			
	32,659	85,264	117,923

#### (c) Lawsuits classified as involving probable losses

##### *Civil lawsuits*

The Company is a defendant in civil lawsuits seeking compensation for victims of traffic accidents involving vehicles of its fleet, alleging pain and suffering and property damages. A provision was recorded at an amount deemed sufficient to cover potential losses on these proceedings. These lawsuits are in progress at different court levels, and it is not currently possible to anticipate the outcomes based on applicable case law. The Company maintains judicial deposits to cover part of these disputes.

It is not possible to determine the prevailing trend of case law in these civil proceedings, as most of them concern car accidents, and the court decisions on this kind of accident do not follow an established pattern, being mostly based on the circumstances and evidence presented in each case.

##### *Labor claims*

These correspond mainly to indemnity claims for overtime pay, severance pay, salaries, vacation pay, commissions, and recognition of an employment relationship, for which a provision has been recorded at an amount considered sufficient to cover possible losses.

The court decisions on labor litigations involving overtime and payroll charges are based on the circumstances and evidence presented in each case. Accordingly, in view of the scattered composition of such proceedings, it is not possible to conclude on the applicable case law for such matters. However, as regards the recognition of an employment relationship concerning employees hired through labor cooperatives, there is the understanding consolidated by the Superior Labor Court that, as the

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### **Notes to the quarterly information at September 30, 2020**

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cooperative is seen as a labor provider, there is no legal impediment preventing the Company from recognizing the direct employment relationship with the cooperative. Management believes that the Company may face unfavorable decisions in these proceedings, and therefore, recorded provisions to cover possible losses.

#### *Tax claims*

The provision for tax risks was accrued mainly on account of non-payment of the Social Integration Program (PIS) for the period from August to November 2002, and Social Contribution on Revenues (COFINS) for the period from August 2002 to January 2004, as the Company challenged the levy of such taxes on revenue from its car rental activities.

Former decisions rendered by the Superior Court of Justice (STJ) considered that leases of movable property constitute billings, and, as such, should be included in the PIS and COFINS tax base. In September 2010, the amounts of R\$ 10,092 and R\$ 440, related to COFINS and PIS, respectively, were deposited in court, following a tax collection lawsuit filed by the Federal Government, claiming the payment of the amounts due.

The Group recognized a provision for these tax lawsuits totaling R\$85,264 at September 30, 2020 (R\$86,069 at December 31, 2019). The Company monitors the lawsuits in progress before the State and Federal trial and appellate courts, classifying them in accordance with the decisions rendered.

#### **(d) Contingencies classified as involving possible losses**

At September 30, 2020, the Group was a party to a number of lawsuits totaling approximately R\$371,186 (R\$325,733 at December 31, 2019), classified by the legal advisors as involving possible losses, and for which no provision has been recorded.

Most of the lawsuits classified as involving possible losses are of a tax nature. There are also assessments by the Government of the State of São Paulo, based on State Law 13,296/2008 (Tax on Vehicles (IPVA)) amounting to R\$22,592 (R\$20,101 at December 31, 2019).

The Company disputes in court the use of certain PIS and COFINS credits, seeking to preclude the application of Interpretative Declaratory Act (ADI) of the Brazilian Federal Revenue Service (RFB), of April 2015, and ensure the right to use the PIS and COFINS credits computed on the acquisition cost of vehicles intended for rental and recognized as property and equipment. The Company requests the full use of these credits, pursuant to the provisions of Law 10,833/2003, Article 3, paragraph 14, item VI, and Article 15, item II. At September 30, 2020, the Company's management classified the likelihood of an unfavorable outcome as possible and estimated the related loss at R\$74,621 (R\$71,900 at December 31, 2019).

On May 21, 2009, the Brazilian Federal Revenue Secretariat (SRFB) issued tax assessment notices against Unidas S.A., requesting the payment of IRPJ and CSLL debts, relating mainly to the deductibility of goodwill amortization from 2004 to 2007. At September 30, 2020, the adjusted amount of these debts totaled R\$ 58,502 (R\$57,481 at December 31, 2019).

On December 11, 2014, the SRFB issued tax assessment notices against Unidas S.A., requesting the payment of IRPJ and CSLL debts, relating mainly to the deductibility of goodwill amortization and swap contract expenses referring to 2009. At September 30, 2020, the adjusted amount of these debts totaled R\$35,191 (R\$34,530 at December 31, 2019).

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In October 2019, Unidas filed a lawsuit seeking to preclude the application of Brazilian Federal Revenue Service (RFB Interpretative Declaratory Act (ADI) of April 2015, and ensure the right to use the total PIS and COFINS credits computed on the acquisition cost of vehicles intended for rental and recognized as property and equipment, pursuant to the provisions of Law 10,833/2003, Article 3, paragraph 14, item VI, and Article 15, item II. At September 30, 2020, the Company's management classified the likelihood of loss on this contingency as possible and estimated the referred loss at R\$28,403 (R\$11,000 at December 31, 2019).

The Group's management disagrees with the grounds that led to the issue of the aforementioned tax assessment notices, and, therefore, challenged these assessments at the administrative level, within the applicable deadlines established by law, and is awaiting the judgment of the appeals.

The other lawsuits classified as involving possible losses relate to civil and labor claims.

### 17 Related parties

#### (a) Remuneration of the key management personnel

The remuneration of the key management personnel (statutory officers and members of the Board of Directors), by category, for the periods ended September 30, 2020 and 2019, was as follows:

	Parent company		Consolidated	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019
Board of Directors				
Direct compensation	900	1,154	900	1,154
Social charges	180	231	180	231
Share-based compensation plan	37	58	37	58
Executive Board				
Direct compensation, profit sharing and fringe benefits	7,001	6,031	11,317	9,234
Social charges	590	231	978	1,321
Share-based compensation plan	1,444	722	3,878	722
	<u>10,152</u>	<u>8,427</u>	<u>17,290</u>	<u>12,720</u>

#### (b) Related-party transactions

	Parent company									
	Unidas S.A. (*)		Unidas Agro Locação de Veículos S.A.		Unidas Veículos Especiais S.A.		Other		Total	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019	9/30/2020	12/31/2019	9/30/2020	12/31/2019	9/30/2020	12/31/2019
Related parties (balance sheet balances)										
Current receivables from related parties	595	876	334				2,641	828	3,570	1,704
Dividends receivable		42,028		6,985						49,013
Non-current receivables from related parties					68,131			282	68,131	282
Current payables to related parties	(3,104)	(4,270)					(15)	(106)	(3,119)	(4,376)
	(2,509)	38,634	334	6,985	68,131		2,626	1,004	68,582	46,623

(\*) For comparability purposes, the balances of Unidas Locadora at December 31, 2019 were considered.

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	Consolidated					
	Vanguard Car Rental System USA LLC. (*)		Other		Total	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019	9/30/2020	12/31/2019
<b>Related parties (balance sheet balances)</b>						
Current receivables from related parties	20,417	33,634	3,071	831	23,488	34,465
Non-current receivables from related parties			460	282	460	282
Current payables to related parties	(8,420)	(32,370)	(15)		(8,435)	(32,370)
	11,997	1,264	3,516	1,113	15,513	2,377

(\*) The balance of receivables from Vanguard relates to car rental amounts received in advance from customers abroad, which will be transferred to Unidas S.A.

	Parent company							
	Unidas S.A. (*)		Unidas Agro Locação de Veículos S.A.		Other (*)		Total	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019	9/30/2020	9/30/2019	9/30/2020	9/30/2019
<b>Partes relacionadas (profit/loss)</b>								
Revenue	486	511	3,186	1,771	15,477	2,098	19,149	4,380
Costs and expenses	(13,912)	(174)			(10,886)	(6,621)	(24,798)	(6,795)
	(13,426)	337	3,186	1,771	4,591	(4,523)	(5,649)	(2,415)

(\*) For comparability purposes, the balances of Unidas Locadora at September 30, 2019 were considered.

	Consolidated					
	Vanguard Car Rental System USA LLC.		Other		Total	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019	9/30/2020	9/30/2019
<b>Partes relacionadas (profit/loss)</b>						
Revenue			15,238	3,479	15,238	3,479
Costs and expenses	(25,929)	(25,359)	(11,052)	(46)	(36,981)	(25,405)
	(25,929)	(25,359)	4,186	3,433	(21,743)	(21,926)

### (c) Relationship between the Company and its related parties

- Acelero Comércio de Veículos S.A. - Loan agreement with the Company settled in September.
- Agile Gestão de Frotas e Serviços S.A. - The Company did not carry out any transaction with this subsidiary.
- Armal Empreendimentos e Participação - Property rental transaction.
- Guerra Empreendimentos e Participações - Property rental transaction.
- Ls Mg Comércio de Veículos Ltda. - The Company did not carry out any transactions with this related party.
- SLR Comercio de Veículos Ltda. - Purchase and sale of vehicles.
- Via Jap Comercio de Veículos Ltda. - Purchase and sale of vehicles.

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- Via Trucks Comércio de Caminhões Ltda. - Purchase and sale of vehicles.
- Enterprise Holdings Brazil LLC. - Shareholder of the Company.
- Vanguard Car Rental System USA LLC (a subsidiary of Enterprise) - The subsidiary Unidas S.A has a rental partnership with this company. The balance payable relates to commissions on these operations, and the balance receivable to the transfer of rental amounts paid by customers directly to Vanguard.
- Unidas S.A. - Rental of vehicles.
- Unidas Comercial de Veículos S.A. - The transactions relate to indirect expenses incurred by Unidas S.A. on behalf of Unidas Comercial, which did not bear interest and were settled in September.
- Unidas Locadora de Veículos Ltda. - Vehicle rental operations, merged into Unidas S.A. on January 1, 2020.
- Unidas Franquias do Brasil S.A. - The transactions relate to indirect expenses incurred by Unidas S.A. on behalf of Unidas Franquias, which do not bear interest and will be settled in the future.
- Unidas Agro Locação de Veículos S.A. - Rental of vehicles.
- Unidas Veículos Especiais S.A. - Vehicle rental operations, sales of vehicles, and loans.
- Costa Dourada Veículos Ltda. - The Company did not carry out any transactions with this indirect subsidiary.
- Amorim & Amorim Ltda. - The Company did not carry out any transactions with this indirect subsidiary.



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#### 18 Equity

##### (a) Share capital

At September 30, 2020, the Company's shares were held as follows:

	9/30/2020		12/31/2019	
	Shares	%	Shares	%
Luís Fernando Memória Porto	45,878,766	9.02%	45,878,766	9.02%
Sergio Augusto Guerra de Resende	45,878,760	9.02%	45,878,760	9.02%
Enterprise Holdings Brazil, LLC	39,381,726	7.74%	39,381,726	7.74%
Dirley Pingnatti Ricci	32,478,613	6.38%	32,589,113	6.41%
SF 166 Participações Societárias S.A.	10,577,891	2.08%	16,404,391	3.22%
RCC Participações Sociais Ltda.	10,120,680	1.99%	10,150,680	2.00%
Free Float (*)	321,797,222	63.26%	313,837,526	61.69%
<b>Total shares outstanding</b>	<b>506,113,658</b>	<b>99.49%</b>	<b>504,120,962</b>	<b>99.09%</b>
Treasury shares	2,615,753	0.51%	4,608,449	0.91%
<b>Total</b>	<b>508,729,411</b>	<b>100.00%</b>	<b>508,729,411</b>	<b>100.00%</b>

(\*) Relates to shares traded on the São Paulo Stock Exchange (B3)

At September 30, 2020, the Company's fully subscribed and paid-up share capital, totaling R\$3,094,902, was represented by 508,729,411 registered book-entry common shares with no par value (R\$3,094,902, represented by 508,729,411 common shares at December 31, 2019).

##### (b) Share buyback programs and treasury shares

On April 20, 2020, the Company's Board of Directors approved the "Fourth share buyback plan", which provides for the acquisition of up to 20,349,175 registered, book-entry common shares, without par value, issued by the Company. The shares acquired may be used to cover exercises of stock options under stock option plans, or other types of share-based compensation valid for 18 months (October 2021) from the approval date.

At September 30, 2020, the balance of treasury shares totaled R\$20,676 (R\$ 35,562 at December 31, 2019).

At September 30, 2020, the balance of repurchased shares amounted to R\$8,204 (R\$39,979 at December 31, 2019).

At September 30, 2020, the balance of stock options exercised totaled R\$6,580 (R\$14,342 at December 31, 2019).

## Companhia de Locação das Américas

### Notes to the quarterly information at September 30, 2020

All amounts in thousands of reais unless otherwise stated

#### (c) Capital reserve

On January 31, 2019, the Company recorded an additional premium reserve of R\$18,399, arising from the difference between the fair value of the share issued and the amount stated upon the new share issue, at the acquisition of the shareholding control of Unidas Agro Locação de Veículos S.A.

An additional premium reserve was recorded on June 12, 2020, in the amount of R\$15,933 arising from the acquisition of the shareholding control of Unidas Veículos Especiais S.A. (formerly Zetta Frotas S.A.).

At September 30, 2020, the balance of the capital reserve totaled R\$552,127 (R\$ 536,194 at December 31, 2019).

#### (d) Revenue reserve

- Legal reserve

The legal reserve is credited annually with 5% of the profit for the year and cannot exceed 20% of share capital, in accordance with the provisions of Article 193 of Law 6,404/76. The purpose of the legal reserve is to protect capital, and it can only be used to offset losses and increase capital.

- Investment reserve

The investment reserve refers to the retention of the remaining balance of retained earnings, approved by the Executive Board and the Board of Directors, and intended for investments, budget revision, and maintenance of the Company's working capital. At September 30, 2020, the investment reserve amounted to R\$279,892 (R\$279,892 at December 31, 2019).

#### (e) Dividends and interest on capital

In compliance with the provisions set forth in the Company's Bylaws, at least 25% of the profit for each year, after transfer to the legal reserve, should be allocated as mandatory dividends and/or interest on capital, unless otherwise determined at the Annual General Shareholders' Meeting.

#### (f) Interest on capital

The approval dates and amounts of the payments of interest on capital and dividends approved by the Board of Directors were as follows:

Approval date	Gross amount	Net amount	Amount per share (in R\$)	Date of shareholding position
3/30/2020	48,539	43,651	0.09641	4/2/2020
6/26/2020	47,441	42,429	0.09378	7/2/2020
9/15/2020	46,831	41,942	0.09253	0/10/2020
Total	142,811	128,022		

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### Notes to the quarterly information at September 30, 2020

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Approval date	Gross amount	Net amount	Amount per share (in R\$)	Date of shareholding position
3/21/2019	45,272	39,957	0.30744	3/26/2019
6/19/2019	39,856	35,084	0.27037	6/25/2019
9/19/2019	38,581	33,986	0.26118	9/24/2019
12/23/2019	40,030	35,814	0.0794	12/30/2019
Total	163,739	144,841		

#### (g) Share-based payment (stock options, restricted stock, and matching stock program)

The main characteristics of the programs under the plan, as well as the changes in the number of options of each program for the nine-month period ended September 30, 2020, are shown below:

Plan	Program	Grant date	Vesting (Service clause)	Main characteristics and assumptions				Quantitative changes		
				Exercise price (in reais)	Expiry date	Fair value of the option/ share (in reais)	Risk-free rate	At 12/31/2019	Changes	At 9/30/2020
1	Single	12/23/2010	Up to 5.4 years	1.49	5/29/2021	3.21	5.81%	2,574	(2,574)	
1	Single	1/19/2011	Up to 5.4 years	1.49	5/29/2021	3.25	6.17%	19,184	(19,184)	
1	Single	2/23/2012	Up to 4.3 years	1.59	5/29/2021	1.51	4.25%	79,641	(79,641)	
2	3	2/15/2016	Up to 3.9 years	1.06	12/31/2024	1.00	12.09%	150,000	(28,500)	121,500
2	3	7/27/2016	Up to 5 years	1.38	7/26/2026	2.55	11.65%	449,700	(90,000)	359,700
2	3	03/08/2017	Up to 5 years	1.72	07/03/2027	6.39	4.86%	180,000	(179,000)	1,000
2	3	07/05/2017	Up to 5 years	2.56	07/04/2027	8.77	4.86%	1,516,440	(242,930)	1,273,510
2	5	03/08/2018	Up to 5 years	5.20	03/07/2028	18.49	6.96%	600,000		600,000
2	3	02/02/2018	Up to 5 years	7.97	04/01/2028	12.30	6.96%	615,000	(60,000)	555,000
Restricted stock	Single	11/21/2018	Up to 5 years	9.70	11/20/2024	29.11	6.90%	872,247	(102,600)	769,647
Matching stock	Single	3/21/2019	Up to 6 years	13.12	3/21/2025	39.35	6.90%	535,200	(140,851)	394,349
Restricted stock	Single	6/19/2019	Up to 5 years	15.61	6/19/2024	15.61	6.90%	202,500	(40,500)	162,000
Restricted stock	Single	10/17/2019	Up to 5 years	17.40	10/17/2024	17.40	6.90%	738,000	(158,400)	579,600
Restricted stock	Single	10/17/2019	Up to 5 years	17.40	10/17/2024	17.40	6.90%	180,000		180,000
Stock matching	Single	6/19/2020	Up to 6 years	15.82	6/19/2026	15.82	6.90%		635,261	635,261
								6,140,486	(508,919)	5,631,567

Changes in share-based payments during the nine-month period ended September 30, 2020 are shown below:

<b>At December 31, 2019</b>	14,775
Expenses related to share-based payments recognized in the statement of income	6,410
Employees of subsidiaries recognized in equity	5,533
Realization or right to the share-based compensation plan	(6,189)
<b>At September 30, 2020</b>	<b>20,529</b>

#### (h) Carrying value adjustment

In the periods ended September 30, 2020 and 2019, the Group recognized other comprehensive income of R\$63,099 and (R\$ 6,059) respectively (net of taxes), relating to hedge accounting operations.

At September 30, 2020, carrying value adjustments amounted to R\$42,174 (R\$ 20,925 at December 31, 2019).

# Companhia de Locação das Américas

## Notes to the quarterly information at September 30, 2020

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### 19. Net operating income

The reconciliation between gross revenue and net revenue reported in the statement of income is as follows:

	Parent company			
	Quarter ended		Nine-month period ended	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019
Gross revenue	492,071	376,526	1,235,789	1,049,746
Discounts and cancellations	(22,289)	(15,634)	(73,018)	(61,972)
Taxes levied	(20,770)	(19,744)	(60,166)	(56,019)
<b>Net operating revenue</b>	<b>449,012</b>	<b>341,148</b>	<b>1,102,605</b>	<b>931,755</b>

	Consolidated			
	Quarter ended		Nine-month period ended	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019
Gross revenue	1,881,728	1,398,637	4,282,979	3,815,372
Discounts and cancellations	(33,568)	(33,629)	(163,953)	(109,186)
Taxes levied	(61,106)	(59,182)	(170,976)	(168,524)
<b>Net operating revenue</b>	<b>1,787,054</b>	<b>1,305,826</b>	<b>3,948,050</b>	<b>3,537,662</b>

The breakdown of net operating revenue by each significant category is shown below.

	Parent company			
	Quarter ended		Nine-month period ended	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019
Rental of vehicles	230,860	207,840	670,198	593,754
Sales of semi-new vehicles (*)	238,922	153,052	492,573	394,020
Taxes levied	(20,770)	(19,744)	(60,166)	(56,019)
<b>Net revenue</b>	<b>449,012</b>	<b>341,148</b>	<b>1,102,605</b>	<b>931,755</b>

	Consolidated			
	Quarter ended		Nine-month period ended	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019
Rental of vehicles	632,478	602,296	1,810,890	1,735,373
Franchising	706	879	2,643	2,825
Management of third-parties' fleet	6,040	1,351	10,077	2,792
Sales of semi-new vehicles (*)	1,177,727	711,843	2,219,852	1,866,322
Resale of semi-new vehicles (**)	31,209	48,639	75,564	98,874
Taxes levied	(61,106)	(59,182)	(170,976)	(168,524)
<b>Net revenue</b>	<b>1,787,054</b>	<b>1,305,826</b>	<b>3,948,050</b>	<b>3,537,662</b>

(\*) Social Integration Program (PIS) and Social Contribution on Revenues (COFINS) are not levied on sales of semi-new vehicles, since these vehicles are classified as "Property and equipment".

(\*\*) The resale of semi-new vehicles relates to the operating activity exclusively performed by Acelero and Unidas Comercial.

# Companhia de Locação das Américas

## Notes to the quarterly information at September 30, 2020

All amounts in thousands of reais unless otherwise stated

### 20 Operating costs and expenses

	Parent company					
	Cost of rental and sale of vehicles		Selling, general and administrative expenses		Total	
	Quarter ended		Quarter ended		Quarter ended	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019	9/30/2020	9/30/2019
Cost of sale of semi-new vehicles	(212,968)	(137,269)			(212,968)	(137,269)
Maintenance	(58,381)	(57,936)			(58,381)	(57,936)
Depreciation and amortization	(33,014)	(44,656)	(13,456)	(6,877)	(46,470)	(51,533)
Personnel	(5,186)	(5,252)	(20,667)	(16,612)	(25,853)	(21,864)
Advertising and marketing			(2,069)	(4,517)	(2,069)	(4,517)
Commissions, fees, and outsourced services			(8,864)	(8,428)	(8,864)	(8,428)
Estimated impairment loss on trade receivables			(517)	372	(517)	372
Recovery of PIS/COFINS tax credits	16,586	15,172			16,586	15,172
Other (*)	(688)	(604)	3,427	(2,121)	2,739	(2,725)
<b>Total</b>	<b>(293,651)</b>	<b>(230,545)</b>	<b>(42,146)</b>	<b>(38,183)</b>	<b>(335,797)</b>	<b>(268,728)</b>

(\*) credit balance in the quarter due to the amortization of deficit on revaluation of contingencies.

	Parent company					
	Cost of rental and sale of vehicles		Selling, general and administrative expenses		Total	
	Nine-month period ended		Nine-month period ended		Nine-month period ended	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019	9/30/2020	9/30/2019
Cost of sale of semi-new vehicles	(448,176)	(353,066)			(448,176)	(353,066)
Provision for adjustment of assets to their recoverable	(845)				(845)	
Maintenance	(186,183)	(164,032)			(186,183)	(164,032)
Depreciation and amortization	(132,039)	(126,091)	(30,109)	(20,868)	(162,148)	(146,959)
Personnel	(16,359)	(16,834)	(58,296)	(50,222)	(74,655)	(67,056)
Advertising and marketing			(7,220)	(8,741)	(7,220)	(8,741)
Commissions, fees, and outsourced services			(28,298)	(19,506)	(28,298)	(19,506)
Estimated impairment loss on trade receivables			(4,528)	(1,398)	(4,528)	(1,398)
Recovery of PIS/COFINS tax credits	47,926	44,844			47,926	44,844
Other	(1,669)	(3,112)	(3,930)	(14,018)	(5,599)	(17,130)
<b>Total</b>	<b>(737,345)</b>	<b>(618,291)</b>	<b>(132,381)</b>	<b>(114,753)</b>	<b>(869,726)</b>	<b>(733,044)</b>

(\*) Provision for impairment of vehicles intended for fleet renewal as shown in Note 1.1.1.

# Companhia de Locação das Américas

## Notes to the quarterly information

at September 30, 2020

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	Consolidated					
	Cost of rental and sale of vehicles		Selling, general and administrative expenses		Total	
	Quarter ended		Quarter ended		Quarter ended	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019	9/30/2020	9/30/2019
Cost of sale of semi-new vehicles	(1,087,834)	(662,033)			(1,087,834)	(662,033)
Cost of resale of semi-new vehicles (*)	(27,161)	(40,139)			(27,161)	(40,139)
Maintenance	(183,353)	(164,672)			(183,353)	(164,672)
Depreciation and amortization	(112,571)	(109,250)	(22,991)	(17,283)	(135,562)	(126,533)
Personnel	(28,928)	(22,277)	(54,363)	(45,508)	(83,291)	(67,785)
Advertising and marketing			(6,127)	(16,132)	(6,127)	(16,132)
Commissions, fees, and outsourced services			(45,269)	(40,270)	(45,269)	(40,270)
Estimated impairment loss on trade receivables			(4,197)	(9,801)	(4,197)	(9,801)
Recovery of PIS/COFINS tax credits	43,702	41,208			43,702	41,208
Other	(13,549)	(15,671)	(11,781)	(156)	(25,330)	(15,827)
<b>Total</b>	<b>(1,409,694)</b>	<b>(972,834)</b>	<b>(144,728)</b>	<b>(129,150)</b>	<b>(1,554,422)</b>	<b>(1,101,984)</b>

(\*) The resale of semi-new vehicles relates to the operating activity exclusively performed by Acelero and Unidas Comercial.

	Consolidated					
	Cost of rental and sale of vehicles		Selling, general and administrative expenses		Total	
	Nine-month period ended		Nine-month period ended		Nine-month period ended	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019	9/30/2020	9/30/2019
Cost of sale of semi-new vehicles	(2,056,618)	(1,727,901)			(2,056,618)	(1,727,901)
Adjustment of assets to their recoverable value (*)	(24,545)				(24,545)	
Cost of resale of semi-new vehicles (*)	(64,989)	(79,415)			(64,989)	(79,415)
Maintenance	(552,830)	(476,112)			(552,830)	(476,112)
Depreciation and amortization	(370,267)	(304,287)	(57,062)	(47,560)	(427,329)	(351,847)
Personnel	(81,808)	(69,092)	(141,929)	(124,603)	(223,737)	(193,695)
Advertising and marketing			(20,051)	(24,274)	(20,051)	(24,274)
Commissions, fees, and outsourced services			(138,757)	(112,325)	(138,757)	(112,325)
Estimated impairment loss on trade receivables			(45,625)	(25,359)	(45,625)	(25,359)
Recovery of PIS/COFINS tax credits	122,046	122,652			122,046	122,652
Other	(43,514)	(40,674)	(38,996)	(39,199)	(82,510)	(79,873)
<b>Total</b>	<b>(3,072,525)</b>	<b>(2,574,829)</b>	<b>(442,420)</b>	<b>(373,320)</b>	<b>(3,514,945)</b>	<b>(2,948,149)</b>

(\*) The resale of semi-new vehicles relates to the operating activity exclusively performed by Acelero and Unidas Comercial.

(\*\*) Provision for impairment of vehicles intended for fleet renewal as shown in Note 1.1.1.

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### 21 Finance income (costs), net

	Parent company			
	Quarter ended		Nine-month period ended	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019
Interest on financial investments and trade receivables	3,521	5,266	17,960	21,186
Other finance income	307	307	528	1,253
<b>Total finance income</b>	<b>3,828</b>	<b>5,573</b>	<b>18,488</b>	<b>22,439</b>
Interest on borrowings and funding costs	(18,915)	(34,568)	(68,586)	(111,590)
Interest on assignment of receivables - automakers	(6,505)	(2,487)	(10,879)	(10,232)
Swap (currency rate) (*)	(13,876)	(4,862)	(33,218)	(16,017)
Property leases	(165)	(307)	(509)	(915)
Banking expenses	(513)	(420)	(1,857)	(1,240)
Other finance costs	(60)	(114)	(597)	(5,324)
<b>Total finance costs</b>	<b>(40,034)</b>	<b>(42,758)</b>	<b>(115,646)</b>	<b>(145,318)</b>
<b>Total</b>	<b>(36,206)</b>	<b>(37,185)</b>	<b>(97,158)</b>	<b>(122,879)</b>

	Consolidated			
	Quarter ended		Nine-month period ended	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019
Interest on financial investments - trade receivables	11,723	8,149	32,508	40,288
Other finance income	2,877	323	4,266	1,576
<b>Total finance income</b>	<b>14,600</b>	<b>8,472</b>	<b>36,774</b>	<b>41,864</b>
Interest on borrowings and funding costs	(46,295)	(77,902)	(156,708)	(236,913)
Interest on assignment of receivables - automakers	(15,370)	(14,227)	(27,349)	(38,496)
Swap (currency rate) (*)	(14,897)	(2,237)	(41,846)	(19,404)
Property leases	(1,381)	(4,340)	(3,814)	(7,714)
Banking expenses	(4,079)	(1,521)	(12,821)	(14,274)
Other finance costs	(2,521)	(336)	(6,246)	(8,051)
<b>Total finance costs</b>	<b>(84,543)</b>	<b>(100,563)</b>	<b>(248,784)</b>	<b>(324,852)</b>
<b>Total</b>	<b>(69,943)</b>	<b>(92,091)</b>	<b>(212,010)</b>	<b>(282,988)</b>

(\*) At September 30, 2020, R\$1,038 related to mark-to-market income and R\$34,256 to interest expenses accrued in the parent company. In the consolidated, R\$1,038 related to mark-to-market income and R\$42,884 to interest expenses accrued.

### 22 Segment Information

The accounting policies used in these operating segments are the same as those described in Note 2 or in the explanatory notes for the respective line items.

Below is a breakdown of the results by segment, without including the results of fleet renewal activities:

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	9/30/2020				9/30/2019			
	Fleet	RAC	Acelero	Consolidated	Fleet	RAC	Acelero	Consolidated
Net rental revenue	949,931	707,654		1,657,585	903,632	673,098		1,576,730
Revenue from sale of pre-owned vehicles	961,730	1,254,993	73,742	2,290,465	714,365	1,149,664	96,903	1,960,932
<b>Net revenue</b>	1,911,661	1,962,647	73,742	3,948,050	1,617,997	1,822,762	96,903	3,537,662
Cost of rentals and services, net of depreciation	(1,122,908)	(1,511,283)	(68,067)	(2,702,258)	(879,829)	(1,311,259)	(79,453)	(2,270,542)
<b>Gross profit, net of depreciation</b>	788,753	451,364	5,675	1,245,792	738,168	511,503	17,450	1,267,120
Selling expenses	(77,359)	(152,035)	(3,345)	(232,739)	(84,793)	(124,984)	(3,331)	(213,107)
General and administrative expenses, net of depreciation	(63,510)	(80,895)	(8,214)	(152,619)	(42,365)	(63,331)	(6,957)	(112,653)
Other operating income (expenses), net	(7,034)	6,984		(50)	146	216		362
<b>EBITDA (Not reviewed by auditor)</b>	640,850	225,418	(5,884)	860,384	611,156	323,404	7,162	941,722
Depreciation and amortization	(243,848)	(181,312)	(2,169)	(427,329)	(235,152)	(114,630)	(2,065)	(351,847)
<b>EBIT (Not reviewed by auditor)</b>	397,002	44,106	(8,053)	433,055	376,004	208,773	5,097	589,875
Finance costs, net	(120,826)	(90,707)	(477)	(212,010)	(153,333)	(128,885)	(770)	(282,988)
<b>EBT (Not reviewed by auditor)</b>	276,176	(46,601)	(8,530)	221,045	222,672	79,888	4,327	306,887
Income tax and social contribution	(91,561)	56,151	2,886	(32,524)	(46,571)	(16,708)	(1,466)	(64,745)
<b>Profit (loss)</b>	184,615	9,550	(5,644)	188,521	176,101	63,180	2,861	242,142

The Group does not segregate its assets and liabilities by segment to manage its business, and, therefore, does not present the balance sheet by business segment.

## 23 Earnings per share - basic and diluted

### (a) Basic earnings per share

Basic earnings per share are calculated by dividing the profit attributable to the shareholders of the Company by the weighted average number of common shares outstanding during the year, excluding common shares purchased and held in treasury.

	Parent company and Consolidated	
	9/30/2020	9/30/2019
Profit (loss) attributable to owners of the parent	188,521	242,142
Weighted average number of outstanding common shares (in thousands) (*)	508,729	446,972
Basic earnings (loss) per share - R\$	0.37	0.54

(\*) Average quantity calculated considering the one-for-three stock split of the Company's shares, as approved at the Shareholders' General Meeting held on October 17, 2019.

### (b) Diluted earnings per share

Diluted earnings per share are calculated by adjusting the weighted average number of outstanding common shares to assume conversion of all potential common shares with dilutive effects. For stock options, the number of shares that could have been acquired at fair value (determined as the average annual price of the Company's shares) is calculated, based on the monetary value of the subscription



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rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would be outstanding assuming the exercise of the options.

	Parent company and Consolidated	
	9/30/2020	9/30/2019
Profit (loss) attributable to owners of the parent	188,521	242,142
Weighted average number of outstanding common shares (in thousands) (*)	508,729	446,972
Adjustments for share purchase options (thousands) (Note 18)	5,632	6,126
Weighted average number of common shares for diluted earnings per share (in thousands)	514,361	453,098
Diluted earnings (loss) per share - R\$	0.37	0.53

(\*) Average quantity calculated considering the one-for-three stock split of the Company's shares, as approved at the Shareholders' General Meeting held on October 17, 2019.

#### 24 Insurance (Not reviewed)

The Group's policy is to maintain insurance coverage for the fleet in accordance with contractual requirements, and for damage to third parties. The insurance amounts are considered sufficient by management to cover potential risks and possible loss of property and equipment.

#### 25 Events after the reporting period

On October 8, 2020, the Company's Board of Directors and Statutory Audit Board discussed and approved the merger of the 508,729,411 shares representing the Company's total share capital into Localiza Rent a Car S.A., subject to the terms and conditions set forth in the Agreement, as presented in Note 1.2. The completion of the Merger of Shares is contingent on the approval of the Brazilian Administrative Council for Economic Defense (CADE).

In October 2020, the Company repurchased 1,213,000 shares under its fourth share buyback program.

\* \* \*

## **Officers' Statement on the Quarterly Information**

In compliance with item VI of Article 25 of CVM Instruction 480, of December 7, 2009, the Chief Executive Officer and the Chief Financial and Investor Relations Officer of Companhia de Locação das Américas, a corporation headquartered at Alameda Santos, 438, district of Cerqueira César, in the city and State of São Paulo, and enrolled in the National Corporate Taxpayers' Registry (CNPJ) under No. 10.215.988/0001-60, hereby state that they have:

i. reviewed, discussed and approved the quarterly information of Companhia de Locação das Américas for the period ended September 30, 2020.

São Paulo, October 26, 2020.

Luis Fernando M. Porto - CEO

Marco Túlio de Carvalho Oliveira - Chief Financial and Investor Relations Officer

## **Officers' Statement on the Independent Auditor's Report**

In compliance with item VI of Article 25 of CVM Instruction 480, of December 7, 2009, the Chief Executive Officer and the Chief Financial and Investor Relations Officer of Companhia de Locação das Américas, a corporation headquartered at Alameda Santos, 438, district of Cerqueira César, in the city and State of São Paulo, National Corporate Taxpayers' Registry (CNPJ) under No. 10. 215.988/0001-60, hereby state that they have:

i. reviewed, discussed and agreed with the opinion stated in the independent auditor's review report (PwC Auditores Independentes) on the quarterly information of Companhia de Locação das Américas for the period ended September 30, 2020.

São Paulo, October 26, 2020.

Luis Fernando M. Porto - CEO

Marco Túlio de Carvalho Oliveira - Chief Financial and Investor Relations Officer

Luís Fernando Memória Porto  
CEO

Marco Túlio de Carvalho Oliveira  
Financial and Investor Relations Officer

Rodrigo Ziccardi Carvalho  
General Manager of the Shared Service Center  
CRC-MG 097.874/O-3

Juliana Chrispin Gavinel  
Accounting Manager  
CRC-SP 291.159/O-0

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